

**CCSD BOARD OF TRUSTEES
AGENDA**
December 8, 2014
75 Calhoun St., Charleston, SC 29401
Business

I. EXECUTIVE SESSION			
4:30 p.m.			
	1.1:	Student Transfer Request <i>The Board will discuss a student transfer request.</i>	Action
	1.2:	Student Expulsion Appeal Hearings <i>The Board will discuss student expulsion appeal hearings as well as teacher appeal hearings.</i>	Action
	1.3:	Legal Matters -Apple Charter -Academic Magnet Lawsuit <i>The Board will discuss legal matters.</i>	Information/ Action
OPEN SESSION			
5:15 p.m.			
II.	CALL TO ORDER, INVOCATION/MOMENT OF SILENCE, & PLEDGE of ALLEGIANCE		
III.	ADOPTION OF AGENDA		
IV.	SPECIAL RECOGNITIONS (15 minutes) – Mrs. Erica Taylor, Executive Director of Strategy & Communications		
		A. Summer Reading Awards B. CCSD Student Athletic Honors	Recognitions
V.	SUPERINTENDENT'S REPORT – Mr. Michael Bobby, Acting Superintendent of Schools A. CPA Choir Performance		
VI.	VISITORS, PUBLIC COMMUNICATIONS		
VII.	APPROVAL OF MINUTES/EXECUTIVE SESSION AGENDA ITEMS		
	7.1:	A. Open Session Minutes of November 24, 2014 <i>The Board will vote on the open session minutes of November 24, 2014.</i>	Action
	7.2:	Executive Session Action Items of December 8, 2014 <i>The Board will vote on executive session action items of December 8, 2014.</i>	Action
	7.3:	A. Revised Financial Minutes of November 10, 2014 Meeting <i>The Board will vote on the revised financial minutes of November 10, 2014.</i>	Action
		B. Financial Minutes of the November 24, 2014 <i>The Board will vote on the financial minutes of November 24, 2014.</i>	Action
		C. Financial Minutes of the October 30, 2014 Special Called Emergency Meeting <i>The Board will vote on the financial minutes of October 30, 2014.</i>	Action
VIII.	CAE UPDATE		
	8.1:	Communities In Schools – Ms. Jane Riley Gambrell, Executive Director, Communities in Schools - Charleston Area <i>The Board will receive information on Communities in Schools.</i>	Presentation
IX.	MANAGEMENT REPORT(S)		
	9.1:	Security and Safety Project – Mr. Jeff Scott & Ms. Dana Enck	Information
X.	COMMITTEE REPORT(S)		
	10.1:	Audit & Finance Committee – Mr. Todd Garrett	

		A. Audit & Finance Committee Update <i>The Committee will provide information and receive input from Board members on the following:</i> <i>-Items that are currently before the committee that have not been brought forward to the Board;</i> <i>-Future topics the committee plans to bring forward; and</i> <i>-What is needed to move the item forward?</i>	Information
		B. Head Start/Early Head Start Financials – Mrs. Ruth Taylor <i>The Board will vote on a recommendation to approve the Head Start/Early Head Start financial report of October 1, 2014 – October 31, 2014.</i>	Action
		C. City of North Charleston Joint Use – Mr. Michael Bobby, Acting Superintendent of Schools <i>The Board will vote on a recommendation to approve the Joint Use Agreement between the City of North Charleston and Charleston County School District.</i>	Action
		D. Procurement Audit – Mr. Michael Bobby, Acting Superintendent of Schools <i>The Board will vote on a recommendation to accept the Procurement Audit for FY 2014.</i>	Action
		E. Axxis Consulting Contract Amendment - Mr. Michael Bobby, Acting Superintendent of Schools <i>The Board will vote on a recommendation to approve the amendment of AXXIS Consulting contract.</i>	Action
		F. Fraser/Archer Campus – Fetter Healthcare - Mr. Michael Bobby, Acting Superintendent of Schools <i>The Board will vote on a recommendation to reverse the May 9, 2011 decision to allow District staff to move forward with interested parties with respect to the future use and development of the Archer and Fraser campus.</i>	Action
		G. Financial Audit for Fiscal Year 2014 Mr. Michael Bobby, Acting Superintendent of Schools <i>The Board will vote on a recommendation to accept the Financial Audit for FY2014.</i>	Action
	10.2:	Policy & Personnel Committee – Mr. Tripp Wiles	
		A. Policy Committee Update <i>The Committee will provide information and receive input from Board members on the following:</i> <i>-Items that are currently before the committee that have not been brought forward to the Board;</i> <i>-Future topics the committee plans to bring forward; and</i> <i>-What is needed to move the item forward?</i>	Information
	10.3:	Strategic Education Committee – Mr. Michael Miller	
		A. Strategic Education Committee Update <i>The Committee will provide information and receive input from Board members on the following:</i> <i>-Items that are currently before the committee that have not been brought forward to the Board;</i> <i>-Future topics the committee plans to bring forward; and</i> <i>-What is needed to move the item forward?</i>	Information
XI.	POTENTIAL CONSENT AGENDA ITEMS		
		A. Request to Revise Act 340 by Charleston Legislative Delegation – Collins, Ducker, Mack and Miller <i>The Board will vote on a recommendation requesting the Charleston Legislative Delegation consider revising Act 340 with respect to the per diem allowance for meetings attended by board members.</i>	Action
XII.	NEW BUSINESS		

2013 Security Assessment Update

Situation

Following the Sandy Hook Elementary School Incident we began to take an in depth assessment of the Security Standards and Practices we have in place here at the Charleston County School District. This was made even more pertinent because of the failed shooting at Ashley Hall.

Mission

During a January 9, 2013 CCSD Board workshop the Security team was tasked with coming back with recommendations on Security improvements that could be put in place in our schools. The mission was to partner with our local Public Safety partners to evaluate where we stand and where we can make improvements.

2013 Security Assessment Update

Deter
Detect
Delay
Respond

Buzz In/Buzz Out



12/8/2014

Mr. Mike Bobby, Acting Superintendent

3

Conversion from Magnetic locks to Strikes

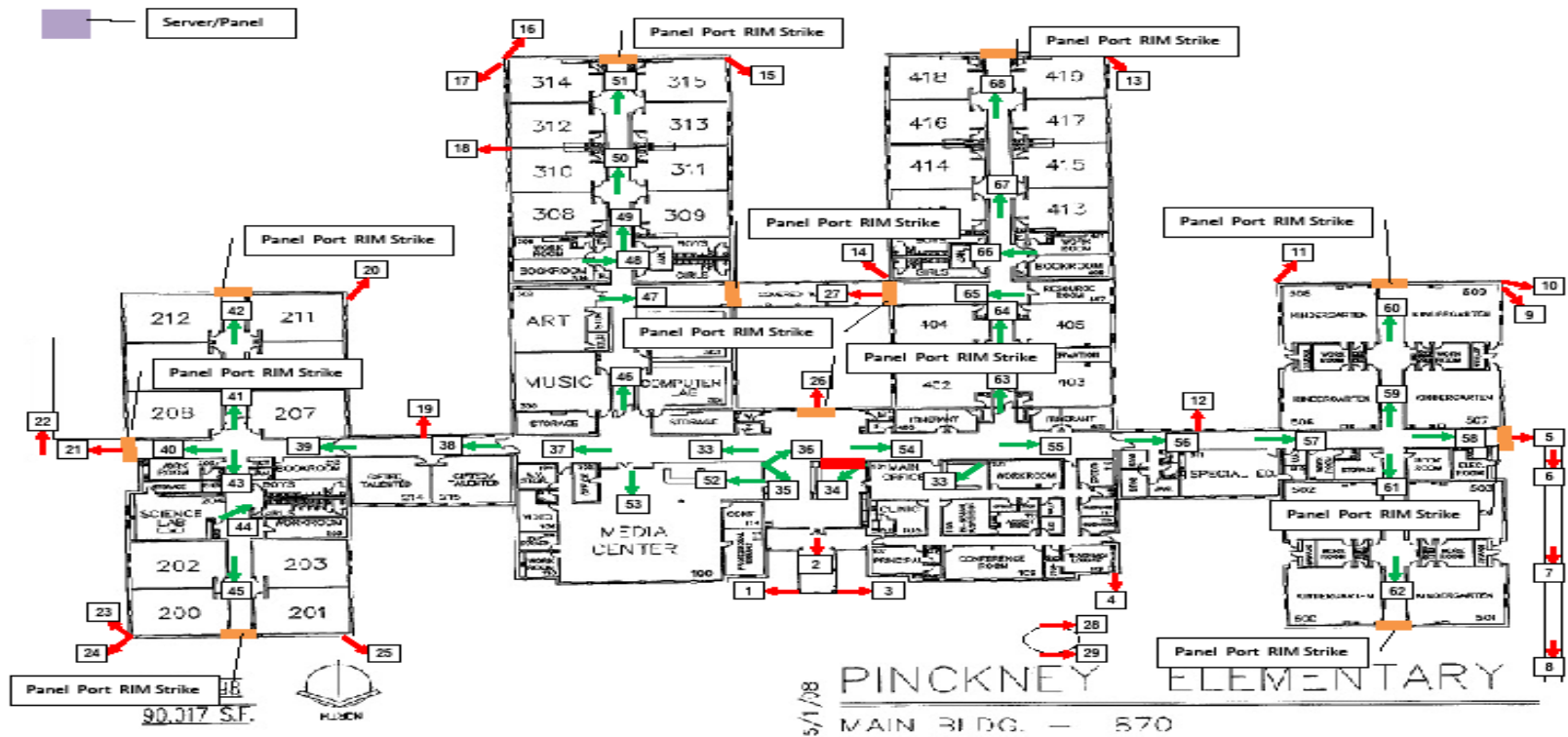


12/8/2014

Mr. Mike Bobby, Acting Superintendent

4

Surveillance and Access Control



12/8/2014

Mr. Mike Bobby, Acting Superintendent

5



12/8/2014

Mr. Mike Bobby, Acting Superintendent

6

School Based radios and After School radios



12/8/2014

Mr. Mike Bobby, Acting Superintendent

7

Fencing Needs



12/8/2014

Mr. Mike Bobby, Acting Superintendent

8

Fencing Improvements

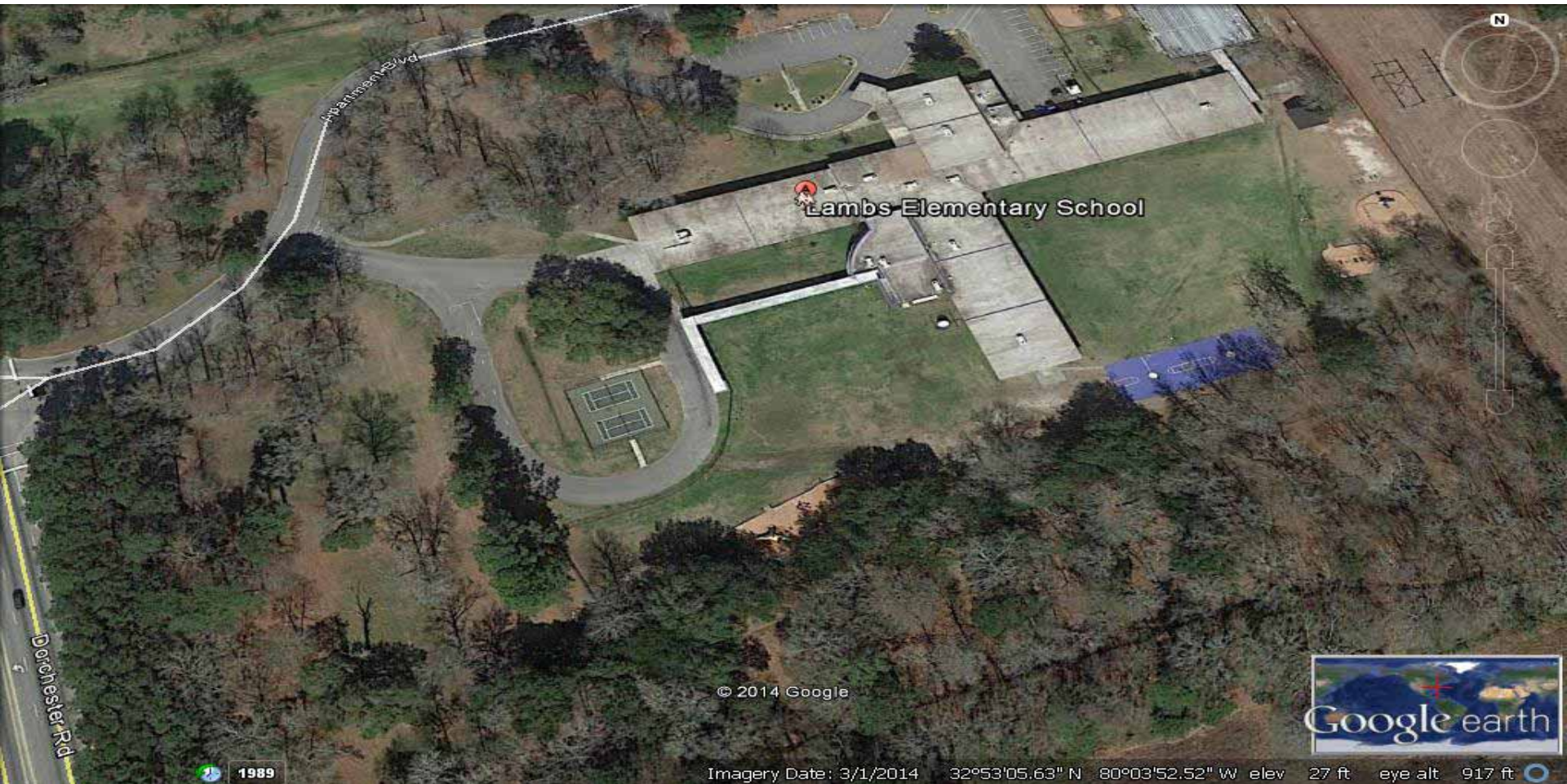


12/8/2014

Mr. Mike Bobby, Acting Superintendent

9

Fencing Improvements



12/8/2014

Mr. Mike Bobby, Acting Superintendent

10

Fencing Improvements



12/8/2014

Mr. Mike Bobby, Acting Superintendent

11

Walk-through metal detectors for High Schools



12/8/2014

Mr. Mike Bobby, Acting Superintendent

12

PA System Gaps



12/8/2014

Mr. Mike Bobby, Acting Superintendent

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Training needs Assessment

- 2 additional Security and Emergency Managers/Trainers
- Preventative training, site assessment and inspection

Projected Cost Estimate

- \$1,900,000.00 in Capital Expenditures
(We actually spent \$1.6M)
- \$200,000.00 in recurring GOF
Expenditures (Estimated at \$100K for
the Training Position)

Training Officer Accomplishments in 2014

- Since beginning with the District in February 2014, Tim has conducted **Security & Emergency Management overviews** with approximately **800** new employees at approximately 39 New Employee Orientation sessions. This updating the presentation with current data and reviewing Codes Red, Yellow, and Green with the employees.
- Updated the District's Emergency Drill Form and standardized the digital storage of all drills submitted to our office.
- In constant collaboration with local fire departments, law enforcement, EMS, Emergency Management, and other school districts on school security & emergency related topics.
- Established a shared Google Calendar to coordinate and document the use of CCSD schools for school related training among the first responder community
 - Between February 19, 2014 and November 20, 2014 our facilities have been utilized on **93 days** by the local first responder community for school related response training.
 - Some of the agencies include CCSO, CPD, NCPD, Goose Creek PD, Berkeley County School District, MTPD, FBI, DEA, DHS, Homeland Security Investigations, CFD, Mt. Pleasant FD, and NCFD.
- Conducted extensive research in collaboration with Nursing Services Director Melissa Prendergast in the development of the District's Ebola Preparedness Plan which was rolled out in November 2014, at the Countywide Principals Meeting.
- Presented at the following events:
 - Charleston Educator's Symposium June 10-12, 2014
 - Classified Administrative Professionals Conference June 17-18, 2014
 - New Principal's Institute July 23, 2014
 - Pupil Accounting Back-to-School In-Service August 7, 2014
 - Principal's Planning Team Break-Out Session September 11, 2014
- Updated the following presentations:
 - Effective Visitor Management
 - Security & Emergency Management Overview
 - Radio Communications
 - Tabletop Exercises "Preparing for the Worst Before It Happens"
 - Security Concepts "The Basics"
 - Incident Stabilization "What to Do when It all Goes Wrong"
- Drafted the following new presentations:
 - Emergency Response and Crisis Management "The Principal's Role"
 - Radio Familiarization
 - Active Shooter Response for non-school based CCSD employees
 - Lock it lose it
 - Code Red for Elementary School Students
 - The First Five "Unwrapped"
- **First Five Program (Scenarios and Talking Points)**

- **Filmed Thunderstorm w/Fire Alarm**
- **Filmed Tornado**
- **Drafted the scenario and we are about to film PREPaRE “In the Wake of a School Crisis”.**
- **Student Concern Specialists Training**
 - Working with this group to provide standardized training that will assist them in providing the best interaction, support and care of CCSD students.
 - Conducted the first standardized training for this group at the beginning of the 2014-2015 school year at SAMS on the following topics with the emphasis on knowing the student body they serve.
 - Child Abuse Issues - Low Country Children’s Center (DNLCC)
 - Mental Health Issues with Children and Adolescents DMH Assessment Mobile Crisis
 - CCSD Security Concepts and Radio Use
 - LGTB Awareness
 - Conducted the second standardized 8 hour In-Service Training Event for this group on October 24, 2014 at SAMS. This training included the following topics
 - Avoiding Power Struggles
 - Disabilities 101
 - Security & Emergency Management Overview
 - Security Concepts “The Basics”
 - CCSD Radio Communication Procedures
- **School Resource Officers Training**
 - Collaborated with NCPD to facilitate the training of all CCSD based School Resource Officers during the 2014-2015 Back to School Training Event at SOA in the following topics:
 - LGTB
 - DN Low Country Children’s Center
 - MUSC Pediatrics
 - Department of Corrections Juvenile Facilities
 - Charleston County Bomb Squad
 - Lockdown/SWAT
 - Mental Health and Mobile Crisis
 - MUSC IOP/inpatient process (STAR program)
 - Charleston County Solicitor’s Office
 - Gangs and Social Media
 - Coordinated the 2014-2015 School Resource Officer In-Service Training Event at SAMS on October 24, 2014 in the following topics:
 - Security & Emergency Management Overview
 - Individual Education Plans (IEP’s)
 - Children’s Day Treatment
 - First Five Training Program

- CCSD Radio Communication Procedures
- Worked in collaboration with Antawn Polite and Terrell Pinckney to provide Non-Violent Crisis Intervention (CPI) training to all CCSD based School Resource officers on a yearly basis. Currently, Mt. Pleasant PD's SRO's have been trained within the past two months and NCPD's SROs are in the queue to be trained.
- Developed a job aid for use by HR in making ID Badges at New Employee Orientation.
- Training topics under current development
 - Dealing with Bomb Threats
 - Enlisting Youth to Design Out Crime
 - Search Training for School Officials
- Future Topics under consideration
 - School Bus Defense
 - How to Manage School Emergencies
 - How to Build School Emergency Plans
 - Personal Safety & Security Practices at School

Charleston > excellence is our standard
County SCHOOL DISTRICT

75 Calhoun Street
Charleston, SC 29401

**Head Start
Board Agenda Item**

TO: Board of Trustees

FROM: Michael L. Bobby

DATE: December 8, 2014

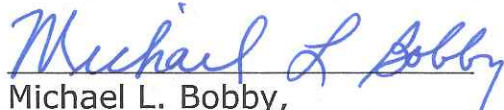
SUBJECT: Head Start/Early Head Start Financials

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees approve the Head Start/Early Head Start financial report for the ending period, October 1, 2014 to October 31, 2014.

The material is submitted for:

- ☐ Information ☒ X Action
☐ Executive ☒ X Open

Respectfully submitted:



Michael L. Bobby,
Acting Superintendent of Schools
& Chief of Finance, Operations & Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs



Todd Garrett, Chair
Audit & Finance Committee

☒ Item voted on and
recommended for Board by
A&F Committee on 12-1

Tripp Wiles, Chair
Policy & Personnel Committee

☐ Item voted on and
recommended for Board by
Policy Committee on _____

Head Start

December 8, 2014

SUBJECT:

Head Start/Early Head Start Financials

BACKGROUND:

In accordance to the Head Start Performance Standards 642(d)(2)(A), each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including – A) monthly financial statements, including credit card expenditures.

DISCUSSION:

The following Head Start and Early Head Start Financials are presented to the board for review (October 2014). The Head Start/Early Head Start financials are presented to the Board for approval on a monthly basis.

RECOMMENDATION:

It is hereby recommended that the Charleston County School District Board of Trustees approve the Head Start/Early Head Start financial report for the ending period, October 1, 2014 to October 31, 2014.

FUNDING SOURCE/COST:

N/A

FUTURE FISCAL IMPACT:

N/A

DATA SOURCES:

Financial data from MUNIS and credit card expenditure report from Procurement.

PREPARED BY:

Ruth Taylor, Assistant Associate Superintendent

REVIEWED BY LEGAL SERVICES

N/A

REVIEWED BY PROCUREMENT SERVICES

N/A

**CCSD HEAD START (FUND 841) EXPENDITURES
FOR THE PERIOD OCTOBER 2014**

ACCOUNT DESCRIPTION	REVISED BUDGET	OCTOBER EXPENDITURES	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
TOTAL SALARIES	\$ 4,157,334.10	\$ 299,292.96	\$ 992,084.57	\$ -	\$ 3,165,249.53	24%
TOTAL BENEFITS	\$ 1,615,531.88	\$ 119,019.50	\$ 362,648.74	\$ -	\$ 1,252,883.14	22%
TOTAL PURCHASED SERVICES	\$ 249,115.72	\$ 40,935.53	\$ 123,195.88	\$ 18,634.75	\$ 107,285.09	49%
TOTAL SUPPLIES	\$ 265,256.29	\$ 30,882.89	\$ 78,857.68	\$ 8,377.45	\$ 178,021.16	30%
TOTAL OTHER	\$ 250,634.96	\$ 960.00	\$ 960.00	\$ -	\$ 249,674.96	0%
GRANT TOTAL	\$ 6,537,872.95	\$ 491,090.88	\$ 1,557,746.87	\$ 27,012.20	\$ 4,953,113.88	24%

**CCSD HEAD START (FUND 841)
EXPENDITURES BREAKDOWN BY LOCATION
FOR THE PERIOD OCTOBER 2014**

COST CENTER	REVISED BUDGET	YTD EXPENDED	OCTOBER EXPENDITURES	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
0151 HEADSTART/EHS/PRESCHOOL	\$ 1,818,134.65	\$ 549,139.83	\$ 167,495.25	\$ 20,634.86	\$ 1,248,359.96	30%
0309 MURRAY-LASAINE ELEMENTARY	\$ 210,889.28	\$ 71,541.04	\$ 24,257.46	\$ -	\$ 139,348.24	34%
0411 CHILD & FAMILY DEVELOPMEN	\$ 214,128.21	\$ 42,841.15	\$ 14,289.12	\$ 499.89	\$ 170,787.17	20%
0412 CHICORA ELEMENTARY	\$ 142,962.54	\$ 28,681.04	\$ 11,270.50	\$ -	\$ 114,281.50	20%
0413 E A BURNS ELEMENTARY	\$ 259,679.90	\$ 73,190.34	\$ 19,108.14	\$ -	\$ 186,489.56	28%
0415 LADSON ELEMENTARY	\$ 224,300.34	\$ 53,217.63	\$ 17,326.78	\$ 1,885.07	\$ 169,197.64	24%
0421 W B GOODWIN ELEMENTARY	\$ 314,663.46	\$ 78,169.67	\$ 23,153.12	\$ 286.75	\$ 236,207.04	25%
0422 MATILDA F DUNSTON ELEMENT	\$ 223,448.42	\$ 49,458.83	\$ 20,457.16	\$ -	\$ 173,989.59	22%
0425 A C CORCORAN ELEMENTARY	\$ 160,807.41	\$ 33,182.66	\$ 11,047.77	\$ 852.46	\$ 126,772.29	21%
0426 MIDLAND PARK PRIMARY SCHO	\$ 521,791.24	\$ 117,918.92	\$ 46,240.10	\$ 2,505.01	\$ 401,367.31	23%
0504 ST JAMES-SANTEE ELEMENTAR	\$ 226,388.33	\$ 49,497.99	\$ 21,958.41	\$ -	\$ 176,890.34	22%
0655 WA HEAD START	\$ 475,288.18	\$ 112,888.00	\$ 40,310.23	\$ -	\$ 362,400.18	24%
0712 JULIAN MITCHELL ELEMENTAR	\$ 85,519.42	\$ (1,032.95)	\$ (13,749.28)	\$ -	\$ 86,552.37	-1%
0752 THOMAS MYERS II	\$ 627,119.38	\$ 146,308.61	\$ 46,375.00	\$ -	\$ 480,810.77	23%
0777 CHS COUNTY HUMAN SERVICES	\$ 10,478.11	\$ 9,126.38	\$ (2,357.91)	\$ -	\$ 1,351.73	87%
0808 C C BLANEY ELEMENTARY	\$ -	\$ (2,714.83)	\$ -	\$ -	\$ 2,714.83	
0810 E B ELLINGTON ELEMENTARY	\$ 323,223.67	\$ 80,420.35	\$ 22,458.86	\$ 258.18	\$ 242,545.14	25%
0811 MINNIE HUGHES ELEMENTARY	\$ 134,353.34	\$ 25,837.20	\$ 6,942.36	\$ -	\$ 108,516.14	19%
0906 MT ZION ELEMENTARY	\$ 149,746.90	\$ 24,407.89	\$ 8,765.27	\$ 89.98	\$ 125,249.03	16%
0907 EDITH FRIERSON ELEMENTARY	\$ 72,005.51	\$ 15,667.12	\$ 5,742.54	\$ -	\$ 56,338.39	22%
0999 SCHOOL-WIDE ACCOUNTS	\$ 342,944.66	\$ -	\$ -	\$ -	\$ 266,980.07	0%
GRAND TOTAL	\$ 6,537,872.95	\$ 1,557,746.87	\$ 491,090.88	\$ 27,012.20	\$ 4,953,113.88	24%

**CCSD HEAD START (FUND 841)
EXPENDITURES BREAKDOWN BY FUNCTION
FOR THE PERIOD OCTOBER 2014**

ACCOUNT FUNCTION	REVISED BUDGET	YTD EXPENDED	OCTOBER EXPENDITURES	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
1390 EARLY CHILDHOOD PROGRAM	\$ 3,877,135.44	\$ 815,156.13	\$ 278,702.57	\$ 6,377.34	\$ 3,055,601.97	21%
1392 EARLY CHILDHOOD DEVELOPME	\$ 9,620.00	\$ 2,214.33	\$ 1,736.44	\$ -	\$ 7,405.67	23%
1880 PARENTING/FAMILY LITERACY	\$ 64,397.37	\$ 7,980.34	\$ 1,807.88	\$ -	\$ 56,417.03	12%
2113 SOCIAL WORK SERVICES	\$ 908,416.41	\$ 276,514.51	\$ 79,183.84	\$ -	\$ 631,901.90	30%
2132 MEDICAL SERVICES	\$ 111,736.65	\$ 15,638.42	\$ 4,560.08	\$ -	\$ 96,098.23	14%
2134 NURSE SERVICES	\$ 44,780.24	\$ 13,954.19	\$ 3,467.06	\$ -	\$ 30,826.05	31%
2210 IMPROVEMENT INSTR/CURR DV	\$ 137,503.42	\$ 50,358.64	\$ 12,463.06	\$ 2,500.00	\$ 84,644.78	37%
2230 SUPERVISION OF SPECIAL PR	\$ 742,191.41	\$ 192,003.77	\$ 48,017.37	\$ -	\$ 550,187.64	26%
2240 IMP INST SRVS-INSRV/STAFF	\$ 67,651.32	\$ 31,602.86	\$ 28,120.62	\$ 18,134.86	\$ 17,913.60	47%
2522 BUDGETING SERVICES	\$ 62,675.83	\$ 26,792.17	\$ 5,948.67	\$ -	\$ 35,883.66	43%
2527 PROPERTY ACCOUNTING SERVI	\$ 9,794.40	\$ 9,794.40	\$ -	\$ -	\$ -	100%
2542 BLDG REPAIR MAINTENANCE S	\$ 129,537.81	\$ 73,946.11	\$ 14,517.98	\$ -	\$ 55,591.70	57%
2545 VEHICLE SERV/MAINT SRVS	\$ 6,000.00	\$ 1,307.44	\$ 620.68	\$ -	\$ 4,692.56	22%
2547 CUSTODIAL SERVICES	\$ 33,000.00	\$ -	\$ -	\$ -	\$ 33,000.00	0%
2649 OTHER STAFF SERVICES	\$ 91,373.65	\$ 40,483.56	\$ 11,944.63	\$ -	\$ 50,890.09	44%
4312 INDIRECT COST	\$ 242,059.00	\$ -	\$ -	\$ -	\$ 242,059.00	0%
GRAND TOTAL	\$ 6,537,872.95	\$ 1,557,746.87	\$ 491,090.88	\$ 27,012.20	\$ 4,953,113.88	24%

**CCSD EARLY HEAD START (FUND 842) EXPENDITURES
FOR THE PERIOD OCTOBER 2014**

ACCOUNT DESCRIPTION	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
TOTAL SALARIES	\$ 1,021,528.08	\$ 263,705.69	\$ 61,660.81	\$ -	\$ 757,822.39	26%
TOTAL BENEFITS	\$ 392,480.78	\$ 94,382.42	\$ 24,352.89	\$ -	\$ 298,098.36	24%
TOTAL PURCHASED SERVICES	\$ 100,523.63	\$ 42,466.45	\$ 8,816.20	\$ 5,049.71	\$ 53,007.47	42%
TOTAL SUPPLIES	\$ 106,402.33	\$ 16,579.12	\$ 5,598.05	\$ 2,355.63	\$ 87,467.58	16%
TOTAL OTHER	\$ 148,271.08	\$ 240.00	\$ 240.00	\$ -	\$ 148,031.08	0%
Grand Total	\$ 1,769,205.90	\$ 417,373.68	\$ 100,667.95	\$ 7,405.34	\$ 1,344,426.88	24%

**CCSD EARLY HEAD START (FUND 842)
EXPENDITURES BREAKDOWN BY LOCATION
FOR THE PERIOD OCTOBER 2014**

COST CENTER	REVISED BUDGET	YTD EXPENDED	OCTOBER EXPENDITURES	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
0151 HEADSTART/EHS/PRESCHOOL	\$ 379,434.33	\$ 75,722.19	\$ 26,771.10	\$ 4,533.71	\$ 299,178.43	20%
0411 CHILD & FAMILY DEVELOPMEN	\$ 299,397.58	\$ 77,510.43	\$ 21,658.72	\$ 1,605.60	\$ 220,281.55	26%
0426 MIDLAND PARK PRIMARY SCHO	\$ 152,898.55	\$ 43,008.44	\$ 11,070.54	\$ 1,095.42	\$ 108,794.69	28%
0454 R B STALL HIGH	\$ 165,073.70	\$ 76,996.30	\$ 11,723.15	\$ 170.61	\$ 87,906.79	47%
0504 ST JAMES-SANTTEE ELEMENTAR	\$ 182,689.00	\$ 25,090.53	\$ 721.97	-	\$ 157,598.47	14%
0655 WA HEAD START	\$ 157,243.51	\$ 50,069.55	\$ 13,097.14	-	\$ 107,173.96	32%
0752 THOMAS MYERS II	\$ 131,052.54	\$ 28,769.18	\$ 4,917.14	-	\$ 102,283.36	22%
0777 CHS COUNTY HUMAN SERVICES	\$ 148,545.61	\$ 40,207.06	\$ 10,708.19	-	\$ 108,338.55	27%
0999 SCHOOL-WIDE ACCOUNTS	\$ 152,871.08	\$ -	\$ -	-	\$ 152,871.08	0%
GRAND TOTAL	\$ 1,769,205.90	\$ 417,373.68	\$ 100,667.95	\$ 7,405.34	\$ 1,344,426.88	24%

**CCSD EARLY HEAD START (FUND 842)
EXPENDITURES BREAKDOWN BY FUNCTION
FOR THE PERIOD OCTOBER 2014**

FUNCTION DESCRIPTION	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	PERCENTAGE USED
2113 SOCIAL WORK SERVICES	\$ 92,384.41	\$ 9,492.66	\$ 5,574.11	\$ -	\$ 82,891.75	10%
2132 MEDICAL SERVICES	\$ 27,934.16	\$ 3,909.73	\$ 1,140.06	\$ -	\$ 24,024.43	14%
2134 NURSE SERVICES	\$ 27,135.20	\$ 6,432.00	\$ 1,984.73	\$ -	\$ 20,703.20	24%
2210 IMPROVEMENT INSTR/CURR DV	\$ 54,297.42	\$ 12,526.11	\$ 2,440.34	\$ -	\$ 41,771.31	23%
2230 SUPERVISION OF SPECIAL PR	\$ 143,415.37	\$ 33,140.87	\$ 7,602.04	\$ -	\$ 110,274.50	23%
2240 IMP INST SRVS-INSRV/STAFF	\$ 40,073.24	\$ 8,811.65	\$ 7,014.31	\$ 4,533.71	\$ 26,727.88	22%
2522 BUDGETING SERVICES	\$ 15,773.68	\$ 6,266.26	\$ 1,487.15	\$ -	\$ 9,507.42	40%
2527 PROPERTY ACCOUNTING SERVI	\$ 4,048.60	\$ 2,448.60	\$ -	\$ -	\$ 1,600.00	60%
2542 BLDG REPAIR MAINTENANCE S	\$ 26,884.73	\$ 25,715.98	\$ -	\$ -	\$ 1,168.75	96%
2552 STUDENT TRANSPORTATION	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	0%
2649 OTHER STAFF SERVICES	\$ 34,909.45	\$ 10,337.65	\$ 2,986.13	\$ -	\$ 24,571.80	30%
3500 CUSTODY & CARE OF CHILDR	\$ 1,229,445.64	\$ 298,292.17	\$ 70,439.08	\$ 2,871.63	\$ 928,281.84	24%
4312 INDIRECT COST	\$ 67,904.00	\$ -	\$ -	\$ -	\$ 67,904.00	0%
GRAND TOTAL	\$ 1,769,205.90	\$ 417,373.68	\$ 100,667.95	\$ 7,405.34	\$ 1,344,426.88	24%

CH Full Name

Post Date	Purchase Date	Item Description	Item Price	Item Tax	Total Card Spend
10/23/2014	10/22/2014	PUBLIX #472 - Purchase	24.70	0.00	24.70
10/23/2014	10/22/2014	tax	0.00	0.37	0.37
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	158.99	0.00	158.99
10/24/2014	10/23/2014	tax	0.00	13.51	13.51
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	92.23	0.00	92.23
10/24/2014	10/23/2014	tax	0.00	7.84	7.84
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	89.15	0.00	89.15
10/24/2014	10/23/2014	tax	0.00	7.58	7.58
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	107.40	0.00	107.40
10/24/2014	10/23/2014	tax	0.00	11.66	11.66
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	29.76	0.00	29.76
10/24/2014	10/23/2014	WAL-MART #3367 - Purchase	125.74	0.00	125.74
10/24/2014	10/23/2014	tax	0.00	9.85	9.85
count: 23			746.04	60.10	806.14

MAGWOOD, DENA

10/02/2014	10/01/2014	PUBLIX #472 - Purchase	14.09	0.00	14.09
10/02/2014	10/01/2014	tax	0.00	0.35	0.35
10/03/2014	10/02/2014	WM SUPERCENTER #1359 - Purchase	15.38	0.00	15.38
10/03/2014	10/02/2014	tax	0.00	0.23	0.23
10/17/2014	10/16/2014	STAPLS712563931000001 - Purchase	76.92	0.00	76.92
10/17/2014	10/16/2014	tax	0.00	6.54	6.54
10/17/2014	10/16/2014	STAPLS712563931000002 - Purchase	388.45	0.00	388.45
10/17/2014	10/16/2014	tax	0.00	33.02	33.02
10/24/2014	10/23/2014	PUBLIX #472 - Purchase	8.31	0.00	8.31
10/24/2014	10/23/2014	tax	0.00	0.40	0.40
10/24/2014	10/23/2014	PUBLIX #472 - Purchase	2.17	0.00	2.17
10/24/2014	10/23/2014	KRISPY KREME #531 - Purchase	17.74	0.00	17.74
10/24/2014	10/23/2014	tax	0.00	2.40	2.40
10/24/2014	10/23/2014	KRISPY KREME #531 - Purchase	5.03	0.00	5.03
10/27/2014	10/24/2014	EAST BAY DELL III - Purchase	57.00	0.00	57.00
10/27/2014	10/24/2014	tax	0.00	7.68	7.68
10/27/2014	10/24/2014	EAST BAY DELL III - Purchase	16.17	0.00	16.17
count: 17			601.26	50.62	651.88

ROCK, AVIS

10/02/2014	10/01/2014	APPALACHIAN SPRINGS - Purchase	4.98	0.00	4.98
10/02/2014	10/01/2014	tax	0.00	0.54	0.54
10/02/2014	10/01/2014	APPALACHIAN SPRINGS - Purchase	1.38	0.00	1.38

AUSTIN, KACEY

CH Full Name

Post Date	Purchase Date	Item Description	Item Price	Item Tax	Total Card Spend
10/02/2014	09/30/2014	SC.GOV - Purchase	100.04	0.00	100.04
10/02/2014	09/30/2014	SC.GOV - Purchase	23.00	0.00	23.00
10/03/2014	10/02/2014	WALMART.COM - Purchase	107.07	0.00	107.07
10/03/2014	10/02/2014	tax	0.00	8.57	8.57
10/03/2014	10/02/2014	STAPLS7124893537000002 - Purchase	54.98	0.00	54.98
10/03/2014	10/02/2014	tax	0.00	4.67	4.67
10/03/2014	10/02/2014	STAPLS7124892905000001 - Purchase	130.21	0.00	130.21
10/03/2014	10/02/2014	tax	0.00	11.07	11.07
10/03/2014	10/02/2014	STAPLS7124892351000002 - Purchase	180.46	0.00	180.46
10/03/2014	10/02/2014	tax	0.00	15.34	15.34
10/03/2014	10/02/2014	STAPLS7124893537000001 - Purchase	37.32	0.00	37.32
10/03/2014	10/02/2014	tax	0.00	3.17	3.17
10/03/2014	10/02/2014	STAPLS7124936100000001 - Purchase	107.96	0.00	107.96
10/03/2014	10/02/2014	tax	0.00	9.18	9.18
10/03/2014	10/02/2014	STAPLS7124892351000001 - Purchase	732.43	0.00	732.43
10/03/2014	10/02/2014	tax	0.00	62.26	62.26
10/03/2014	10/02/2014	STAPLS7124892905000002 - Purchase	49.11	0.00	49.11
10/03/2014	10/02/2014	tax	0.00	4.17	4.17
10/03/2014	10/02/2014	SCHOOL NURSE SUPPLY INC - Purchase	47.10	0.00	47.10
10/06/2014	10/04/2014	STAPLS7124892351002001 - Purchase	85.38	0.00	85.38
10/06/2014	10/04/2014	tax	0.00	7.26	7.26
10/06/2014	10/03/2014	STAPLS7124892351000003 - Purchase	260.58	0.00	260.58
10/06/2014	10/03/2014	tax	0.00	22.15	22.15
10/06/2014	10/08/2014	NCS PEARSON - Purchase	135.00	0.00	135.00
10/09/2014	10/07/2014	SC.GOV - Purchase	15.56	0.00	15.56
10/09/2014	10/07/2014	SC.GOV - Purchase	1.71	0.00	1.71
10/13/2014	10/10/2014	SCHOOL NURSE SUPPLY INC - Purchase	134.72	0.00	134.72
10/13/2014	10/10/2014	SCHOOL NURSE SUPPLY INC - Purchase	33.68	0.00	33.68
10/13/2014	10/10/2014	IBT NASHVILLE - Purchase	276.00	0.00	276.00
10/13/2014	10/10/2014	IBT NASHVILLE - Purchase	69.00	0.00	69.00
10/13/2014	10/11/2014	STAPLS7125430118000001 - Purchase	63.40	0.00	63.40
10/13/2014	10/11/2014	tax	0.00	6.88	6.88
10/13/2014	10/11/2014	STAPLS7125430118000001 - Purchase	17.57	0.00	17.57
10/13/2014	10/12/2014	SCHOOL HEALTH CORP - Purchase	63.20	0.00	63.20
10/13/2014	10/12/2014	SCHOOL HEALTH CORP - Purchase	15.80	0.00	15.80
10/15/2014	10/14/2014	STAPLS7125495529000001 - Purchase	47.10	0.00	47.10
10/15/2014	10/14/2014	tax	0.00	11.47	11.47

AUSTIN, KACEY

CH Full Name

Post Date	Purchase Date	Item Description	Item Price	Item Tax	Total Card Spend
10/15/2014	10/14/2014	STAPLS7125495529000001 - Purchase	87.85	0.00	87.85
10/15/2014	10/14/2014	STAPLS7124892351003001 - Credit	(28.26)	0.00	(28.26)
10/15/2014	10/14/2014	tax	0.00	(2.40)	(2.40)
10/16/2014	10/15/2014	BED BATH & BEYOND #651 - Purchase	199.99	0.00	199.99
10/16/2014	10/15/2014	tax	0.00	17.00	17.00
10/20/2014	10/17/2014	SC.GOV. - Purchase	9.14	0.00	9.14
10/20/2014	10/17/2014	AMAZON MKTPLACE PMTS - Purchase	225.56	0.00	225.56
10/20/2014	10/17/2014	PAYPAL MANAGEMENT - Purchase	867.30	0.00	867.30
10/20/2014	10/17/2014	PAYPAL MANAGEMENT - Purchase	216.82	0.00	216.82
10/20/2014	10/20/2014	DMI DELL BUS ONLINE - Purchase	94.99	0.00	94.99
10/20/2014	10/20/2014	tax	0.00	8.07	8.07
10/20/2014	10/18/2014	STAPLS7124893700000001 - Purchase	34.45	0.00	34.45
10/20/2014	10/18/2014	tax	0.00	3.74	3.74
10/20/2014	10/18/2014	STAPLS7124893700000001 - Purchase	9.54	0.00	9.54
10/22/2014	10/20/2014	IBT IIS FINGERPRINT COM - Purchase	34.50	0.00	34.50
10/24/2014	10/22/2014	SC.GOV. - Purchase	8.64	0.00	8.64
10/24/2014	10/22/2014	SC.GOV. - Purchase	8.63	0.00	8.63
10/24/2014	10/23/2014	STAPLS7125976778000002 - Purchase	89.95	0.00	89.95
10/24/2014	10/23/2014	tax	0.00	7.65	7.65
10/24/2014	10/23/2014	STAPLS7125976778000001 - Purchase	42.87	0.00	42.87
10/24/2014	10/23/2014	tax	0.00	4.65	4.65
10/24/2014	10/23/2014	STAPLS7125976778000001 - Purchase	11.88	0.00	11.88
10/24/2014	10/23/2014	STAPLS7125976778000001 - Purchase	37.98	0.00	37.98
10/24/2014	10/23/2014	STAPLS7125976778000001 - Purchase	0.00	3.23	3.23
10/24/2014	10/23/2014	WALMART.COM - Purchase	136.61	0.00	136.61
10/24/2014	10/23/2014	tax	0.00	11.61	11.61
10/24/2014	10/23/2014	STAPLS7125976778000003 - Purchase	20.97	0.00	20.97
10/24/2014	10/23/2014	tax	0.00	2.28	2.28
10/24/2014	10/23/2014	STAPLS7125976778000003 - Purchase	5.81	0.00	5.81
10/27/2014	10/24/2014	LAKE SHORE LEARNING MATER - Purchase	1,291.36	0.00	1,291.36
10/27/2014	10/24/2014	tax	0.00	121.56	121.56
10/27/2014	10/23/2014	HERALD OFFICE SUPPLY INC - Purchase	304.57	0.00	304.57
10/27/2014	10/23/2014	tax	0.00	25.89	25.89
10/29/2014	10/28/2014	STAPLS7126265358000001 - Purchase	25.49	0.00	25.49
10/29/2014	10/28/2014	tax	0.00	2.17	2.17
10/29/2014	10/28/2014	STAPLS7126258639000001 - Purchase	89.95	0.00	89.95

AUSTIN, KACEY

CH Full Name

Post Date	Purchase Date	Item Description	Item Price	Item Tax	Total Card Spend
10/29/2014	10/28/2014	tax	0.00	7.65	7.65
10/29/2014	10/28/2014	STAPLS7126258639000002 - Purchase	37.98	0.00	37.98
10/29/2014	10/28/2014	tax	0.00	3.23	3.23
10/29/2014	10/27/2014	HERALD OFFICE SUPPLY INC - Purchase	96.00	0.00	96.00
10/29/2014	10/27/2014	tax	0.00	8.16	8.16
10/30/2014	10/28/2014	LAKESHORE LEARNING MATER - Purchase	518.33	0.00	518.33
10/30/2014	10/28/2014	tax	0.00	48.79	48.79
10/30/2014	10/28/2014	LAKESHORE LEARNING MATER - Purchase	141.77	0.00	141.77
10/31/2014	10/29/2014	SC.GOV - Purchase	17.27	0.00	17.27
10/31/2014	10/30/2014	USPS 45148802429802188 - Purchase	7.47	0.00	7.47
count: 87			7,793.38	440.01	8,233.39

SCRROGGY, GILBERT

10/01/2014	09/30/2014	LOWES #00497 - Purchase	60.84	0.00	60.84
10/01/2014	09/30/2014	tax	0.00	5.17	5.17
10/01/2014	09/30/2014	LOWES #00655 - Purchase	48.84	0.00	48.84
10/01/2014	09/30/2014	tax	0.00	4.15	4.15
10/03/2014	10/01/2014	THE HOME DEPOT 1118 - Credit	(83.91)	0.00	(83.91)
10/03/2014	10/01/2014	tax	0.00	(7.14)	(7.14)
10/03/2014	10/01/2014	THE HOME DEPOT 1118 - Purchase	275.70	0.00	275.70
10/03/2014	10/01/2014	tax	0.00	23.43	23.43
10/06/2014	10/03/2014	HUGHES LUMBER & BUILDI - Purchase	17.99	0.00	17.99
10/06/2014	10/03/2014	tax	0.00	1.53	1.53
10/06/2014	10/03/2014	ALL SEASONS MULCH MARKET - Purchase	78.00	0.00	78.00
10/06/2014	10/03/2014	ALL SEASONS MULCH MARKET - Purchase	0.00	6.63	6.63
10/07/2014	10/06/2014	LOWES #00655 - Purchase	68.55	0.00	68.55
10/07/2014	10/06/2014	tax	0.00	5.83	5.83
10/10/2014	10/09/2014	SHIFFLER EQUIPMENT SAL - Purchase	1,264.56	0.00	1,264.56
10/14/2014	10/13/2014	CHARLESTON SIGN & BANN - Purchase	60.00	0.00	60.00
10/14/2014	10/13/2014	tax	0.00	5.10	5.10
10/15/2014	10/14/2014	LOWES #00655 - Purchase	7.96	0.00	7.96
10/15/2014	10/14/2014	tax	0.00	0.68	0.68
10/16/2014	10/15/2014	LOWES #00655 - Purchase	34.24	0.00	34.24
10/16/2014	10/15/2014	tax	0.00	2.91	2.91
10/16/2014	10/15/2014	SHIFFLER EQUIPMENT SAL - Purchase	800.12	0.00	800.12
10/17/2014	10/16/2014	LOWES #00655 - Purchase	18.67	0.00	18.67
10/17/2014	10/16/2014	tax	0.00	1.59	1.59
10/20/2014	10/17/2014	CHARLESTON SIGN & BANN - Purchase	195.00	0.00	195.00

AUSTIN, KACEY

CH Full Name

Post Date	Purchase Date	Item Description	Item Price	Item Tax	Total Card Spend
10/20/2014	10/17/2014	tax	0.00	5.95	5.95
10/20/2014	10/17/2014	LOWES #00655 - Purchase	41.53	0.00	41.53
10/20/2014	10/17/2014	tax	0.00	3.53	3.53
10/20/2014	10/17/2014	LOWES #00655 - Purchase	13.88	0.00	13.88
10/20/2014	10/17/2014	tax	0.00	1.18	1.18
10/21/2014	10/20/2014	LOWES #00655 - Purchase	158.05	0.00	158.05
10/21/2014	10/20/2014	tax	0.00	13.43	13.43
10/22/2014	10/21/2014	LOWES #00655 - Purchase	22.96	0.00	22.96
10/22/2014	10/21/2014	tax	0.00	1.95	1.95
10/23/2014	10/22/2014	LOWES #00655 - Purchase	31.87	0.00	31.87
10/23/2014	10/22/2014	tax	0.00	2.71	2.71
10/23/2014	10/22/2014	CHARLESTON SIGN & BANN - Purchase	34.00	0.00	34.00
10/23/2014	10/22/2014	tax	0.00	2.89	2.89
10/24/2014	10/23/2014	LOWES #02948 - Purchase	31.60	0.00	31.60
10/24/2014	10/23/2014	tax	0.00	2.20	2.20
10/27/2014	10/24/2014	TRACTOR SUPPLY COMPANY # - Purchase	19.94	0.00	19.94
10/27/2014	10/24/2014	tax	0.00	1.69	1.69
10/27/2014	10/24/2014	LOWES #00661 - Purchase	65.42	0.00	65.42
10/27/2014	10/24/2014	tax	0.00	5.56	5.56
10/28/2014	10/27/2014	LOWES #00655 - Purchase	10.34	0.00	10.34
10/28/2014	10/27/2014	tax	0.00	0.88	0.88
10/31/2014	10/30/2014	LOWES #00655 - Purchase	8.20	0.00	8.20
10/31/2014	10/30/2014	tax	0.00	0.70	0.70
count: 48			3,284.35	92.55	3,376.90

report count: 191

14,446.42

678.96

15,125.38

AUSTIN, KACEY

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2014-11-02 00:07:45

Charleston > excellence is our standard
County SCHOOL DISTRICT

75 Calhoun Street
Charleston, SC 29401

Contracts and Procurement
Board Agenda Item

TO: Board of Trustees

FROM: Michael L. Bobby

DATE: December 8, 2014

SUBJECT: City of North Charleston Joint Use Agreement

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees approve the Joint Use Agreement between City of North Charleston and Charleston County School District.

The material is submitted for: ☒ Action ☐ Information
☒ Open ☐ Executive

Respectfully submitted:

Michael L. Bobby, Acting
Superintendent of Schools &
Chief of Finance, Operations & Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs



Todd Garrett, Chair
Audit & Finance Committee



Item voted on and
recommended for Board
A&F Committee on 12-1-14

Tripp Wiles, Chair
Policy & Personnel Committee



Item voted on and
recommended for Board
Policy Committee on _____

10.1C

Contracts and Procurement
December 8, 2014

SUBJECT: City of North Charleston Joint Use Agreement

BACKGROUND: CCSD is the owner of real property in the City of North Charleston, including facilities and active use areas that are capable of being used by the North Charleston Recreation Department for community recreational purposes and the City of North Charleston is the owner of real property in the City of North Charleston, including facilities and active use areas that are capable of being used by CCSD for recreational purposes.

DISCUSSION: Under appropriate circumstances, these publicly held lands and facilities should be used most efficiently to maximize use and increase recreational opportunities for the community. Both parties met and identified property and facilities that can and are being jointly used. The agreement is a 10 year agreement that will be reviewed annually. The Agreement will provide both parties the control and oversight to make sure the properties and facilities are being properly maintained.

The agreement provides a process to add and delete sites as required. In addition it requires the parties to identify individuals to oversee the scheduling of activities.

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees approve the Joint Use Agreement between City of North Charleston and Charleston County School District.

FUNDING SOURCE/COST: N/A

FUTURE FISCAL IMPACT: N/A

DATA SOURCES: T.J. Rostin, Ed Barfield, Dennis Burgess, Ronald Kramps, B.J. Struman, Eric Cook, Karl Gueldner and Wayne Wilcher

PREPARED BY: Wayne Wilcher

REVIEWED BY LEGAL SERVICES: John Emerson

REVIEWED BY PROCUREMENT SERVICES: Wayne Wilcher

Joint Use Agreement

This agreement is made this 1st day of July, 2014, by and between the City of North Charleston Recreation Department, a municipal corporation, organized and existing under the laws of the State of South Carolina (hereinafter referred to as ("NCRD")) and the Charleston County School District, a body organized and existing under the laws of the State of South Carolina (hereinafter referred to as "School District").

WHEREAS, the School District is the owner of real property in the City of North Charleston, including facilities and active use areas that are capable of being used by the North Charleston Recreation Department for community recreational purposes; and

WHEREAS, the NCRD is the owner of real property in the City of North Charleston, including facilities and active use areas that are capable of being used by the School District for recreational purposes; and

WHEREAS, under appropriate circumstances, these publicly held lands and facilities should be used most efficiently to maximize use and increase recreational opportunities for the community; and

NOW, THEREFORE, the School District and the City of North Charleston agree to cooperate with each other as follows:

1. Term

This Agreement will begin on July 1, 2014 and will continue through June 30, 2024 unless sooner terminated as provided for hereinafter in Section 19.

2. Effective Date

This Agreement shall be effective upon date executed by both parties and upon inspection of affected property as described hereinafter in Section 3 by School District and NCRD officials.

3. Cooperative Agreement

As provided herein, the School District and the NCRD hereby agree to cooperate in coordinating programs and activities conducted on all their respective properties and in all their respective facilities listed on Attachment A ("School District Property/ NCRD Property"). The School District and the NCRD shall have the right to add or exclude properties during the term of this Agreement, provided that any such change shall be in writing and approved by both the School District and the NCRD. Reference to School District Property or NCRD Property in this Agreement shall include the facilities and the property upon which the facilities are located. As used in this Agreement, "Owner" shall mean the party to Agreement, and "User" shall mean the other party using the Owner's property and/or facility under the terms of this Agreement.

4. Permitted Uses

a. School District Property

i. School District Use

The School District shall be entitled to the exclusive use of School District Property for public school and school-related educational and recreational activities, including summer school, and at such other times as School District Property is being used by the School District or its agents.

NCRD Use

At all other times and subject to the schedule developed by the NCRD and the School District, the NCRD will be entitled to use School District Property for community recreational and educational purposes for the benefit of School District students, the School District, and the City of North Charleston at large. The NCRD's obligations under this Agreement shall apply to third parties using School District Property. The NCRD shall be responsible for ensuring compliance with all obligations under this Agreement when using School District Property. The NCRD shall enforce all School District rules, regulations, and policies provided by the School District while supervising community recreational activities on School District Property. In planning programs and scheduling activities on school grounds, the security, academic, athletic, and recreational needs and opportunities of school-aged children will be the highest priority and be adequately protected.

ii. Third-Party Use

Third Party use of the property must be approved by the School District. The NCRD and the School District agree that in providing access to third parties the following priorities for use shall be established:

- | | |
|------------|---|
| Category 1 | Activities for youth |
| Category 2 | City of North Charleston adult programs or activities |
| Category 3 | Other adult programs or activities |

b. City Property

i. The NCRD shall be entitled to priority use of NCRD Property for the regular conduct of park, recreation, and community service activities and/or programs sponsored by the NCRD.

ii. At all other times and subject to the schedule developed by the NCRD and School District, NCRD will permit School District to use NCRD Property, without charge, for School District educational and recreational activities and/or programs.

5. Compliance with Law

All use of School District and NCRD Property shall be in accordance with state and local law. In the case of a conflict between the terms of this Agreement and the requirements of

state law, the state law shall govern. Any actions taken by the School District or the NCRD that are required by state law, but are inconsistent with the terms of this Agreement, shall not be construed to be a breach or default of this Agreement.

6. Communication

a. Designation of Employees

The School District and the NCRD shall respectively designate an employee with whom the other party, or any authorized agent of the party, may confer regarding the terms of this Agreement.

b. Joint Use Interagency Team

The School District and the NCRD shall establish a Joint Use Interagency Team ("Interagency Team"), composed of staff representatives of the District and the NCRD, to develop the schedule for use of School District and NCRD Property, to recommend rules and regulations for the School District and NCRD to adopt to implement this Agreement, to monitor and evaluate the joint use project and Agreement, and to confer to discuss interim problems during the term of the Agreement.

- i. The Interagency Team shall hold conference calls or meetings quarterly to review the performance of the joint use project and to confer to discuss interim problems during the term of the Agreement. If the Joint Use Interagency Team is unable to reach a solution on a particular matter, it will be referred to the Superintendent of Schools and Mayor, or their designees, for resolution.
- ii. The Joint Use Interagency Team shall review the Agreement by conference call each year to evaluate the joint use project, determine changes to the schedule, and to propose amendments to this Agreement.

7. Scheduling Use of Property

Master Schedule

The School District and NCRD shall develop a master schedule for joint use of School District and NCRD Property to allocate property use to the School District, NCRD, and third parties. The Interagency Team shall schedule regular quarterly meetings or at such other times as mutually agreed upon by the School District and NCRD. At these meetings, the School District and NCRD will review and evaluate the status and condition of jointly used properties and modify or confirm the upcoming year schedule.

8. Documentation of Costs

a. Tracking Use of Facilities

The School District and the NCRD shall maintain records of costs associated with the Agreement.

9. Fee and Charges

a. Fees

The NCRD may charge rental fees to third-party users of School District Property to cover any administrative and maintenance costs which the School District or the NCRD may incur. Any fees and costs shall be assessed according to School District or NCRD policy.

b. Documentation of Fees

The School District and NCRD shall maintain records of costs associated with the Agreement.

c. Annual Review of Benefits

The School District and NCRD shall annually review the exchange of benefits based upon hours of use, costs, fees, and charges. Any compensation for an imbalance in joint use programming costs shall occur through balancing the exchange of future benefits.

10. Improvements

- a. The School District shall obtain prior written consent of the NCRD to make any alterations, additions, or improvements to NCRD Property; the NCRD shall obtain prior written consent of the School District to make any alterations, additions, or improvements to School District Property.
- b. Any such alterations, additions, or improvements will be at the expense of the requesting party, unless otherwise agreed upon.
- c. Each party may, for good cause, require the demolition or removal of any alterations, additions, or improvements made by the other party at the expiration or termination of this Agreement. "Good cause" includes reasons of health, safety, or the School District's need to use the School District Property for education purposes or the NCRD's need to use NCRD Property for municipal purposes.

11. Interagency Training

The School District and the NCRD shall operate a joint training and orientation program for key personnel implementing this Agreement. The School District and the NCRD shall be responsible for ensuring their employees attend the training.

12. Supervision, Security, and Inspections

a. Supervision and Enforcement

Each User shall train and provide an adequate number of competent personnel to supervise all activities on the Owner's Property. The User shall enforce all of the Owner's rules, regulations, and policies while supervising activities or programs on the Owner's Property.

b. Security

The Owner shall provide the User with access to the Owner's Property. The Owner will provide keys, security cards, and training as needed to the User's employee(s) responsible for opening and locking the Owner's Property while supervising activities or programs

c. Inspection and Notification

The User shall inspect the Owner's Property after use to ensure these sites are returned in the condition they were received. The User shall ensure the Owner is notified within 24 hours in the event that Owner's Property suffers damage during User's use. Such notification shall consist of sending written notification by letter, facsimile, or email to the Owner's designated employee identifying the damaged property, date of detection,

name of inspector, description of damage, and estimated or fixed costs of repair or property replacement.

13. Supplies

The User shall furnish and supply all expendable materials necessary to carry out its programs while using the Owner's Property.

14. Maintenance, Custodial Services, and Toilet Facilities

a. Maintenance

The User agrees to exercise due care in the use of the Owner's Property. The User shall during the time of its use keep the Owner's Property in neat order.

The School District shall perform normal maintenance of all their indoor Property and playground properties at basic level of service subject to normal wear and tear. The School District shall notify the NCRD of any known change in condition of these Properties.

The NCRD shall perform normal maintenance of all their indoor Property and playground properties at basic level of service subject to normal wear and tear. The NCRD shall notify the School District of any known change in condition of these Properties.

b. Custodial

The Owner shall make its trash receptacles available during the User's use of Owner's Property. The User shall encourage community users to dispose of trash in the trash receptacles during Public Access Hours.

15. Restitution and Repair

The User shall be wholly responsible to repair, remediate, or fund the replacement or remediation of any and all damage or vandalism to the Owner's Property during the User's use of that Property.

a. Inspection and Notification

The User shall, through its designated employee, inspect and notify the Owner, of any damage, as described above in subsection 12(c).

b. Repairs

Except as mutually agreed, the User shall not cause repairs to be made for any property, facility, building, or item of equipment for which the Owner is responsible. The Owner agrees to make such repairs within the estimated and/or fixed costs agreed upon. If it is mutually determined or if it is the result of problem-resolution under section 16 of this Agreement that the User is responsible for the damage, then the User agrees to reimburse the Owner at the estimated and/or fixed costs agreed upon.

c. Reimbursement Procedure

The Owner shall send an invoice to User's designated employee with thirty (30) days of completion of repairs or replacement of damaged Property. The invoice shall itemize all work hours, equipment, and materials with cost rates as applied to the repair work. If the repair is completed by a contractor, a copy of the contractor's itemized statement shall be attached. Actual costs shall be reimbursed if less than estimated and/or fixed costs. The User shall reimburse the Owner within 30 days after a first notification.

- i. The User shall notify the Owner of any disagreements in writing by letter, facsimile, or email to the District's designated employee. The User shall clearly identify the reasons for refusing responsibility for the damages. Failure to make the disagreement within fifteen (15) days shall be considered as an acceptance of responsibility by the User.
- ii. After proper notification, members of the Joint Use Interagency Team, or other designated representatives of the NCRD and School District shall make an on-site investigation and attempt a settlement of the disagreement.
- iii. In the event an agreement cannot be reached, the matter shall be referred to City of North Charleston Mayor and Superintendent of Schools, or their designees, for resolution.
- iii. The Owner shall have the right to make immediate emergency repairs or replacements of Property without voiding the User's right to disagree.

16. Liability

- a. The School District, its officers, employees and agents, shall be responsible for all loss, expense, attorney's fees, or claims for injury or damages, arising out of their actions during the performance of this Agreement, but only in proportion to and to the extent such loss, expense, attorneys' fees, or claims for injury are caused by or result from the negligent or intentional acts or omissions of the School District, its officers, agents, or employees.
- b. The NCRD, its officers, employees and agents, shall be responsible for all loss, expense, attorney's fees, or claims for injury or damages, arising out of their actions during the performance of this Agreement, but only in proportion to and to the extent such loss, expense, attorneys' fees, or claims for injury are caused by or result from the negligent or intentional acts or omissions of the NCRD, its officers, agents, or employees.

17. Insurance

The School District and NCRD carries liability insurance of least \$1,000,000 to cover the acts of any person employed to fulfill the requirements of this Agreement. The School District and NCRD will also carry Worker's Compensation insurance and all other coverage necessary for their employees. The School District and the NCRD shall provide to each other a certificate of insurance each year this Agreement is in effect showing proof of the above coverage.

18. Termination

This Agreement may be terminated under any of the following circumstances:

- a. Mutual agreement of both parties, which shall be in writing and executed by both parties.
- b. By either party upon sixty days prior written notice to the other party.

19. Notices

Any notice required or permitted to be given under this Agreement by one party to the other shall be sufficient if given or confirmed in writing to the parties at the addresses set forth below:

If to CCSD: Charleston County School District
3999 Bridge View Drive
North Charleston, SC 29405
Attention: Mr. Wayne Wilcher, Director

If to NCRD: City of North Charleston Recreation Department
PO Box 190016
North Charleston, SC 29419-9016
Attention: Mr. T.J. Rostin, Deputy Director

City of North Charleston Legal Department
PO Box 190016
North Charleston, SC 29419-9016
Attention: Dirk Van Ralte

20. Applicable State Law and Compliance

This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina. Both Parties agrees to comply with the applicable provisions of any federal, state, or local laws or ordinance and all orders, rules, and regulations issued therunder.

IN WITNESS WHEREOF, the parties hereto have, through duly authorized officials, executed this Joint Use Agreement effective as of the day and year indicated above.

City of North Charleston Recreation

Charleston County School District

By: _____

By: _____

Name: R. Keith Summey

By: Michael Bobby

Title: Mayor

Title: Acting, Superintendent of Schools and
Chief of Finance, Operations & Capital
Programs

Date: _____

Date: _____

Attachment A, CCSD/NCPR Property List

PROPERTY	LOCATION	OWNER	POC	CLEANING/GROUNDS	MAINTENANCE	SCHEDULING
Jenkins Academy Field	2670 Bonds Avenue, N.Charleston 29405	CCSD	Karl Guelchner	CCSD	Joint	N/A
Burns Elem. Field	3750 Dorchester Rd., N.Charleston 29405	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Berry Campus Field	1601 Iroquois St., N.Charleston 29405	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Corcoran Elem. Vistavia Field	8585 Vistavia Rd., N.Charleston 29406	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Corcoran Elem. Tennis Court	8525 Vistavia Rd., N.Charleston 29406	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Brentwood Campus Baseball/Softball Field	2685 Leeds Ave., N.Charleston 29405	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Mary Ford Elem. Accabee Baseball Field	3180 Thomasina McPherson Blvd., N.Charleston 29405	CCSD	Karl Guelchner	CCSD	CCSD	N/A
Pinehurst Elem. Gymnasium	7753 Northside Dr., N.Charleston 29420	CCSD	Diane Benton	Joint	CCSD	N/A
Danny Jones Complex	1455 Monitor St., N.Charleston 29405	NCPR	T.J. Rostin	NCPR	NCPR	N/A
Collins Park	4155 Fellowship Rd., N.Charleston 29418	NCPR	T.J. Rostin	NCPR	NCPR	N/A
Ferndale Gymnasium	1919 Piedmont Ave., N.Charleston 29406	NCPR	T.J. Rostin	NCPR	NCPR	N/A
Brentwood Baseball Field	2501 Adonis St., N.Charleston 29405	NCPR	T.J. Rostin	NCPR	NCPR	N/A

FACILITIES USE AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into this 1st day of March, 2012, by and between the **CHARLESTON COUNTY SCHOOL DISTRICT** (hereinafter referred to as "DISTRICT"), and the City of North Charleston (hereinafter referred to as "The City").

THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Description of Premises:** DISTRICT hereby allows The City to use, subject to the terms and conditions set forth in this Agreement, the Berry School campus in Charleston County, South Carolina, being more particularly described on Exhibit "A" and Exhibit "B" attached hereto and incorporated herein by reference. The area referred to as "the soccer field" which encompasses one (1) youth soccer field and the adjoining parking lot located on the property at 1600 Saranac Street, North Charleston, SC 29405.
2. **Term of Agreement:**
 - a. The term of this Agreement shall begin on July 1, 2012 and end on June 30, 2015.
 - b. The District reserves the right to terminate this agreement if the DISTRICT determines the intent of the agreement is not being met and it is not in the best interests of the DISTRICT to continue the agreement. The DISTRICT will provide 30 days written notice of termination.
3. **Rent:** The DISTRICT will fund the grading, prepping and site work for the one (1) soccer field. The City of North Charleston Recreation Department will be responsible for seeding the field. The City will be responsible for the daily maintenance of the one (1) soccer field and all areas within the fence line as indicated on the attached site plan (Exhibit B). The City agrees to provide trash receptacles on the property and will clear the field and parking areas of all trash and debris that results from events held on the property.
4. **Use of Premises:** The City desires to utilize the one (1) soccer field on the Berry School campus for the benefit of its citizens living in the Southern corridor area of the City. The City will utilize the soccer field as well as the parking area. The City plans to only use the field for its youth soccer, youth football, youth baseball and youth softball leagues, which include children ages four to ten years old. This field will be utilized by the Recreation Department for practices and/or games on weeknights as well as Saturdays. The Recreation Department will not utilize the facilities for any other purpose. The City of North Charleston Recreation Department shall be responsible for scheduling the use of the soccer field for its sports programs with final approval from the DISTRICT. The City shall have use of one (1) soccer fields and parking area. Other reserved use of the soccer field and parking area shall be scheduled through the City of North Charleston Recreation Department.

Charleston County School District (CCSD) will have the right to utilize the one (1) soccer field at any time during school operating hours for physical education class and other outdoor activities.

The City shall conduct activities on the Premises in a lawful manner. The City will not permit any illegal business or transactions of which it has knowledge to take place on the Premises. The City shall comply with all federal, state, and local laws, rules, regulations and ordinances in connection with its operations on the Premises. The City shall ensure proper security on the premises.

5. **Repairs, Alterations and Improvements:** The City shall not make, or permit to be made, any additions to or alteration of the Demised Premises, or any part of the Demised Premises without the written consent of the DISTRICT.

Should the DISTRICT, from time to time, agree in writing to any addition to or alteration of the Demised Premises, the DISTRICT and The City may at such time, or times, agree upon the terms and conditions upon which such additions and/or alterations shall be made. The agreement shall determine the details of any such specific addition or alteration, as well as the rights and responsibilities of the parties thereto.

6. **Indemnification:**

- a. DISTRICT shall, at all times during the term of this Agreement, keep all improvements that are now or hereafter a part of the Premises (and all personal property of DISTRICT now or hereafter located in or on the Premises) insured against loss or damage by fire, extended coverage, vandalism and malicious mischief in accordance with its current insurance policy. All insurance required by this provision shall be carried for the mutual benefit of the parties in proportion to their respective interests in the Premises. Any loss adjustment shall require the written consent of both DISTRICT and The City. The insurance carrier shall be selected by DISTRICT.
- b. The parties hereby acknowledge and agree that the aforesaid insurance will not cover any of The City's personal property now or hereafter located in or on the Premises, and that The City shall obtain and maintain general liability insurance at the expense of The City, which would cover activities on the Premises. Any additional insurance desired by The City may be written by any carrier selected by The City, provided, however, that such carrier must be authorized and licensed to do business in the State of South Carolina. The City shall provide DISTRICT with a certificate of insurance evidencing said insurance upon request by DISTRICT. DISTRICT shall be an additional insured on any such policy.
- c. Each party is responsible for the negligent acts and omissions of its respective employees, agents etc.

7. **DISTRICT's Right of Entry:** The DISTRICT reserves the right, but retains no

responsibility, during the term of this Agreement, to enter upon the Demised Premises, and all parts of the Demised Premises, at any reasonable time or times for the purpose of inspection or consultation with the City.

8. **Notices:** Any and all notices or other communications provided for in this Agreement shall be in writing, shall be signed by the party giving the same, and shall be delivered personally, or mailed by certified mail, return receipt requested, postage prepaid, addressed to the party to whom such communication is directed as herein below provided. Notice shall be deemed to be given and received hereunder on the date of delivery if personally delivered, or two (2) days after the date of mailing if mailed as aforesaid (not including the date of mailing). Any party may change his or its address at any time by giving the other party notice thereof. Notice shall be addressed as follows:

DISTRICT:

Charleston County School District
Attention: Wayne Wilcher, Contracts Officer
3999 Bridge View Drive
N. Charleston, SC 29405

The City:

City of North Charleston
2500 City Hall Lane
North Charleston, SC 29406

With a copy to:

J. Brady, Esquire
2500 City Hall Lane
North Charleston, SC 29406

9. **Binding Effect:** The terms, covenants, and conditions contained in this Agreement, subject to the provisions herein regarding to assignment and subletting, shall apply to, and bind, the successors and assigns of the parties.
10. **Modification of Agreement:** Any modifications of this Agreement, or additional obligation assumed by either party in connection herewith, shall be binding only if there is written approval by both parties.
11. **Entire Agreement:** This Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.
12. **Governing Law:** This Agreement is being made in the State of South Carolina and shall be construed and enforced in accordance with the laws of the State of South Carolina.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals as of the date

and year first written above.

DISTRICT:

CHARLESTON COUNTY SCHOOL DISTRICT

By: Fredrick N. Fair

Its: DIRECTOR OF CONTRACTS + PROCUREMENT SERVICES

Date: 8/6/12

The City:

THE CITY OF NORTH CHARLESTON

By: R. Keith Summey
R. Keith Summey

Its: Mayor

Date: April 26, 2012

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

MEMORANDUM OF UNDERSTANDING

This agreement made and entered into on the 1st day of July, 2012, between the Charleston County School District, referred to herein as Owner, and the City of North Charleston, referred to herein as User.

In consideration of the mutual covenants contained in this Agreement, the sufficiency of which is hereby acknowledged, the parties agree as follows:

The City of North Charleston desires to utilize the gymnasium on the Pinehurst Elementary campus for the benefit of its youth living in that corridor of the City. The City will utilize the gymnasium for youth basketball games and practice. The City plans to utilize the gymnasium from 6:00 p.m. until 9:00 p.m. Monday's through Saturday's. The gym will be utilized by the Recreation Department for practices and game tournaments.

Section One - Description of Premises

Upon the terms and conditions specified in this Agreement, Owner allows usage to User to be used for recreational purposes at certain property located on the Pinehurst Elementary campus in the City of North Charleston, State of South Carolina, and more particularly described as follows (the Premises): The area referred to as "the gymnasium" which is located at 7753 Northside Drive, North Charleston, SC 29420.

Section Two - Use of Demised Premises

The City of North Charleston Recreation Department will use the Premises solely for recreation purposes. The City shall conduct activities on the Premises in a lawful manner. The City will not permit any illegal business or transactions of which it has knowledge to take place on the Premises. The City shall comply with all federal, state, local laws, rules, regulations and ordinances in connection with its use of the Premises. The City is required to clean up Premises after each use. All vendor services required to clean up Premises after use by The City must be provided by vendors who are approve by Owner.

Site Designee contacts for the use of the Premises are:

Pinehurst Elementary School

7753 Northside Drive

North Charleston, SC 29420

Ms. Dianne Benton

Ph: (843) 824-8728

Fax: (843) 824-8729

Email: Dianne_Benton@charleston.k12.sc.us

North Charleston Parks and Recreation
2500 City Hall Lane
North Charleston, SC 29406
Mr. T.J. Rostin
Ph: (843) 740-5813
Fax: (843) 745-1057
Email: tjrostin@northcharleston.org

Section Three – Term

The term of this Agreement shall be for three (3) years, beginning on July 1, 2012 and ending on June 30, 2015. CCSD reserves the right to terminate this agreement for any reason upon sixty (60) days written notice to the designee.

Section Four – Rent

There is no rent requirement for the use of the Premises. However, the City of North Charleston Recreation Department will be responsible for installing the basketball goals at the Pinehurst Elementary gymnasium. The City will also provide any needed maintenance on the goals during the above stated time frame of the agreement.

Section Five - Alterations and Additions

- A. User shall not make, or permit to be made, any additions to or alterations of the Premises, or any part of the Premises without the written consent of Owner.
- B. Should Owner, from time to time, agree in writing to any addition to or alteration of the Premises, Owner and User may at such time or times agree upon the terms and conditions upon which such additions and/or alterations shall be made, and the agreement shall determine the rights of the parties in and to the specific addition and/or alteration made under each such agreement.

Section Six - Lessors Right of Entry

Owner reserves the right, but retains no responsibility, during the term of this Agreement, to enter upon the Premises, and all parts of the Premises, at any reasonable time or times for the purpose of inspection or consultation with User. Once this agreement is executed The City Site Designee will be provided access to the Premises in accordance with Owners Security Policy.

Section Seven - Scheduling

The City of North Charleston Recreation Department shall be responsible for scheduling the use of the gymnasium for its sports programs with final approval from the Owner's Site Designee. The City may use the Premises during the Winter Break, Spring Break, Summer Break, and Owner mandatory shutdowns.

Section Nine- Governing Law

It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of South Carolina.

Section Ten - Liability

The City of N. Charleston maintains liability for its agency for use of the facilities, subject to the coverage's and the SC code of laws that are applicable. Charleston County School District maintains liability for its agency for use of the facilities, subject to the coverage's and the SC code of laws that are applicable.

Section Eleven - Entire Agreement

This Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

Section Twelve - Modification of Agreement

Any modification of this Agreement or additional obligation assumed by either party in connection herewith shall be binding only if evidenced in a writing signed by each party.

Section Thirteen - Notices

All notices, demands, or other writings in this Agreement provided to be given or made or sent, or which may be given or made or sent, by either party to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed as follows:

To the User:

City of North Charleston
2500 City Hall Lane
North Charleston, SC 29406
Attention: Mr. Ed Barfield

With a copy to:

J. Brady Hair, Esquire
2500 City Hall Lane
North Charleston, SC 29406

To the Owner:

Charleston County School District
3999 Bridge View Drive
Charleston, SC 29405
Attention: Mr. Wayne Wilcher

Section Fourteen - Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed on the date first mentioned above.

WITNESS:

Frederick N. Ford

Wayne Walker

WITNESS:

Raymond H. Crandall
Ed. H. H. H. H.

FOR THE OWNER:

**Charleston County School District
3999 Bridge View Drive
Charleston, SC 29405**

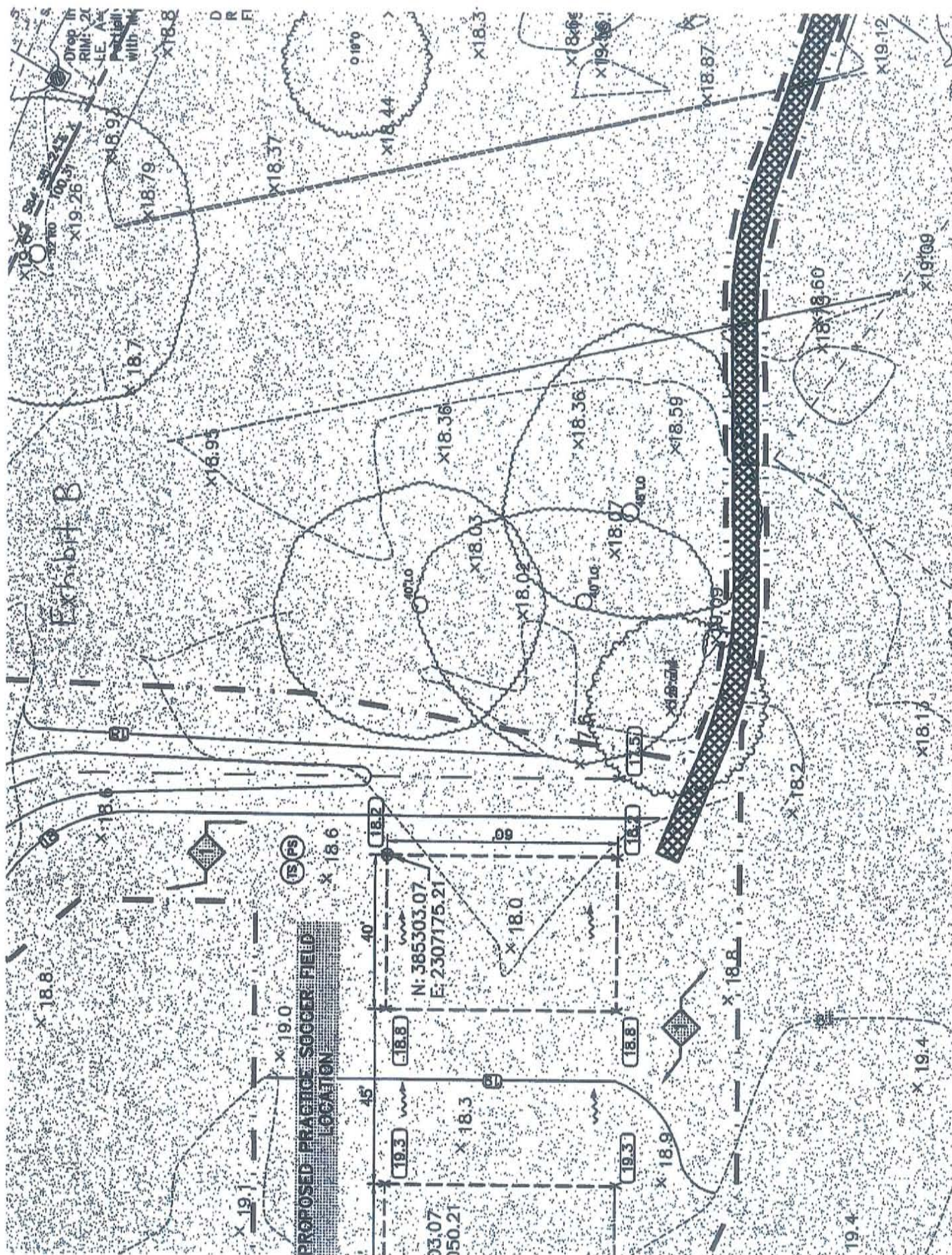
By: Nancy J. McGinley
Nancy J. McGinley, Superintendent
Charleston County School District

FOR THE USER:

**The City of North Charleston
2500 City Hall Lane
North Charleston, SC 29406**

By: R. Keith Summey
R. Keith Summey, Mayor
City of North Charleston

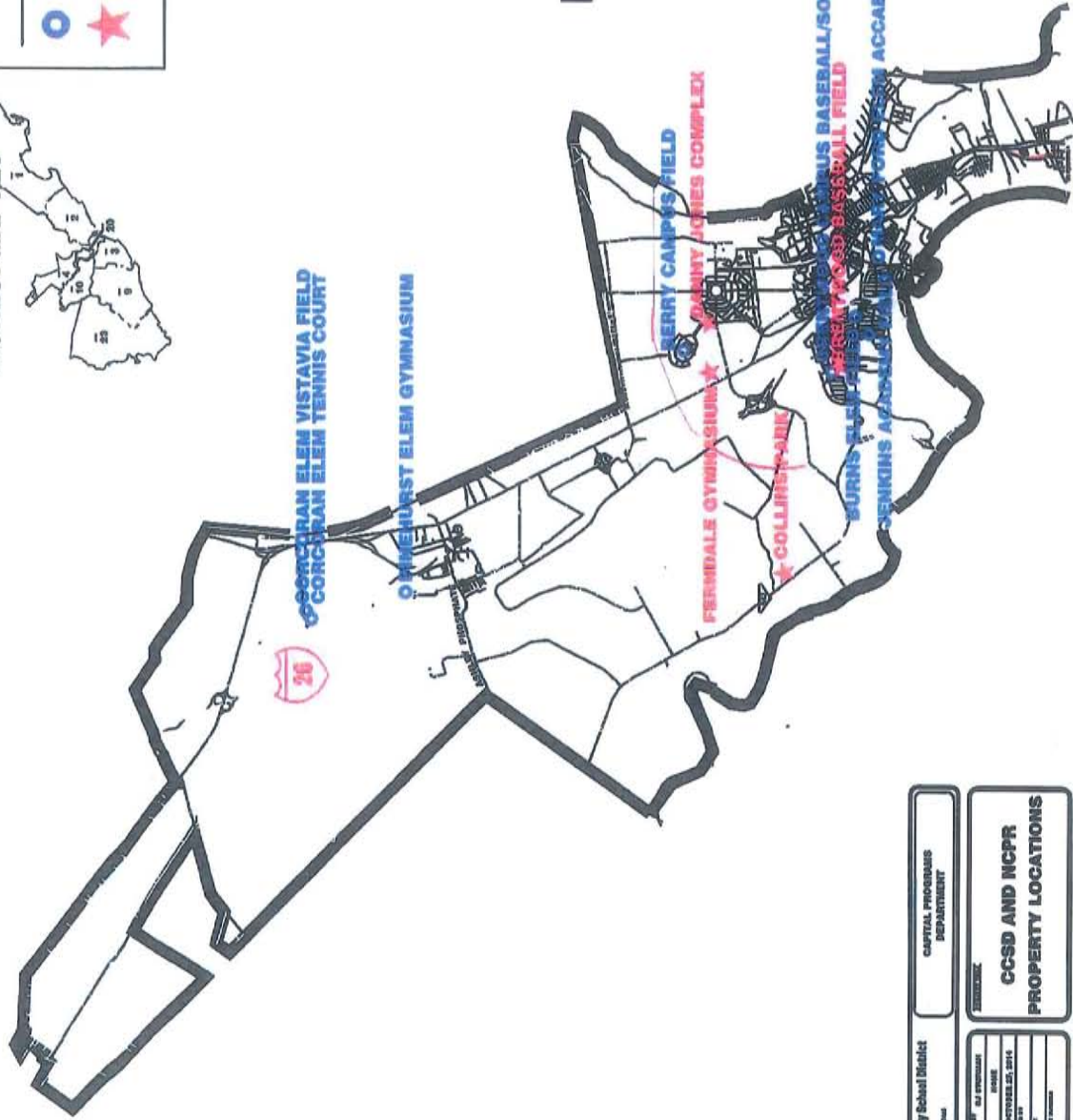
Exhibit B



DISTRICT MAP KEY

CCSD PROPERTY

IL CHAS PARK & REC



DISTRICT 4

Charlotte-Mecklenburg Schools

Charlotte-Mecklenburg Schools

CAPITAL PROGRAMS
DEPARTMENT

CCSD AND NCPR
PROPERTY LOCATIONS

DATE: OCTOBER 20, 2014

DATE: OCTOBER 20, 2014

DATE: OCTOBER 20, 2014

DATE: OCTOBER 20, 2014

Charleston > excellence is our standard
County SCHOOL DISTRICT

75 Calhoun Street
Charleston, SC 29401

Contracts and Procurement
Board Agenda Item

TO: Board of Trustees

FROM: Wayne Wilcher

DATE: December 8, 2014

SUBJECT: Procurement Audit for Fiscal Year 2014

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees accept the Procurement Audit as presented.

The material is submitted for: ☒ Action ☐ Information
☒ Open ☐ Executive

Respectfully submitted:

Michael L. Bobby
Acting Superintendent of Schools
and Chief of Finance, Operations
& Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs


Todd Garrett, Chair
Audit & Finance Committee

☒ Item voted on and
recommended for Board
A&F Committee on 12-1-14

Tripp Wiles, Chair
Policy & Personnel Committee

☐ Item voted on and
recommended for Board
Policy Committee on _____

Contracts and Procurement
December 8, 2014

SUBJECT: Procurement Audit for Fiscal Year 2014

BACKGROUND: Greene, Finney, and Horton, Certified Public Accounting & Consultants performed a Procurement Examination to determine if CCSD adherence to Section 11-35-70 of the South Carolina Consolidated Procurement Code and the District's Procurement Code.

DISCUSSION: The Procurement Examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. The Procurement Examination does not provide a legal determination on the District's compliance with specified requirements.

Greene Finney & Horton performed the steps as indicated in the program provided to them by the State of South Carolina Budget and Control Board – Procurement Services Division – Office of Audit and Certification (the SCBCB), and, where applicable, the District's procurement policies.

This Procurement Examination revealed only 3 findings. The independent accountant's report attached includes those items and the District's response.

FUNDING SOURCE/COST: N/A

FUTURE FISCAL IMPACT: N/A

DATA SOURCES: Greene, Finney, and Horton

PREPARED BY: Wayne Wilcher

REVIEWED BY LEGAL SERVICES: N/A

REVIEWED BY PROCUREMENT SERVICES: Wayne Wilcher

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

INDEPENDENT ACCOUNTANT'S REPORT

FOR THE YEAR ENDED JUNE 30, 2014



Greene Finney & Horton

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT

The Board of Trustees
Charleston County School District
Charleston, South Carolina

We have examined the internal procurement operating policies and procedures of Charleston County School District (the "District") for the year ended June 30, 2014. This examination was directed principally to determine whether the procurement procedures were in compliance with the District's Procurement Code and its ensuing regulations, in all material respects. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

Specifically, the scope of our examination included, but was not limited to, a review of the following:

1. We obtained answers to the South Carolina Budget and Control Board's ("SCBCB") questionnaire for evaluating internal control efficiency and effectiveness of the District's Procurement Operations and evaluated those answers.
2. We inquired of the District concerning any transactions between Foundations, Eleemosynary or 501(c)3 groups affiliated with the District and any gifts between these entities to determine if the transactions were subject to the District's Procurement Code.
3. We reviewed the Minority Business Enterprise Utilization annual plan ("MBE Plan") to determine if it was submitted to and approved by the Board of Trustees timely, that it contained the components required by the District's Procurement Code, and that periodic progress reports were filed timely. The goal for the fiscal year ended June 30, 2014 was 20% of the controllable amount budgeted. The actual minority business expenditures for the fiscal year ended June 30, 2014 were approximately 4%.
4. We reviewed the District's Procurement Card Program Policies and Procedures to confirm the establishment of internal controls and cardholder spending limits and ensured that adequate separation of duties exists between cardholder purchases and the review/approval of these purchases prior to payment. We also determined that the District has a training program for new card holders and liaisons, no District employees have been issued more than one card, the District had no unassigned cards, and no purchases were made from blocked Merchant Category Codes without a reasonable explanation. In addition, we reviewed all procurement card purchases for potential splitting, all procurement card purchases greater than \$2,500 to ensure that proper competition was solicited, and a sample of 25 procurement card purchases to determine if they were being managed in compliance with the District's Procurement Code and Procurement Card Program Policies and Procedures.
5. We reviewed the blanket purchase agreement file to determine that it was being used in accordance with the District's Procurement Code. We noted the District issued no blanket purchase agreements during the year ended June 30, 2014.
6. We reviewed a block sample of purchase orders from the numerical purchase order file to check for splitting of vendors, favored vendors, and any questionable procurements.
7. We reviewed all of the District's procurements of revenue generating contracts to determine that they were done in accordance with the District's Procurement Code. We noted the District issued 1 revenue generating contract during the year ended June 30, 2014.

WWW.GFHLLP.COM • INFO@GFHLLP.COM

864.232.5204 PH • 864.232.5532 FAX • 211 EAST BUTLER ROAD, SUITE C-6 • MAULDIN, SC 29662

843.735.5805 PH • 1985 RIVIERA DRIVE, SUITE 103-203 • MT. PLEASANT, SC 29464

864.451.7381 PH • 800 EAST WASHINGTON STREET, SUITE D • GREENVILLE, SC 29601

8. We reviewed 10 of 20 ratifications of unauthorized procurements to determine if they were properly addressed and authorized in accordance with the District's Procurement Code.
9. We reviewed copies of all sole source and emergency procurement Determinations and Findings and related purchased orders or vouchers for the year ended June 30, 2014 to determine that each procurement transaction was adequately explained and appropriate, properly approved, and accurately reported.
10. We inquired of the District concerning trade-in procurements. The District did not have any trade-in procurements during the year ended June 30, 2014.
11. We selected and tested a sample of 25 procurement transactions related to Supplies and Services, IT, and Consultants for compliance with the SCBCB's standard matrix. The sample of 25 transactions selected for testing included 8 procurements greater than \$50,000, 7 procurements between \$10,000 and \$50,000, 6 procurements between \$2,500 and \$10,000, and 4 procurements less than \$2,500.
12. We selected and tested an additional 4 request for qualification procurements related to the District's building program.
13. We selected all disposals and sales of surplus property to determine that they were handled in accordance with the District's Procurement Code.
14. We selected and tested 20 construction procurements and 5 architectural and engineering procurements for compliance with the SCBCB's Major Construction and A&E and Related Professional Services Matrices, respectively, and the District's Procurement Code. This sample included 12 procurements greater than \$50,000, 10 procurements between \$10,000 and \$50,000, and 3 procurements between \$2,500 and \$10,000.
15. We inquired of the District concerning the use of Indefinite Delivery Contracts. The District did not have any Indefinite Delivery Contracts for the year ended June 30, 2014.
16. We inquired of the District concerning the use of any alternative construction delivery methods (other than design bid build). We noted that the District had one construction manager at risk contract which we tested for compliance with the District's Procurement Code.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2014. However, the results of our procedures disclosed instances of immaterial noncompliance with those requirements that are described in Attachment A.

This report is intended solely for the information and use of the Board of Trustees and management of the District, the South Carolina Budget and Control Board, Division of General Services, Materials Management Office, and their designees and is not intended to be and should not be used by anyone other than these specified parties.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 22, 2014

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

PROCUREMENT EXAMINATION

EXAMINATION FINDINGS – ATTACHMENT A

FOR THE YEAR ENDED JUNE 30, 2014

Our examination of the procurement system of the District produced the following findings and recommendations with regards to Charleston County School District's Procurement Code:

Finding 1: We selected and tested a sample of 25 procurement transactions related to Supplies and Services, IT, and Consultants for compliance with the SCBCB's standard matrix. The sample of 25 transactions selected for testing included 8 procurements greater than \$50,000, 7 procurements between \$10,000 and \$50,000, 6 procurements between \$2,500 and \$10,000, and 4 procurements less than \$2,500. Of the 25 tested, we noted one purchase order citing a District contract as procurement authority that lapsed prior to the purchase order being issued. A two year extension of the contract was approved by the Board subsequent to the purchase order being issued.

Recommendation 1: We recommend that the District develop a system to track the expiration dates of the District contracts and alert the Procurement Officer several months ahead of the expiration date so that the proper procurement procedures can be implemented in order to ensure all procurements are properly authorized in accordance with the District's Procurement Code. The District should also consider including the expiration date on the purchase order along with the contract number.

District Response 1: The District will implement and develop a Contract Management System. This system will focus on the following stages of contract lifecycle: request, authoring, negotiation, approval, execution, contract management, amendment, audit & reporting, and renewal.

Finding 2: We reviewed copies of all sole source and emergency procurement Determinations and Findings and related purchased orders or vouchers for the year ended June 30, 2014 to determine that each procurement transaction was adequately explained and appropriate, properly approved, and accurately reported. There was discussion at the March 25, 2013 Board meeting of withdrawing the January 28, 2013 motion which read "Head Start remains in annex while Murray LaSaine ES goes through building renovations to facilitate the maturation of the Montessori program in the new building," but the January motion remained the Board's decision. Renovations to Murray LaSaine Elementary School for the Head Start program and Montessori curriculum were approved by the Construction Procurement Officer, the COO for Capital Programs, and the Chief of Finance & Operations in July 2013 as an emergency procurement. The justification provided was that the renovations needed to be completed in order for the facility to be ready for students in August 2013. The District's Procurement Code allows for emergency procurements "only when there exists an immediate threat to public health, welfare, critical economy and efficiency, or safety under emergency conditions provided that such emergency procurements shall be made with as much competition as is practicable under the circumstances."

Recommendation 2: We recommend that the District limit the use of emergency procurements to only those instances that qualify as emergencies in accordance with the District's Procurement Code.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

PROCUREMENT EXAMINATION

EXAMINATION FINDINGS – ATTACHMENT A

FOR THE YEAR ENDED JUNE 30, 2014

District Response 2: The Director of Contracts & Procurement will approve emergency procurements. Emergency procurements approved will be in accordance with the District's Procurement Code. Procurement staff will provide training to Department Heads and Principals on Emergency Procurement Procedures.

Finding 3: We reviewed all procurement card purchases for potential splitting. Of the population of approximately 36,000 transactions reviewed, we noted 8 instances in which transactions were split in order to circumvent the District's Procurement Code requirements. All 8 instances were identified by the Procurement Officer as a result of the department's internal control procedures prior to our test work, and each of the employees responsible for unauthorized transactions was issued a Notice of Procurement Violation. The Notice was to be signed and returned to the procurement department within 10 days; however, we noted one employee who was issued a Notice on January 9, 2014 had not yet returned the signed form as of the date of test work.

Recommendation 3: We recommend that the District complete all violation notices in full in order to comply with the Procurement Card Program Manual and mitigate the risk of future violations.

District Response 3: The District will follow the recommendation proposed. The District will follow up weekly until all Notices issued have been signed and returned. Notices sent to employees that are not returned in the allotted time allowed will be sent to Human Resources for disciplinary actions.

Charleston > excellence is our standard
County SCHOOL DISTRICT

75 Calhoun Street
Charleston, SC 29401

Contracts and Procurement
Board Agenda Item

TO: Board of Trustees

FROM: Michael L. Bobby

DATE: December 8, 2014

SUBJECT: Axxis Consulting Contract Amendment

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees approve the amendment of Axxis Consulting contract.

The material is submitted for: ☒ Action ☐ Information
☒ Open ☐ Executive

Respectfully submitted:

Michael L. Bobby, Acting
Superintendent of Schools &
Chief of Finance, Operations & Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs



Todd Garrett, Chair
Audit & Finance Committee

☒ Item voted on and
recommended for Board
A&F Committee on 12-1-14

Tripp Wiles, Chair
Policy & Personnel Committee

☐ Item voted on and
recommended for Board
Policy Committee on _____

Contracts and Procurement
December 8, 2014

SUBJECT: Axxis Consulting Contract Amendment

BACKGROUND: - CCSD engaged Axxis Consulting to support the Leadership Team and District in addressing multiple issues with specific focus on closing the achievement gap and building better community relationships through diversity and respect. The original term of the Agreement was July 1, 2014 through November 30, 2014 at a cost of \$50,000.

DISCUSSION: Staff is requesting to increase the contract amount from \$50,000 to \$98,956. This is an increase of \$48,956 to complete the following scope of services:

1. Process Consulting/Coaching/Mentoring

- Review and provide input to the proposed Strategic Diversity Plan for CCSD. This includes the formation of employee resource groups.
- Provide guidance and input directly to the Superintendent on issues and opportunities at the Superintendent request or as needed.
- Provide coaching and mentoring to members of CCSD leadership team and others.

2. Education/Training

- Provide the Leadership Team with required or desired information and skills in the area of effective strategic diversity management, dignity & respect training and executive team building.

3. Community Relations

- Leverage consultant relationships with key Charleston community leaders to garner required support for CCSD Diversity & Inclusion / Dignity & Respect strategy.
- Identify and address the issues that are barriers to a more effective CCSD/Community partnership.

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees approve the amendment of Axxis Consulting contract.

FUNDING SOURCE/COST: GOF/\$48,956

FUTURE FISCAL IMPACT: N/A

DATA SOURCES: Audrey Lane, Michael Bobby, and Wayne Wilcher

PREPARED BY: Wayne Wilcher

REVIEWED BY LEGAL SERVICES: N/A

REVIEWED BY PROCUREMENT SERVICES: Wayne Wilcher

SERVICES AGREEMENT NO. 01501044

THIS AGREEMENT is made this 7th day of August, 2014, between the Charleston County School District with offices at 3999 Bridge View Drive., N. Charleston, SC 29405, hereinafter referred to as "CCSD" and **Axxis Consulting** with offices at 1680 Dew Place, Marietta, GA 30064, hereinafter referred to as "Contractor".

WHEREAS, CCSD realizes the Contractor has certain skills which may benefit CCSD; and
WHEREAS, CCSD desires to retain the services of the Contractor for the term of this Agreement; and

WHEREAS, Contractor desires to render services upon the terms and conditions of this Agreement hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

1. **Terms of Agreement and Extension.** The initial term of the Agreement shall be **July 1, 2014 through December 1, 2014**. Subject to Paragraph 6 and upon written modification to this Agreement, this Agreement may be extended under the same terms and conditions as herein stated.
2. **Performance of Duties.** See Attachment A, Statement of Work.
3. **Compensation.** The cost for the services to be provided by the Contractor is **\$1,300.00** per day. The **not-to-exceed** amount is **\$50,000 (which includes \$3,200 for expenses)**. It is contemplated that this sum will cover the portion of the work to be performed by the Contractor during the period of August 1, 2014 through January 30, 2015. The amount specified, or as such may be increased from time to time, shall apply irrespective of any other provisions of this Agreement and any work performed in excess thereof shall be at Contractor's risk.
4. **Payment.** Contractor shall submit invoices and any necessary supporting documentation to the CCSD at the following address:

Charleston County School District
3999 Bridge View Drive
North Charleston, SC 29405
Attention: Accounts Payable
Reference: Services Agreement No. 01501044

5. **Payment Terms.** Payment terms are Net 30 days after receipt of an acceptable invoice, provided that the supplies/services (conforming to the requirements of this Agreement)

have been received and accepted by CCSD. An acceptable invoice is one submitted in accordance with the terms of Paragraph 4 above.

6. **Stop Work.** CCSD may, at any time, by written order to Contractor, require Contractor to stop all, or any part, of the work called for by this Agreement for a period of 45 days after the order is delivered to Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this Clause. Upon receipt of the order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 45 days after a stop-work is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, CCSD shall either:
 - a. Cancel the stop-work order; or
 - b. Terminate the work covered by the order as provided in the Termination clause of this Agreement.
7. **Termination.** This Agreement may be terminated under any of the following circumstances:
 - a. By mutual agreement of both parties, which shall be in writing and executed by both parties.
 - b. By either party upon thirty days prior written notice to the other party.
 - c. By CCSD upon failure by Contractor to keep CCSD properly informed of progress made in the pursuit of objectives identified by CCSD.
 - d. By either party upon written notice, for breach of any of the provisions hereof by the other party which breach shall not have been cured within thirty (30) days from notice of such breach.
 - e. By CCSD upon failure of Contractor to provide satisfactory performance.
 - f. By CCSD upon the non-availability of Contractor.
 - g. By CCSD if funding is no longer available.
8. **Return of Documents.** Contractor shall, at the request of the CCSD, upon termination of this Agreement return to the CCSD all records, papers, documents, and copies thereof, pertaining to transactions or information handled by Contractor pursuant to this Agreement.
9. **Confidentiality.** The term "Proprietary Information" as used in this Agreement means (1) confidential information including without limitation information received from third parties under confidential conditions and (2) other technical, business, and financial information which the use or disclosure of might reasonably be construed to be contrary to the interest of the parties. Proprietary Information shall be used by Contractor only in connection with services rendered under this Agreement. Both parties understand and agree that they will (1) keep such information confidential at all times during and after the work, using the same degree of care and safeguards that they take with their own

proprietary information, (2) not disclose or communicate the information to any third party, and (3) will not make use of the information on their company's own behalf, or on behalf of any third party.

Contractor will comply with the Family Education Rights and Privacy Act of 1974 (FERPA) and the Health Insurance Portability and Accountability Act of 2002 (HIPAA).

The obligation of the parties with respect to handling and using proprietary information is not applicable to information that:

- a. Is published or otherwise in the public domain through no fault of the receiving party;
- b. Prior to disclosure hereunder, can be demonstrated by the receiving party to have been in its possession prior to receipt under this Agreement;
- c. Is properly obtained by the receiving without restriction from a third party;
- d. Is disclosed by the receiving party to a third party with the written approval of the disclosing party;
- e. Is independently developed by the receiving party; or
- f. Is disclosed after a period of three (3) years from the date received by the disclosing party.

10. **Noncompete.** During the term of this Agreement, Contractor shall not engage in activities, which may be in competition with or in conflict with the interests of CCSD. Contractor will keep the CCSD informed of other relevant work projects that may be in competition or conflict with the work to be performed by Contractor under this Agreement. The relationship between Contractor and CCSD is not exclusive. "*In conflict with*" is defined as work activities performed by Contractor which adversely affects work activities being performed by CCSD.
11. **Conflict of Interest.** Contractor will keep the CCSD informed of other relevant work projects that may be in competition or conflict with the work to be performed by Contractor under this Agreement.
12. **Insurance.** Contractor carries malpractice or liability insurance of least \$1,000,000 to cover the acts of any person employed to fulfill the requirements of this Agreement. Contractor will also carry Workers' Compensation insurance and all other coverage necessary for their employees. It is specifically agreed and understood that people hired by Contractor to work on this Agreement will not be afforded the legal defense provided to CCSD employees in the normal course and scope of business.
13. **Works Made For Hire.** Contractor further recognizes and understands that his/her work effort for CCSD may include the preparation of materials and that any such materials conceived or written by Contractor will be done as a 'work made for hire' as defined and

used in the Copyright Act of 1976, 17 USC Section 1. In the event of publication of such materials, Contractor understands that because the work is "made for hire," CCSD will retain exclusive rights in said materials, including right of copyright.

14. **Independent Contractor.** In performing this Agreement, Contractor shall be and act as an independent Contractor in all respects, and shall not, for any purpose, be or act as an agent or employee of the CCSD except upon prior, specific, written authorization. Under this Services Agreement, **Ms. Audrey Lane** is authorized to direct all tasking.
15. **Key Personnel.** For purposes of this Agreement, **Mr. Kevin L. Clayton** shall be considered the key person. Any changes in key personnel require prior, written approval from the CCSD.
16. **Indemnification.** Contractor shall indemnify and hold CCSD harmless from and against any and all liability for injury to persons or property occasioned wholly or in part by a negligent act or omission of its part, including any and all expenses, legal or otherwise, incurred by Contractor in the defense of any claim or suite arising out of work done under this Agreement; provided, however, that Contractor shall not be liable for injury to persons or property caused by the sole negligence of CCSD.
17. **Assignments.** This Agreement is not assignable and shall not be assigned in whole or in part by Contractor without the prior written consent of the CCSD.
18. **Notices.** Any notice required or permitted to be given under this Agreement by one party to the other shall be sufficient if given or confirmed in writing to the parties at the addresses set forth below:

If to CCSD: Charleston County School District
3999 Bridge View Drive
North Charleston, SC 29405
Attention: Mr. Wayne Wilcher, CPPO/CPPB
Ph: (843) 566-8131

If to the Contractor: Axxis Consulting
1680 Dew Place
Marietta, GA 30064
Attention: Mr. Kevin L. Clayton
Ph: (404) 431-9996

19. Agreement Representatives.

1. The following representatives of CCSD and Contractor are hereby designated for this Agreement:

Contractor's Representatives are:

Mr. Kevin L. Clayton	-	Services Representatives
Mr. Kevin L. Clayton	-	Agreement Representative

CCSD's Representatives are:

Ms. Audrey Lane	-	Technical Representative
Mr. Wayne Wilcher	-	Agreement Representative

2. The Contractor's Services Representative is responsible for day-to-day clarifications and guidance as may be required within the scope of the work requirements. All written communications, however, shall be transmitted through the Contractor's designated Agreement Representative and the CCSD's designated Agreement Representative.
3. Contact with the Contractor regarding prices, terms, quantities, deliveries and financial adjustments shall be made only between the Contractor's Agreement Representative and the CCSD's Agreement Representative. Actions taken by the Contractor, which by their nature effect a change to this Agreement, shall only be binding upon CCSD when such action is specifically authorized in writing by CCSD's Agreement Representative. All written communications between Contractor and CCSD shall be addressed and directed to the CCSD's Agreement Representative/Contractor's Agreement Representative.
20. **Changes.** Changes to the terms and conditions of this Agreement shall be negotiated with CCSD's Agreement Representative and, if accepted by both parties, shall result in a bilateral Modification to the Agreement.
21. **Contractor's Deliverable Submissions.** Any Contractor deliverables submissions (see Attachment A) of reports, data, drawings, artwork, etc., applicable hereto shall be submitted as identified in Attachment A.
22. **Applicable State Law and Compliance.** The validity, construction, scope, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina. Contractor agrees to comply with the applicable provisions of any federal, state, or local law or ordinance and all orders, rules, and regulations issued thereunder.

23. **Invalid Provisions.** In the event any one or more of the provisions contained in this Agreement shall be for any reason held invalid, illegal, or unenforceable in any respect it shall not affect any other provision of this Agreement.
24. **Entire Agreement.** This Services Agreement and all documents incorporated herein by reference, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and agreements. It shall not be varied except by an instrument in writing of subsequent date, duly executed by an authorized representative of each of the parties.

IN WITNESS WHEREOF, the parties hereto have, through duly authorized officials, executed this Service Agreement effective as of the day and year indicated below.

Arxis Consulting

By: 

Name: Kevin L. Clayton

Title: President

Date: 8.17.14

Charleston County School District

By: 

Name: Nancy J. McGinley

Title: Superintendent

Date: 8/19/14

Attachment A
Statement of Work

Engagement Objective - CCSD would like to engage Axxis Consulting to support the Leadership Team and District in addressing multiple issues with specific focus on closing the achievement gap and building better community relationships.

Scope of Services - The services below include but are not limit to the following areas of concentration:

1. Process Consulting/Coaching/Mentoring

- Review and provide input to the proposed Strategic Diversity Plan for the CCSD. This includes the formation of employee resource groups.
- Provide guidance and input directly to the Superintendent on issues and opportunities at her request or as I see needed.
- Provide coaching and mentoring to members of the CCSD leadership team and others.

2. Education/Training

- Provide the Leadership Team with required or desired information and skills in the area of effective strategic diversity management, dignity & respect training and executive team building.

3. Community Relations

- Leverage my relationships with key Charleston community leaders to garner required support for the CCSD Diversity & Inclusion / Dignity & Respect strategy.
- Identify and address the issues that are barriers to a more effective CCSD/Community partnership.

Proposed Engagement – Axxis Consulting will break out the 30 days into a 5-month engagement period with a commitment of 6 days per month starting August 2014 to December 2014. I am committing a minimum of 4 days in Charleston to maximize expenses and my effectiveness. I will also waive any fees associated with my travel time.

Charleston > excellence is our standard
County SCHOOL DISTRICT

75 Calhoun Street
Charleston, SC 29401

**Finance, Operations & Capital Programs
Board Agenda Item**

TO: Board of Trustees

FROM: Michael Bobby


DATE: December 8, 2014

SUBJECT: Fraser/Archer Campus – Fetter Healthcare

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees reverse the May 9, 2011 decision (see attached) to allow District staff to move forward with interested parties with respect to future use and development of the Archer and Fraser campus.

The material is submitted for: ☒ Action ☐ Information
☒ Open ☐ Executive

Respectfully submitted:



Michael L. Bobby,
Acting Superintendent of Schools
& Chief of Finance, Operations & Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs



Todd Garrett, Chair
Audit & Finance Committee

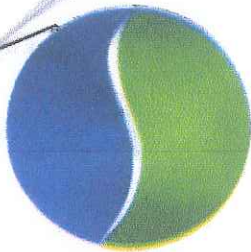


Item voted on and
recommended for Board
A&F Committee on 12-1-14

Tripp Wiles, Chair
Policy & Personnel Committee



Item voted on and
recommended for Board
Policy Committee on _____



Fetter Health Care

— NETWORK —



Charleston | Main Site
51 Nassau Street
Charleston, SC 29403
(843) 722-4112
Fax (843) 722-4802

Cross
1659 Old Highway 6,
PO Box 86
Cross, SC 29436
(843) 753-2334
Fax (843) 753-7986

Enterprise Pediatrics
2047 Comstock Ave.
N. Charleston, SC 29405
(843) 747-8893
Fax (843) 747-8895

Franklin C. Fetter Pediatrics
110 Executive Parkway
Moncks Corner, SC 29461
(843) 761-7744
Fax (843) 761-7784

Hollywood
5225 Highway 165
Hollywood, SC 29449
(843) 889-2272
Fax (843) 889-2274

Summerville
700 North Pine Street
Summerville, SC 29483
(843) 821-3444
Fax (843) 821-0015

Walterboro
302 Medical Park Circle
Suite 200
Walterboro, SC 29488
(843) 549-6853
Fax (843) 549-7961

October 17, 2014

Dr. Nancy McGinley, Superintendent
Charleston County School District
75 Calhoun Street
Charleston, SC 29401

Dear Dr. McGinley:

We appreciate you taking the time to meet with us recently. Attached please find a brief proposal for your consideration. We look forward to your response.

Sincerely,

Reuben J. Pettiford
Chief Executive Officer

Cc: Cindy Bohn Coats
Chair of the Board of Trustees
Charleston County School District

Michael Bobby
Chief Financial and Operations Officer
Charleston County School District

Jeffrey Borowy
Deputy, Capital Program
Charleston County School District

Michael Ray Mack
Chairman of the Board
Fetter Health Care Network

Ruth Jordan
Board Member
Fetter Health Care Network

John Tecklenburg
CC&T Real Estate Services

Fetter Health Care Network Proposal to Secure Space at the Archer School

Fetter Health Care Network, formally known as Franklin C. Fetter is a private, non-profit organization founded in 1975 by a group of Charleston's community leaders. Fetter provides comprehensive primary health care services to the under-served populations of the Charleston region. Over the years, Fetter has grown from several trailers to serving more than 18,000 residents annually at 9 locations including; downtown Charleston, North Charleston, Johns Island, Hollywood, Cross, Summerville and Walterboro. As an essential part of the Low Country's safety net system, our services have become more critical than ever for our residents who do not have access to affordable, quality primary care services particularly in light of our State's decision not to fully embrace the Affordable Care Act.

Over the past several years, a decrease in our peninsula population base has resulted in a corresponding decrease in our client base. Many of these individuals have moved to outlying areas which as a community health center has necessitated that we redistribute our limited resources accordingly to better meet the needs of our client base. Additionally, our 51 Nassau Street location is in need of extensive and costly upgrades in order to be in compliance with the requirements of the rapidly evolving health care environment largely precipitated by the Affordable Care Act. To address this matter, the Fetter Health Care Network Board of Directors has decided to sell its 51 Nassau Street property and construct a smaller, state of the art facility on the peninsula that would meet needs our clients and regulatory requirements as well as add much needed services such as dental and mental health.

Our recent meeting on September 30th focused on establishing a joint partnership to redevelop the Fraser School property. We believe this is a worthwhile project to explore and is consistent with the formal partnership we have developed with CCSD to provide primary care, dental and behavioral health services for the HS/EHS students. Although our initial agreement with CCSD centers on HS/EHS, we see this as a first step toward the potential development of a comprehensive school based health program for the school district.

As such, the Board of Fetter Health Care Network would like to make the following request:

1. CCSD provide Fetter with space at the Archer school property for a period of at least three years.
2. Fetter and CCSD would pursue a Memorandum of Understanding (MOU) regarding the re-development of the Fraser Elementary property on Columbus Street.

Please let us know at your earliest convenience if this is acceptable as we finalize the sale of our 51 Nassau location and hopefully begin the process of determining the cost of rehabbing Archer as soon as possible. Thank you for your thoughtful consideration of this matter and we look forward to expanding our relationship.

Charleston County School District
75 Calhoun Street
Charleston, SC 29401

EXECUTIVE SESSION

TO: Board of Trustees
FROM: Michael Bobby, CFOO
DATE: May 9, 2011
SUBJECT: Consideration to Place Archer, Fraser, and McNair Buildings and Properties on the Market for Sale

RECOMMENDATION: It is hereby recommended that the Charleston County School Board of School Trustees approve the placement of Archer, Fraser, and McNair Buildings and Campuses on the Market for Sale.

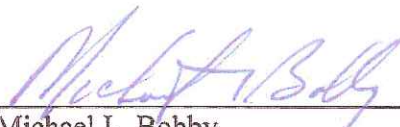
The material submitted is for:

☒ Action

☐ Information

Respectfully submitted:

Nancy J. McGinley, Ed.D.
Superintendent of Schools



Michael L. Bobby
Chief Financial and Operations Officer

N/A
J. Douglas Gepford, Ph.D.
Chief Academic Officer



William Lewis
Chief Operating Officer, Capital Programs

N/A
Cindy Bohn Coats
Chair, Audit & Finance Committee

☐ Item voted on and recommended
for Board approval by the
A&F Committee on _____

Chief Financial & Operations Office
May 9, 2011

TOPIC:

Consideration to Place Archer, Fraser, and McNair Buildings and Properties on the Market for Sale

BACKGROUND:

The District has assets (buildings and grounds) that have been shuttered and are vacant. As such, the District has previously taken a comprehensive view of these assets and the Board has given direction with respect to the future of these assets. As conditions change there is a need to periodically consider change in or creation of a new strategy.

DISCUSSION:

The Archer, Fraser, McNair Buildings are/or will be shuttered. There are no future plans for these buildings at this point. Archer and Fraser have known seismic issues and would require significant investment to mobilize them for any form of school operation. McNair would require an engineering analysis to define the scope of mitigation work, however, it too is anticipated to be considerable.

Previously, there have been discussions about joint use of the facilities within the City of Charleston with the City and the College of Charleston. At this time, it is being recommended that we put these assets on the market to determine value. This may lead either to assistance in moving forward with joint use opportunities or if sold outright, generate additional funds to support future District operations.

RECOMMENDATION:

It is hereby recommended that the Charleston County School Board of School Trustees approve the placement of Archer, Fraser, and McNair Buildings and Campuses on the Market for Sale.

FUNDING SOURCE/COST:

Cost for marketing the properties will be through the General Operating Fund.

FUTURE FISCAL IMPACT:

If sold, future fiscal impact will result in funds which can be used to support School District general operations.

DATA SOURCES:

School Asset Inventory – Confidential summary attached

PREPARED BY:

Mike Bobby, CFO

REVIEWED BY LEGAL SERVICES

N/A

REVIEWED BY PROCUREMENT SERVICES

N/A

**Summary of Land Issues in each of the three primary cities:
City of Charleston, North Charleston, and Town of Mount Pleasant
November 8, 2010**

**Follow-up to the Land Meeting
Updates from 12-13-10
Updates from 01-05-11**

Updates from Board Review – 02/14/11

Members in Attendance (11-08-10): Mike Bobby, Bill Lewis, and Troy Williams

Members in Attendance (12-13-10): Mike Bobby, Doug Gepford, Bill Lewis, Melissa Matarazzo, Dr. McGinley, Lauren Scott, and Elliot Smalley

Members in Attendance (01-05-11): Mike Bobby, Bill Lewis, and Melissa Matarazzo

I. City of Charleston – Land Acquisitions or Available Land

a. Buist Academy

11/08/10

There is commercial property (0.4) acres adjacent to Buist that may be advantageous to acquire to enlarge the foot print of the new Buist Academy. There is also a city parcel (parking lot) that has to be transferred to CCSD.

12/13/10

Consider offering Archer as a like kind exchange for land adjacent to Buist. CCSD needs to include in exchange of City and CCSD land.

12/13/10

Discussed meeting w/ Harry Lesesne regarding potential trade involving City, Developer, and School District. Could also consider surplus value as credit versus future work at Stoney Field.

01/05/11

Have received the first offer. First offer is \$2,900,000 for the entire 0.4 acre site.

01/05/11 - ACTION

Need to review this strategy with the Board. Will review on January 21, 2011.
Done

01/05/11 - ACTION

Meeting needs to be held with City and Barkley Group following discussion with Board on the 21st.

01/05/11 – Note

This review will include a summary of all District property and/or City of Charleston assets as a holistic strategy for obtaining assets that meet the needs of the District within the peninsula is developed.

01/05/11 - ACTION

Melissa Matarazzo to create a chart showing the City assets, the District assets and the private assets. In addition, we will create a map that will locate these assets and an aerial depiction of the asset from source such as Google map.

(Done, including zone assets)

b. James Simons

11/08/10

James Simons area also has parcels owned by the City that would be advantageous to be acquired to enlarge the foot print of the new James Simons Elementary School

11/08/10 – ACTION

Suggest that we hold meetings with Steve Bedard Harry Lesesne, Colleen Carducci, (Bill Lewis, Mike Bobby & Troy Williams) and consider a trade of the Archer property and building for these parcels.

12/13/10

There are two City owned parcels on the James Simons campus. CCSD and City will execute land exchange.

01/05/11 - ACTION

Need to have an appraisal of properties that are involved in the holistic strategy with the City of Charleston.

01/05/11 - ACTION

Assign Troy Williams to authorize Nick Thompson to do appraisal on parcels that do not have appraisals at this time. (Archer and Fraser if not already received)

c. Springfield Elementary and Montessori Property

11/08/10

Need to transfer Montessori property to Charleston County School District.

11/08/10 - ACTION

Need to meet with respect to the Board that has controlled the Montessori property. Trilby to set up meeting.

11/08/10 - Note

Need to include John Emerson and Bill Lewis.

12/13/10 - Note

We are anticipating building the Montessori School in conjunction with the Springfield Campus. This will go to the Board for review and approval on January 10, 2010. (Now January 24, 2010)

12/13/10

Qualified School Construction Bond available funds are close to \$15,000,000 at this time.

12/13/10 - ACTION

Need to expand capacity - determine whether it is done now or in the future (regarding new Montessori).

01/05/11 - ACTION

Need to have meeting with Montessori Board. Requirement = Agreement to transfer property must be in place prior to the start of construction.

(02-14-11 – John Emerson working on)

d. Stono Park at St. Andrews Campus

11/08/10

We still have to consider the ability to create a larger foot print for Stono Park. The concept would be to utilize St. Andrews Campus; eliminate the Ravenel Stadium, and rebuild Stono Park on this campus.

11/08/10 - ACTION

Negotiate with City the trade of District land for city purchasing property to allow us to utilize this campus for an enlarged capacity school for Stono Park. This would increase seats and reduce some of the overcrowding in this area.

12/13/10 - ACTION

These School District assets are currently being used for recreational purposes for the contiguous neighborhoods.

12/13/10

Potential hold of vacated campus for Early Childhood Center (Stono Park). Absent further utilization of old building should demo building and hold as green space until further school requirements determine construction of a new facility.

01/05/11

Discussed the need for public engagement with respect to the new location of Stono Park.

01/05/11 - ACTION

To be determined with respect to public engagement. This discussion has already been held at a high level with City of Charleston Administration.

01/05/11 - ACTION

Discussed these stranded properties as part of the holistic land strategy for the peninsula.

Discussed w/ Colleen Carducci 02/11

12/13/10 - ACTION

Discussed the Stoney Field replacement as part of the future stadium project.

e. District Owned Buildings (Fraser Elementary School)

11/08/10

This building is currently being considered for child care partnership. Child care partnership could be such that the District's contribution would be land and building while Trident Tech and College of Charleston would provide capital funds to upgrade the facility for such use.

11/08/10 - Goal

To provide funds to provide child care facilities for CCSD staff and to run as a business that is self supporting.

12/13/10

Considered joint utilization between Trident Tech and College of Charleston.

12/13/10 - Note

This may extend beyond Fraser to Memminger.

12/13/10 - Goal

Create business plan to operate a fee based Early Childhood Program.

01/05/11

Need to consider revenue generation that could include the City's desire to utilize Fraser for Police Center. Negotiations need to be inclusive of Trident Tech and the City of Charleston.

01/05/11

Discussed the need to initiate negotiations and work to create a business plan between potential joint users (Trident Tech and City of Charleston).

01/05/11 - ACTION

Need to identify Project Manager for this work. (Melissa Matarazzo)

The identified person to write the Business Plan w/ Trident Tech is _____ (get from Melissa Matarazzo)

II. North Charleston

a. Chicora Elementary School

11/08/10

The current agreement between City of North Charleston and Charleston County School District is to exchange Chicora and the property on which an adjacent house is built to the city of North Charleston in exchange for Rivers and Carner property adjacent to the Military Magnet School.

01/05/11

Purchasing of property by North Charleston Real Estate staff is in progress.

01/05/11 - ACTION

Bill Lewis to check with Ray Anderson regarding progress. Target complete summer 2011.

01/05/11 - ACTION

Need legal transfer of these properties.

b. Charlestowne Academy (Bethune Campus)

11/08/10

Suggest that we work with the City to have them purchase land adjacent to Dunston and trade that land for CTA site. The second option would be to place the CTA property on the market and consider the trade of property as a response to the proposed sale.

11/08/10 - Note

Dunston is on Remount which would be an excellent site and one that needs to be expanded to handle the number of seats needed in the area.

11/08/10

Consider possible exchange of Charlestowne Academy for land at Dunston. Consider RFP for commercial broker opportunity.

11/08/10 - ACTION

Troy Williams to work with Real Estate Broker to draft marketing and RFP for this purpose.

01/05/11 - ACTION

Agree that we should initiate work with commercial real estate broker regarding the marketing of the Bethune Campus. This can be done in conjunction with discussions with the Mayor with respect to the swap of properties. (Mike Bobby left message for Mayor Summey on 01/14/11. Meeting on 1/18/11.)

01/05/11 - ACTION

Dr. McGinley to discuss with Mayor Summey as potential City swap. The City would take CTA while the District would obtain property that would allow us to expand the capacity of Dunston.

c. Academic Magnet High School

11/08/10

Need to meet with Clemson University Restoration Institute office to resolve the go forward plan. Recently, Charleston County School District was removing its phone system and Clemson staff questioned that action. First contact with Clemson.

11/08/10 - Note

A group has contacted Troy Williams regarding leasing the space for a Charter School. This request is being referred to John Emerson until resolution is complete.

11/08/10 - ACTION

Follow-up meeting with Bill Lewis, Troy Williams, Mike Bobby, John Emerson, and Clemson staff.

01/05/11 - Note

Follow-up meeting has been completed

01/05/11 - ACTION

Melissa Matarazzo to contact John Emerson for update.

01/05/11

Meeting was recently held with John Emerson, Lynn Crooks, Bill Lewis, and Troy Williams regarding the status with respect to negotiations with Clemson. The lead in this work is John Emerson. Clemson has a clouded deed on the property. Now that the State is condemning the property including some City of North Charleston property, it is an appropriate time to further this action and the discussion of clearing up the value that the District believes should be returned to the District. (As has been invested in the academic site on the Naval Yard – AMHS).

01/05/11 - ACTION

Ask Troy Williams if there has been any further request for Charter school space in the old Academic Magnet High School. In addition, make sure that Charter School understands that we are not in a position nor will we be in a position to enter into a lease or sub-lease with a Charter School at this time.

d. Ladson

11/08/10

Need to acquire property adjacent to Ladson and/or adjacent to Zucker for the purpose of one expanding Ladson and potential future site of Garrett Technical Academy.

01/05/11

Change this item to read:

Ladson

Need to acquire property adjacent to Ladson for the purpose of expanding Ladson.

It was discussed that we should buy the District 4 land from money set aside in the 2010-2016 Program for District 4 land.

01/05/11 - ACTION

Troy to initiate with Commercial Real Estate Realtor to begin to generate land purchase options.

e. Land Acquisitions Ingleside Development

11/08/10

Should leverage developer soon to move forward with acquiring land in this area.

01/05/11

This is in the currently in the 2010-2016 project. There is a strong possibility that we may receive this land without purchase.

01/05/11 - Note

We should include land for shared District 4 athletic facility/stadium.

f. District 4 Office

11/08/10

Need to consider sale but will also consider use as a service center.

01/05/11

Hold for Service Center concept. Melissa Matarazzo also discussed the possibility of using it as a satellite for the Summit Program. Bill Lewis indicated that the City of Charleston clearly wants to obtain ownership of this property. This is driven by commercial and development interest.

g. Zucker Middle School/New Garrett Academy/Middle College Site

01/05/11

Acquire land next to Zucker Middle School for the purpose of future site for Garrett Technical Academy and Middle College. Three items to be considered:

1. Middle College-attached to the New Garrett
2. Alternative High School space through utilization of existing Garrett
3. Construction of New Garrett

01/05/11 - Note

The District already owns twelve (12) acres of land contiguous to the Zucker Middle School site. Acquiring additional land to Zucker Middle School would allow for the construction of the New Garrett Academy and Middle College.

01/05/11 - ACTION

Include in Commercial Real Estate Realtor work for purchase of stranded sites adjacent to Zucker Middle School. (Troy)

01/05/11 - ACTION

Work with the Academic Planning Team with respect to determining location of Garrett, utilization of New Garrett, and integration of Middle College. (Melissa Matarazzo)

01/05/11 - Note

This is consistent with the zone concept and as such the Middle College can be attached to Garrett. Currently there is no additional property at the new Stall High School site in which to incorporate a Middle College. Other concepts regarding North Charleston and Stall High Schools do not allow for Middle College integration.

h. Brentwood

01/05/11

Future of Brentwood is to be determined following use of swing space. Possible trade or sell with City of Charleston Parks and Recreation's space.

(Also possible Garrett athletics site)

i. Alternative School Concept

01/05/11

Alternative School would have vocational offerings which fit in with job opportunities in and around that site and the Naval Yard. (current Garrett site)

III. Town of Mount Pleasant
a. Sullivan's Island ES

11/08/10

Although Old Whitesides Elementary School is currently a swing space, we should negotiate with Town of Mount Pleasant for construction of the road at the Jennie Moore Sweet Grass Campus.

01/05/11

Discussed issues and some concerns with respect to Sullivan's Island Elementary School. Developers may be trying to prevent the construction of the building in order to generate million dollar properties and tax revenues.

01/05/11 - ACTION

Need to re-negotiate the lease prior to start of construction. The lease was initially for fifty years. Many years have passed. It needs to be restored back to its original term of fifty years at the time of opening the new building.

01/05/11 - ACTION

Prior to completing the updating of the lease, Dr. McGinley to meet with Mayor Carl Smith and Sullivan's Island City Administrator, Andy Benke. This should set the stage for negotiation and closure on the lease issue. This should also help lead to closure with respect to any potential change in plans regarding reconstruction of Sullivan's Elementary School on the present site.

01/05/11- Note

Bill indicated that the Sullivan's Island Elementary School Campus has actually accreted additional land. Land area on the beach has grown. In addition, there is a paper road to the beach on the survey. The revision of lease should include a survey that accurately depicts the current boundaries of the property.

02/14/11

Need 75 Year Lease

b. Town of Mount Pleasant Water Works

11/08/10

Continue to negotiate with Town of Mount Pleasant regarding the bus lot at Wando North.

11/08/10 - Note

This is funded in the current capital program 2010-2016.

01/05/11

This is part of the 2010-2016 bus lot work. Negotiations are on-going led by Bill Lewis. Anticipated that the Government transactions will provide additional parking spaces for buses in District 2.

c. Land Acquisition – (5 acres for Wando Middle College)

11/08/10

Need to finalize agreement with turnover of property to Charleston County School District. Must do this within this program. Any previous covenants regarding this agreement will be null and void if not completed within the 6 year period. Ben Marino is the developer.

d. Land Acquisition (20 acres Carolina Park Elementary)

11/08/10

Suggest purchase, buy and clear.

11/08/10 - Note

This is part of 2010-2016 program. Ben Marino is the developer.

e. Land Sale (Mathis Ferry & Whipple current baseball field)

11/08/10

Suggest work with Chris Fraser and commercial real estate broker to market.

11/08/10 - ACTION

Troy Williams to work out market agreement. Start with Chris Fraser.

f. Land Acquisition (Jennie Moore Property)

11/08/10

Consider acquiring additional nine acres at Jennie Moore. Purchase for future. Consider trading Wando South property (Mathis & Whipple) for this nine acre property. Include in commercial real estate RFP.

g. Laing Middle School Property

11/08/10

This is being considered for swing space and rezoning, however, consider placing back on market immediately following use of swing space.

h. Wando South Property

11/08/10

Property should be maintained as potential site for next high school in future 2017 plus building program.

i. District 2 Office

11/08/10

Anticipate holding and using as service center.

IV. Other Key Facilities

11/08/10

These are not in the program but need to be addressed. These are not land issues but parking lot issues for next program and for fixed cost.

- a.** Burns Elementary School
- b.** Garrett Technical Academy
- c.** James B. Edwards Elementary School
- d.** Mitchell Elementary School

CONFIDENTIAL

EASTSIDE EARLY CHILDHOOD AND COMMUNITY CENTER

CONCEPTUAL DESIGN | MAY 6, 2013



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County SCHOOL DISTRICT

VISION 2016
CHARLESTON ACHIEVING EXCELLENCE



mcmillan | pazdan | smith
architecture



LOCATION: CENTER OF PENINSULA

from mount pleasant

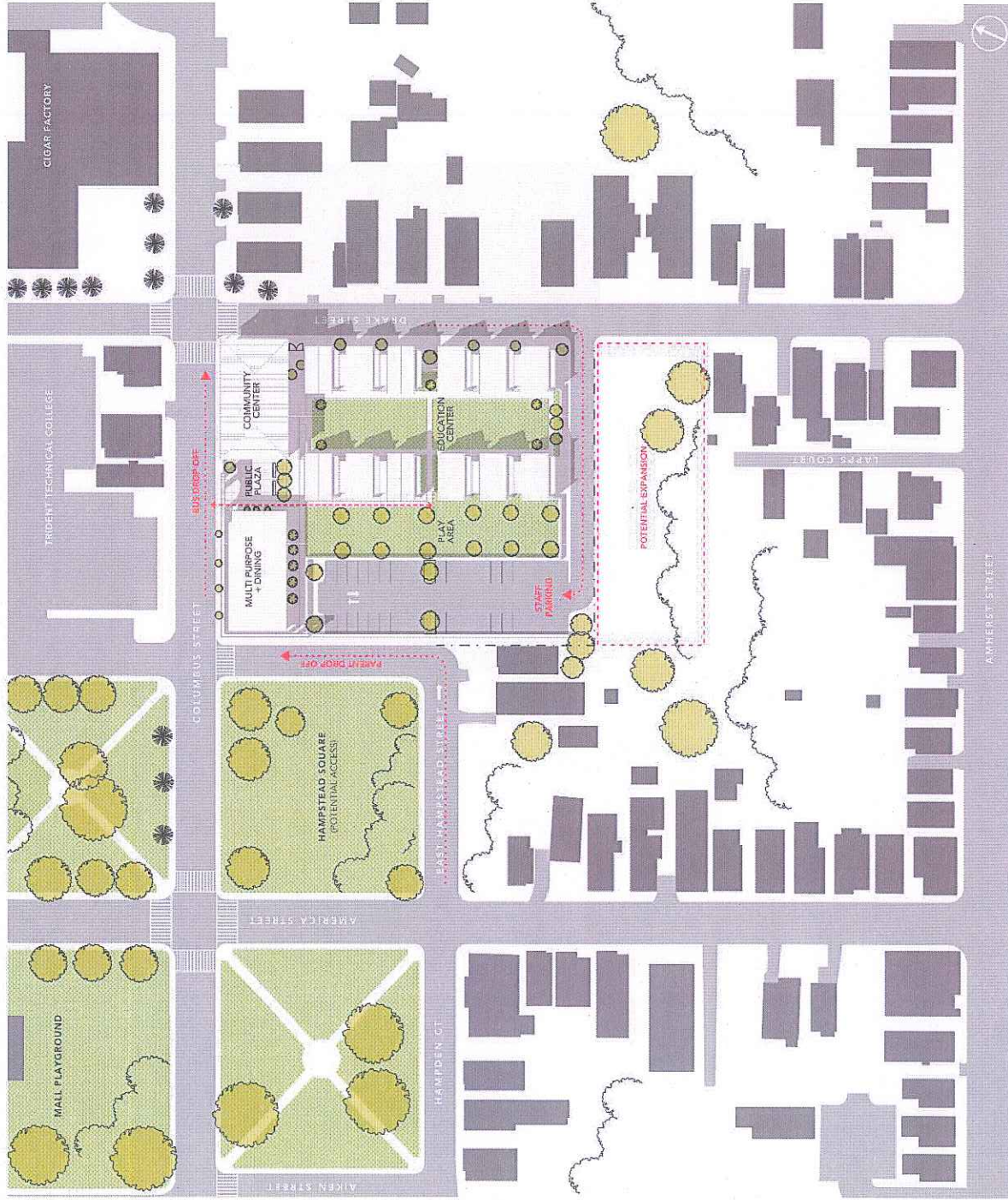
east bay st

meeting st

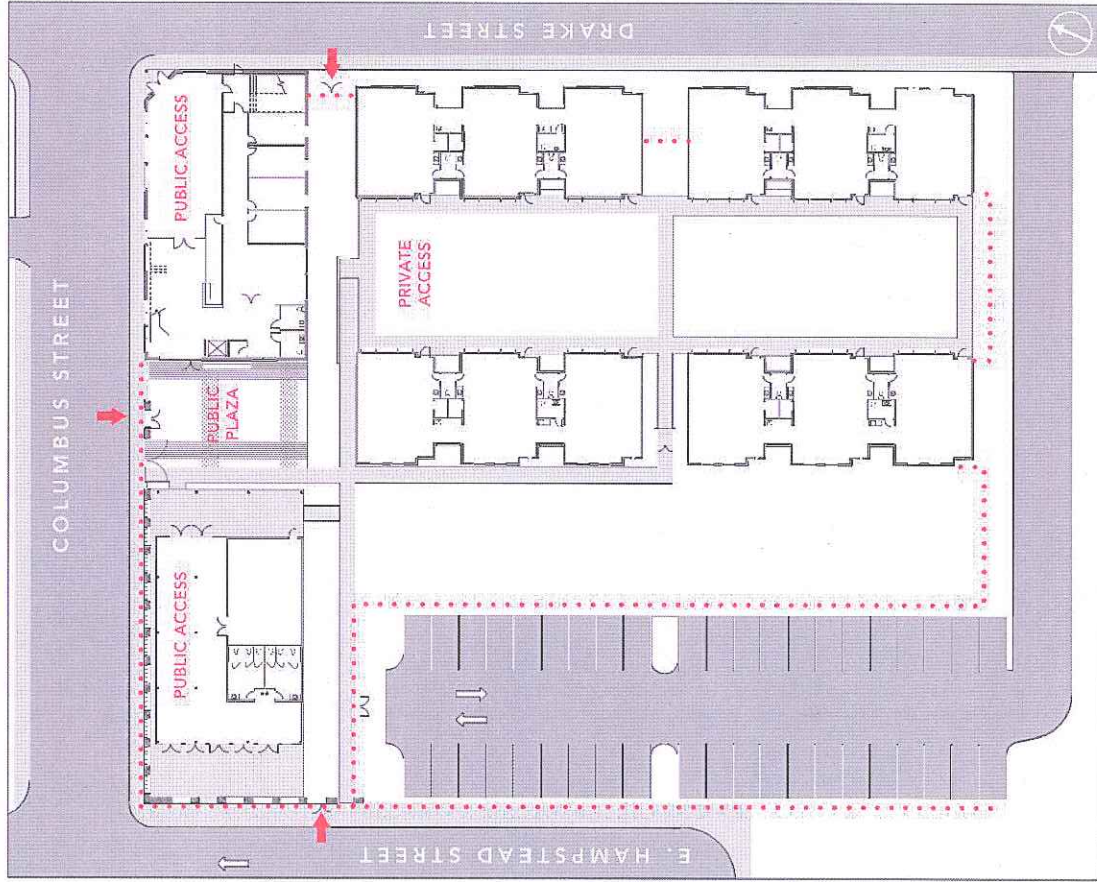
college of
charleston campus

musc
campus

from west ashley

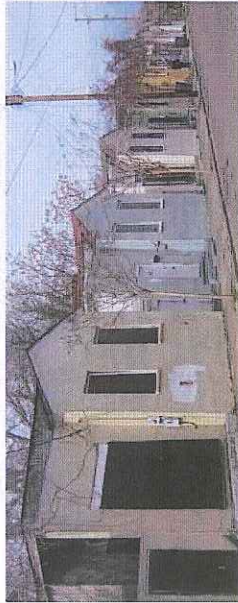


..... FENCES

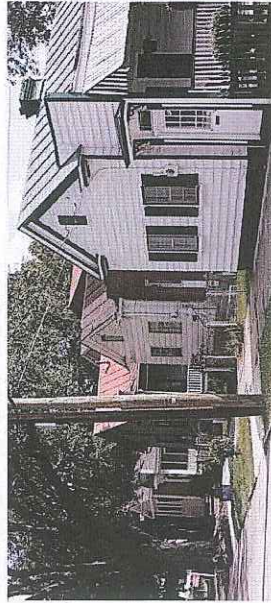


INSPIRATION + CONTEXT IMAGES

CHILDHOOD EDUCATION CENTER



NASSAU STREET FREEDMAN'S COTTAGES



DOWNTOWN FREEDMAN'S COTTAGES



MORRIS SQUARE PARK RAISED LAWN

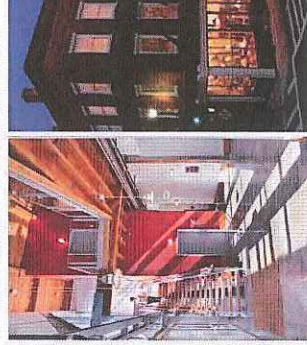
COMMUNITY CENTER



CORNER BUILDING - ALEXANDER AND CHAPEL



CORNER BUILDING - HASSELL AND ANSON



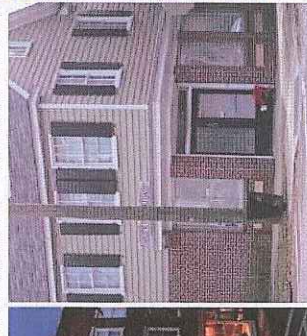
PRESERVATION BUILDING



EASTSIDE COMMUNITY DEVELOPMENT CENTER

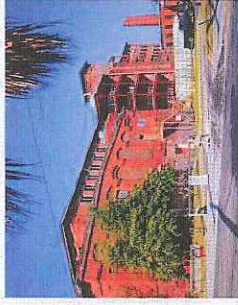


CORNER BUILDING - AMHERST AND AMERICA



TYPICAL CORNER ENTRANCES

MULTI-PURPOSE BUILDING



ADJACENT CIGAR FACTORY



BEDON'S ALLEY GARDEN WALL

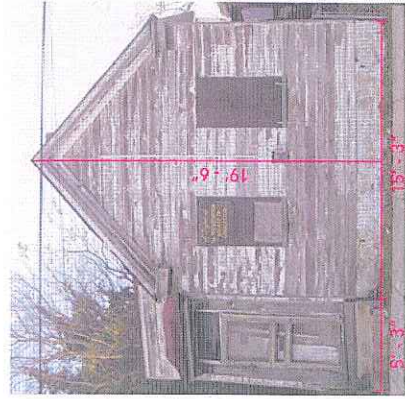
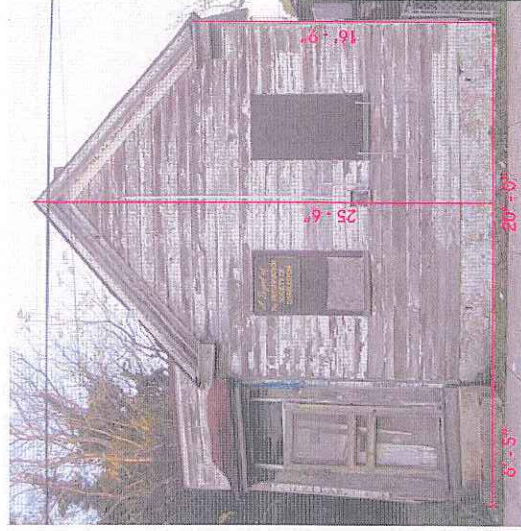
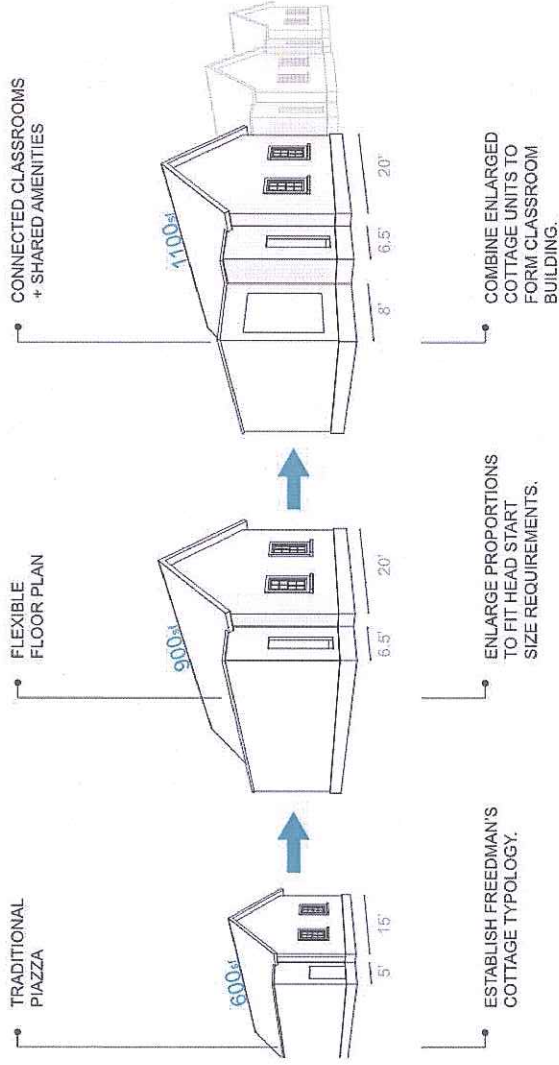


DYNAMIC LEARNING SPACES



ADJACENT PARKS

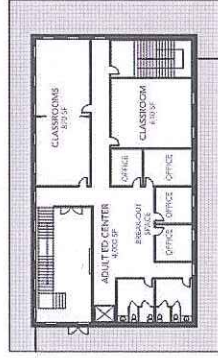
FREEDMAN COTTAGE FORM



FLOOR PLANS



LEVEL 1 PLAN



LEVEL 2 PLAN

PROGRAM GOALS:

EARLY CHILDHOOD EDUCATION CENTER: 17,500 SF

COMMUNITY CENTER: 8,000 SF

- CLINIC = 2,000 SF
- COMMUNITY RESOURCE CENTER = 1,000 SF
- WELCOME CENTER = 500 SF
- ADULT EDUCATION CENTER = 4,000 SF

MULTIPURPOSE BUILDING: 3,500 SF

- DINING + KITCHEN

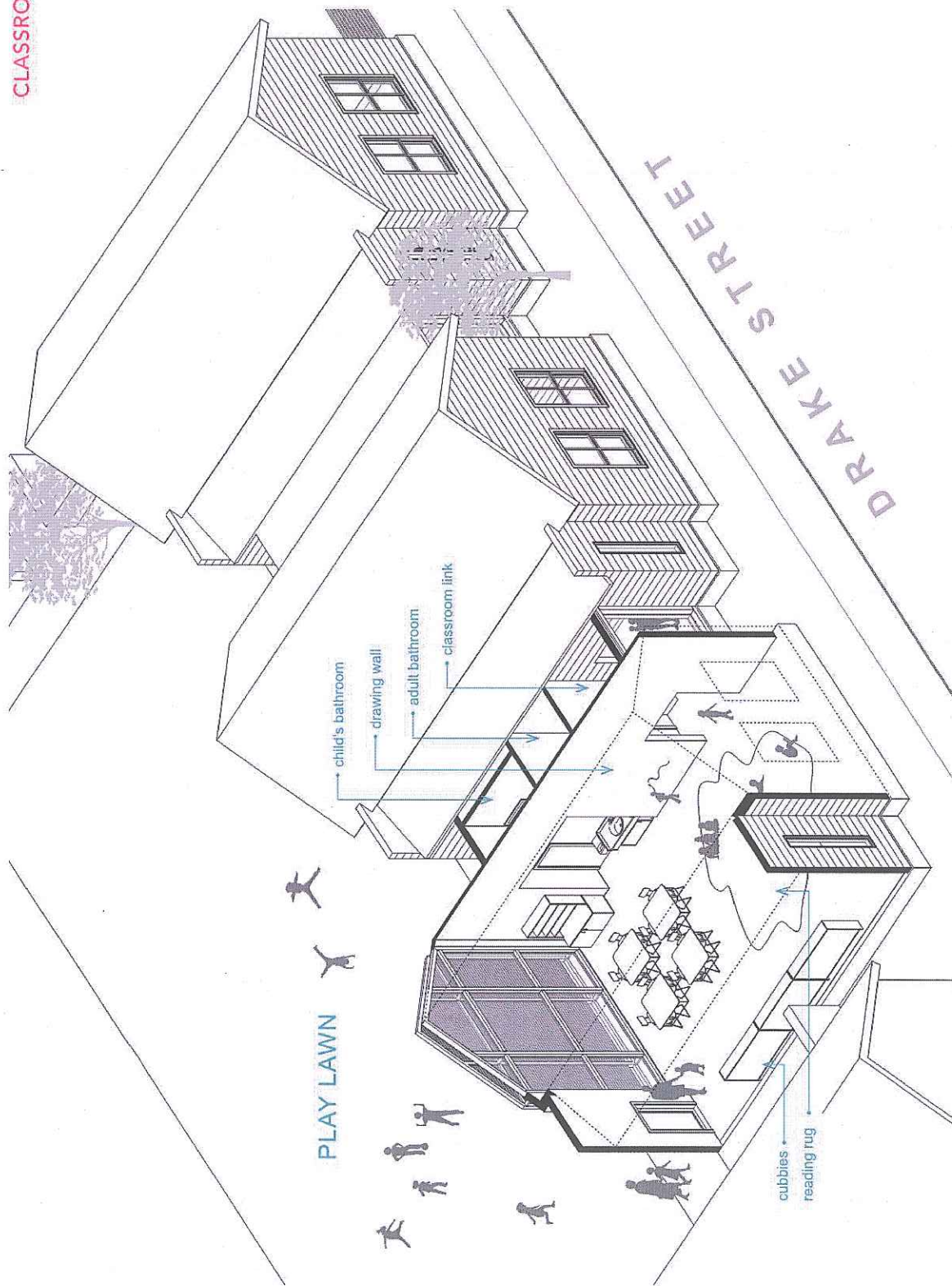
EARLY CHILDHOOD EDUCATION CENTER:

12 CLASSROOMS
204 STUDENTS
24 TEACHERS

35 SF / CHILD INDOOR SPACE (HEAD START)
75 SF / CHILD OUTDOOR PLAY SPACE (HEAD START)

APPROX 13,000 SF EARLY CHILDHOOD CENTER
GOAL = 17,500 SF

CLASSROOM LAYOUT



INTERIOR CLASSROOM VIEW

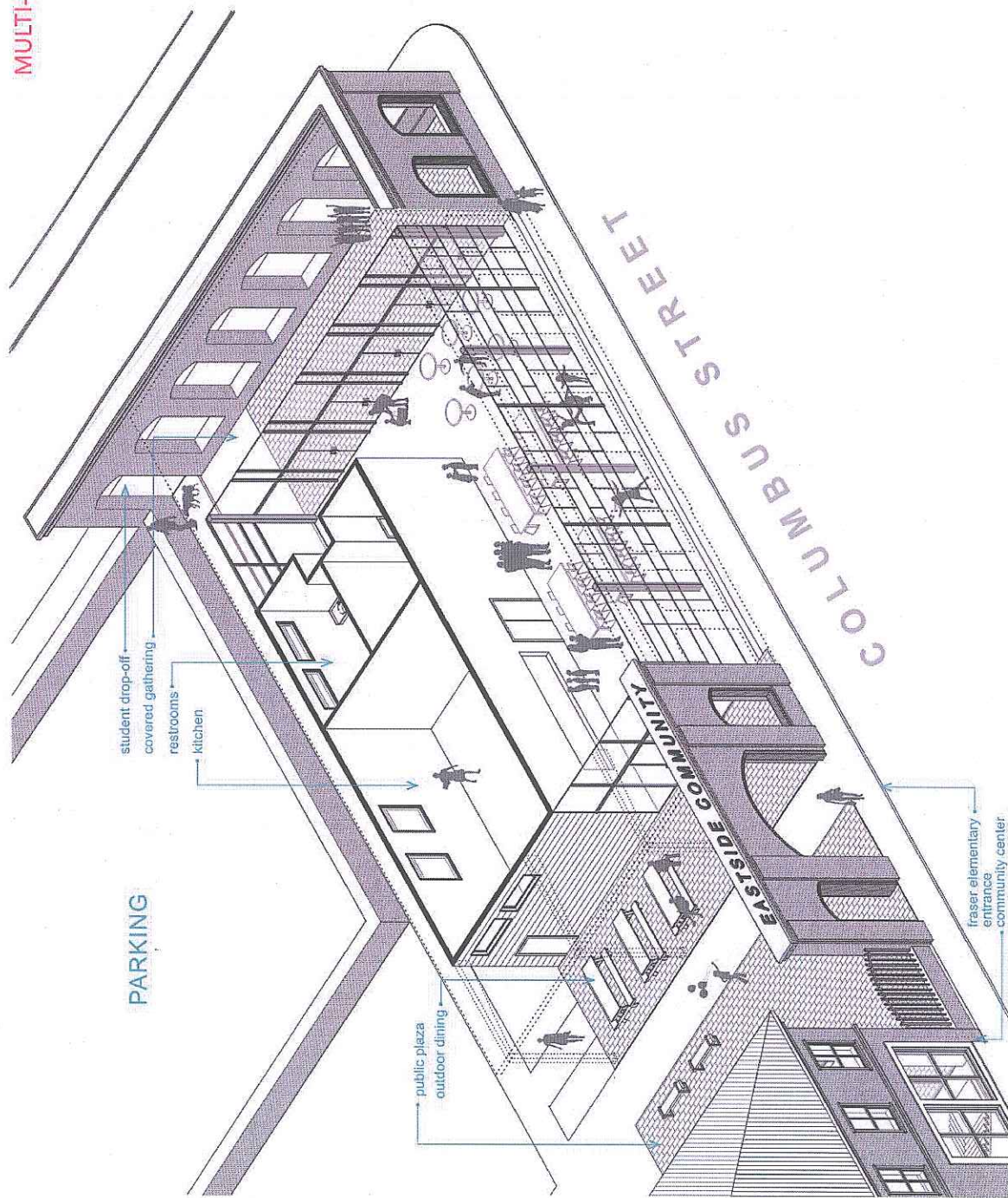


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County SCHOOL DISTRICT

EASTSIDE EARLY CHILDHOOD AND COMMUNITY CENTER
CONCEPTUAL DESIGN | MAY 2013

mc millan | pazdan | smith
architecture

MULTI-PURPOSE BUILDING



PLAY LAWN VIEW



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EASTSIDE EARLY CHILDHOOD AND COMMUNITY CENTER
CONCEPTUAL DESIGN | MAY 2013

mcmillan | pazdan | smith
architecture

DRAKE STREET VIEW



COLUMBUS STREET VIEW

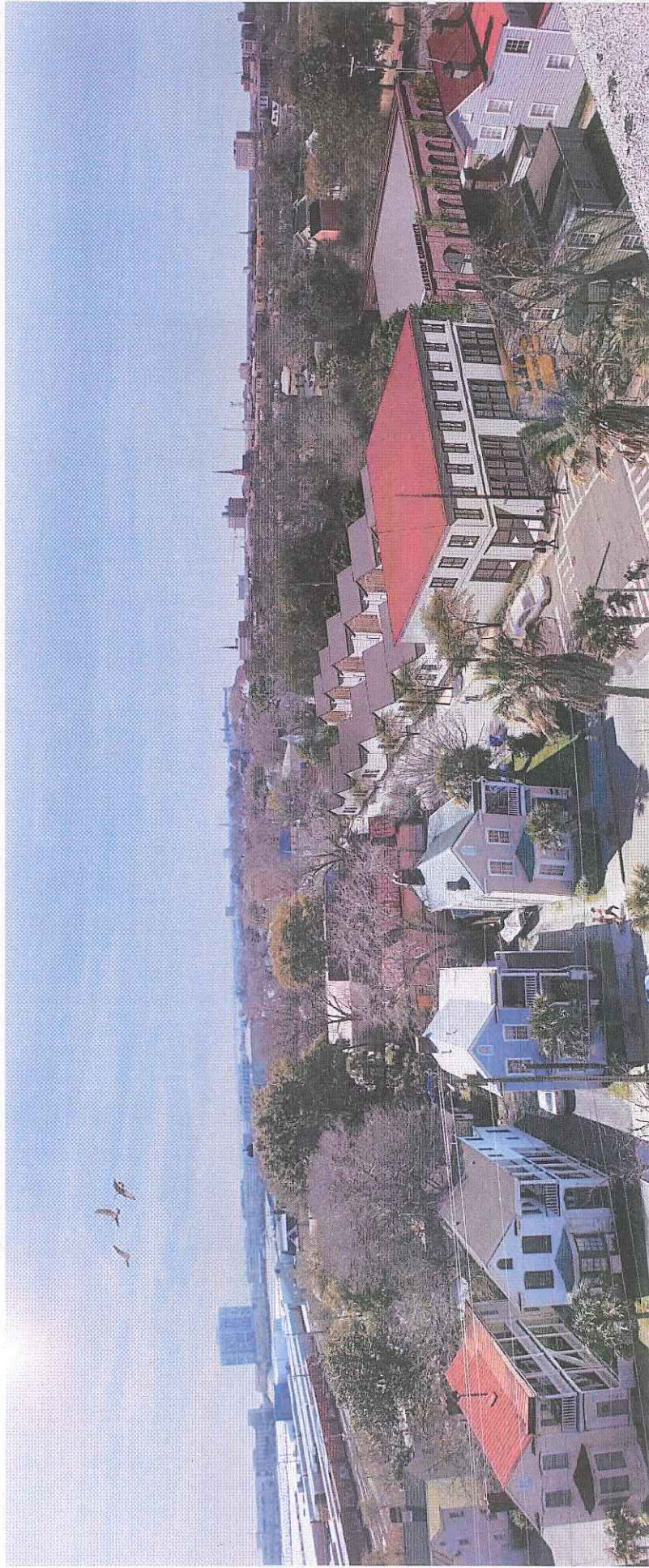


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EASTSIDE EARLY CHILDHOOD AND COMMUNITY CENTER
CONCEPTUAL DESIGN | MAY 2013

mcmillan | pazdan | smith
architecture

BIRD'S EYE VIEW



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75 Calhoun Street
Charleston, SC 29401

Financial Services
Board Agenda Item

TO: Board of Trustees
FROM: Michael L. Bobby
DATE: December 8, 2014
SUBJECT: Financial Audit for Fiscal Year 2014

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees Accept the Financial Audit as presented.

The material is submitted for: ☒ Action ☐ Information
☒ Open ☐ Executive

Respectfully submitted:



Michael L. Bobby, Acting
Superintendent of Schools and
Chief of Finance, Operations & Capital Programs

Jeffrey Borowy,
Deputy for Capital Programs



Todd Garrett, Chair
Audit & Finance Committee

☒ Item voted on and
recommended for Board
A&F Committee on 12-1-14

Tripp Wiles, Chair
Policy & Personnel Committee

☐ Item voted on and
recommended for Board
Policy Committee on _____

Financial Services
December 8, 2014

SUBJECT: Financial Audit for Fiscal Year 2014

BACKGROUND: State law requires that an annual financial audit be conducted for all school districts and charter schools and submitted on or before December 1st of each year. We solicited for and selected an audit firm to meet this requirement. The auditors, Greene Finney & Horton conducted the audit in compliance with the State requirements and have issued their report.

DISCUSSION: The audit was conducted in accordance with generally accepted accounting standards. The Financial Statements are presented in accordance with generally accepted accounting principles (GAAP). The report includes the auditor's opinion on whether the financial statements are fairly presented and all required supplementary information. The audit report is submitted under separate cover.

RECOMMENDATION: It is hereby recommended that the Charleston County School District Board of Trustees Accept the Financial Audit as presented.

FUNDING SOURCE/COST: N/A

FUTURE FISCAL IMPACT: N/A

DATA SOURCES: Greene, Finney, and Horton

PREPARED BY: Terri Shannon

REVIEWED BY LEGAL SERVICES

N/A

REVIEWED BY PROCUREMENT SERVICES

N/A

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2014

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**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

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**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

PRINCIPAL OFFICIALS

YEAR ENDED JUNE 30, 2014

Board of Trustees

Cindy Bohn Coats, Board Chairperson

Tom Ducker, Board Vice-Chairperson

Craig Ascue

Chris Collins

Chris Fraser

Todd Garrett

Michael Miller

Elizabeth Moffly

Trip Wiles

Superintendent

Dr. Nancy J. McGinley



Greene Finney & Horton
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Charleston County School District
Charleston, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charleston County School District, South Carolina (the "School District"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School 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 the charter schools, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports 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.

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843.735.5805 PH • 1985 RIVIERA DRIVE, SUITE 103-203 • MT. PLEASANT, SC 29464

864.451.7381 PH • 800 EAST WASHINGTON STREET, SUITE D • GREENVILLE, SC 29601

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charleston County School District, South Carolina, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Pending Implementation of Governmental Accounting Standards Board Statement on Pensions

As discussed in Note IV.A, the Governmental Accounting Standards Board ("GASB") issued Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB #68"). GASB #68, which will be adopted by the School District for the fiscal year ended June 30, 2015, will require the School District to report a net pension liability on its applicable financial statements for its participation in the South Carolina Retirement System and the Police Officers' Retirement System ("Plans"). Based on recent information provided by the South Carolina Public Employee Benefit Authority, it is anticipated that the School District's share of the net pension liability associated with these Plans will decrease the School District's net position by approximately \$498,000,000. Our opinion is not modified with respect to this matter.

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 schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the supplementary information is 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 19, 2014 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the School District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Greene, Finney & Horton LLP".

Greene, Finney & Horton, LLP
Mauldin, South Carolina
November 19, 2014

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

The Management's Discussion and Analysis (MD&A) provides an objective analysis of the Charleston County School District's (the "School District" or "CCSD") financial condition based on facts known as of the date of the auditor's report. While the accompanying financial statements are for the year ended June 30, 2014, the MD&A presents both a short-term and long-term analysis of the School District's financial status.

Financial Highlights

- The General Operating Fund ("GOF") total fund balance, which includes non-spendable amounts for inventory and prepaid items, assignments for future expenditures, including a usage of accumulated fund balance, and unassigned fund balance, at June 30, 2014 was \$57.0 million, a decrease of \$12.3 million from the balance at June 30, 2013. This was primarily due to a \$7.2 million or 3.6% increase local property tax revenues partially offset by a \$1.7 million or 1.1% decrease in state revenues. Property tax revenues increased as a result of a 3.1% increase in assessed values in fiscal year 2014. The net increased revenues were offset by a \$31.8 million or 9.0% increase in expenditures as a result of an \$11.0 million increase in salaries and an \$8.1 million increase in fringe benefits along with other various other slight increases. Salaries and fringe benefits increased due to a 1.4% cost of living adjustment provided to all employees in fiscal year 2014 plus a step provided to all teachers along with the increased retirement rates.
- Unassigned GOF fund balance was \$39.2 million at June 30, 2014, or 10.2% of total General Fund expenditures for the year ended June 30, 2014.
- The School District assigned \$7.4 million of the fund balance in the General Fund to cover the budgeted shortfall for fiscal year 2015, another \$2.9 million was assigned for funds that were encumbered as of June 30, 2014, and \$7.4 million was non-spendable as it was related to prepaid items and inventories.
- The School District's revenues for governmental funds increased \$3.9 million or 0.6% to \$654.6 million in fiscal year 2014. The major changes were the \$7.2 million increase in General Fund property taxes discussed above, an \$8.2 million increase in Local One Cent Sales Tax revenues, and a \$4.4 million increase in Special Revenue federal revenues as a result of several grants in their first full year of operation in fiscal year 2014 partially offset by a \$14.0 million decrease in Debt Service – Charleston Educational Excellence Foundation ("CEEF") Fund investment income as a result of a \$13.1 million payment resulting from the termination of a forward delivery agreement in the prior year.
- Property taxes and other local revenues (including the Local One Cent Sales Tax revenues) accounted for 59.5 percent of the School District's revenue, with property taxes contributing about 43.9 cents of every dollar raised. The State revenue contribution was 28.8 percent; the Federal was 11.6 percent and other sources were less than one percent.
- The percent of Education Finance Act ("EFA") revenues sent to the School District decreased in fiscal year 2014. This is the first time that the EFA revenues have decreased since fiscal year 2010. The School District remains the wealthiest in the State with regards to property values, which is the primary reason for the erosion of state support in the EFA revenues. Although the tax swap of 2008, Act 388, revamped how school districts would receive their funding for operating expenses, the index of taxing ability has not been changed accordingly.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Highlights (Continued)

The State formula starts with a target of 70 percent State funding and 30 percent local funding. The table below outlines the last five years' state support percentages for the School District.

FY2010	14 percent
FY2011	23 percent
FY2012	34 percent
FY2013	35 percent
FY2014	32 percent

- This discussion and analysis focuses on the primary government; however, the District sponsored eight charter schools in fiscal year 2014, which are reflected as discretely presented component units. The Apple Charter School closed after the 2013-2014 school year; thus, their financial information is not reflected in the financial statements and beginning net position for the discretely presented component units has been adjusted from the prior years' ending to remove the beginning deficit net position of \$106,113 for the Apple Charter School and to reflect a \$22,500 prior period adjustment recorded by Charleston Charter School for Math and Science.
- The 10-day enrollment increased 408 students from 46,319 in fiscal year 2013 to 46,727 in fiscal year 2014. These figures include child development and charter school students. The increase in 10-day enrollment represents a .9% increase. The average daily membership of students in the School District as of the 135th day increased from 42,869 in fiscal year 2013 to 43,799 in fiscal year 2014, a 2.1% increase in the 135th day ADM. The 135th day ADM does not include child development enrollment. The 10-day enrollment and the 135th day average daily membership continues to increase each year as the District maintains the increase of students from the beginning of the year to the end of the year.
- Total expenditures and other financing uses for all governmental funds exceeded revenues and other financing sources by \$65.9 million. This net change was primarily the decrease in the Capital Projects – District Fund, the Capital Projects – CEEF Fund, the Debt Service – District Fund, and the General Fund. Fund balance decreased in the Capital Projects funds as the District continues its building programs, which result in the expenditure of available capital projects funding. Fund balance decreased in the Debt Service – District Fund as a result of the District's principal and interest expenditures on short-term and long-term debt exceeding property tax collections for the year. The decrease in the General Fund balance is discussed above.
- The CEEF was incorporated in July 2004 in order to acquire, construct, finance, pledge, improve, maintain, operate, manage, lease and dispose of school buildings and other public education facilities. The CEEF issued Installment Revenue Bonds in 2004, 2005 and 2006 totaling \$675,290,000 to fund the School District's Capital Building Program with repayment schedules of 15, 25 and 25 years respectively. The School District refunded \$69,300,000 of the outstanding Series 2004 CEEF debt and \$406,675,000 of the outstanding 2005 CEEF debt with the proceeds from the 2013A and 2013B CEEF Installment Purchase Refunding Bonds. As a result, the 2005 CEEF debt has been fully refunded. The outstanding principal for the remaining four issues totaled \$564,650,000 as of June 30, 2014. Subsequent to June 30, 2014, the District issued \$111,565,000 in Series 2014 CEEF Installment Purchase Revenue Refunding Bonds for the purpose of advance refunding \$132,995,000 of the outstanding Series 2006 CEEF Installment Purchase Revenue Bonds. See Note IV. H. in the notes to the financial statements for more information.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Highlights (Continued)

- Many capital projects were underway during the current fiscal year. The projects are indicated below.
 - Completed construction on several sites including:
 - Lincoln High School Restrooms
 - Montessori Community School
 - Laing Middle School Roof/Building Envelope
 - NEW Buist Academy
 - NEW Charleston Progressive Elementary School
 - NEW James Simons Elementary School
 - NEW Memminger Elementary School
 - Continued work on building sites including:
 - Sullivans Island Elementary School
 - Wando High School Sports Medicine
 - Chicora Elementary School
 - Montessori/Springfield Support Facility
 - Career & Technology Academy (Wando Middle College)
 - Harborview Elementary School
 - Jennie Moore Elementary School
 - St Andrews Math & Science Elementary School
 - Laing Middle School
 - Springfield Elementary School
 - North Charleston Creative Arts Elementary School
 - James Island Charter High School
 - Murray LaSaine Elementary School
 - Lowcountry Tech @ Burke High School
 - West Ashley Wetlands
 - James B Edwards Elementary School
 - Belle Hall Elementary School
 - Stall High School Storage Facility
 - CD Expansion (Various Schools)
 - CC Blaney Elementary School
 - Continued Modernization projects that included:
 - 1:1 student devices, wireless network upgrades and support equipment
 - Computer replacement program (administration, general lab and CTE lab)
 - Video distribution systems
 - Classroom sound enhancement
 - Technology software
 - Media Center upgrades

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Highlights (Continued)

- Continued Fixed Cost of Ownership projects that included:
 - Mobile classroom relocation
 - Roof replacement, repairs and restoration
 - HVAC replacement and chill water piping system
 - Surveillance and access control
 - Emergency communication
 - Furniture
 - CTE equipment furnishings

Overview of the Financial Statements

The School District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information designed to enhance the readers' understanding of the financial statements.

The School District's government-wide financial statements, which can be found as listed in the table of contents, include the Statement of Net Position and the Statement of Activities. These two statements do not focus on the financial activities of the District's individual subprograms, but rather report information about the overall financial condition of the District's operation.

As described in the notes to the financial statements, other entities' activities are included in this report because of the relationship of these legally separate entities to the School District. Financial information of the Charleston Development Academy, Inc., James Island Charter High School, East Cooper Montessori Charter School, Orange Grove Charter Elementary, Charleston School for Math and Science Charter School, Gregg Mathis Charter High School, and Pattison's Academy for Comprehensive Education are collectively referred to in the financial statements as those of the discretely-presented component units. The Apple Charter School closed after the 2013-2014 school year; thus, their financial information is not reflected in the financial statements and beginning net position for the discretely presented component units has been adjusted from the prior years' ending to remove the beginning deficit net position of \$106,113 for the Apple Charter School. The complete financial statements (including MD&A, if any) of the discretely-presented component units may be obtained from the individual charter schools.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Overview of the Financial Statements (Continued)

The School District's fund financial statements can be found as listed in the table of contents. Unlike the government-wide financial statements, which consolidate financial data, the purpose of CCSD's fund financial statements is to present detailed financial information about the District's operations. Included in these statements are the District's general operating fund, special revenue funds, education improvement act funds, debt service fund, capital projects fund, and the non-major permanent fund.

The notes to the financial statements provide additional information that may be necessary for understanding the data contained in both the government-wide and the fund financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

Analysis of the District's Government-wide Statements

Government-wide financial statements report transactions that are considered governmental type activities. Such activities are funded primarily through local property taxes and state and federal revenues. Governmental activities account for the School District's basic services such as regular and special education, school bus transportation, school building maintenance, and administration.

An important question that should be asked about the School District's finances is, "Is the School District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities present consolidated financial information about the School District as a whole and that helps answer the question. These statements report the District's financial data using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (equity). All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position and how it has changed from one year to the next. Net position – which is the School District's assets and deferred outflows of resources less the School District's liabilities and deferred inflows of resource – are one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position indicate whether its financial position is improving or deteriorating. To assess the School District's overall health, additional economic factors, such as changes in the School District's property tax base, the condition of school buildings and other facilities, and changes in state and federal revenue should be considered. These factors are addressed in this report.

Our analysis below focuses on total net position (Figure A-1) and changes in net position (Figure A-2) of the School District's governmental activities.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Analysis of the District's Government-wide Statements (Continued)

Figure A - 1

Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities		
	2013*	2014	Difference
Assets			
Current and Other Assets	370.6	343.0	\$ (27.6)
Capital Assets, Net	1,058.9	1,165.6	106.7
Total Assets	1,429.5	1,508.6	79.1
Deferred Outflows of Resources			
Advance Refunding Charges	55.7	51.5	(4.2)
Total Deferred Outflows of Resources	55.7	51.5	(4.2)
Liabilities			
Long-Term Liabilities	881.9	850.5	(31.4)
Other Liabilities	123.8	161.7	37.9
Total Liabilities	1,005.7	1,012.2	6.5
Net Position			
Net Investment in Capital Assets	307.2	385.2	78.0
Restricted	95.6	100.3	4.7
Unrestricted	76.7	62.4	(14.3)
Total Net Position	479.5	547.9	\$ 68.4

* 2013 amounts have been adjusted to reflect the implementation of GASB #65 during the year ended June 30, 2014. See Note I.B. for more information on the effects of the implementation.

The Statement of Net Position reports all financial and capital resources. The statement presents the assets, deferred outflows of resources, liabilities, and deferred inflows of resources in order of their relative liquidity. The liabilities are reported in two components – the amount of long-term debt outstanding and all other liabilities. The School District's assets and deferred outflows of resources less the School District's liabilities and deferred inflows of resources is its net position.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Analysis of the District's Government-wide Statements (Continued)

The School District's assets increased by \$79.1 million during the year ended June 30, 2014 compared to the previous year. Deferred outflows of resources decreased by \$4.2 million and liabilities increased by \$6.5, resulting in a 14.3%, or \$68.4 million, increase in net position. The overall increase in assets is due to a \$106.7 million increase in capital assets partially offset by a \$27.6 million decrease in current and other assets. Net capital assets increased \$106.7 million due to additions of \$136.6 million exceeding depreciation expense of \$29.4 million, loss on disposals of \$0.2 million and an impairment loss of \$0.2 million. Current and other assets decreased by \$27.6 million primarily due to a \$28.5 million decrease in cash and investments. Cash and investments decreased primarily due to expenditures related to capital asset acquisitions partially offset by proceeds of short-term bonds issued during the year. The \$4.2 million decrease in deferred outflows of resources is a result of current year amortization on the advance refunding charges. The net \$6.5 million increase in liabilities is primarily due to a \$31.4 million decrease in long-term liabilities as a result of scheduled principal payments during fiscal year 2014 offset by a \$37.9 increase in other liabilities as a result of a \$27.5 million increase in short-term bond anticipation notes outstanding and a \$7.0 million increase in accrued compensation and benefits.

Figure A - 2

Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities	
	2013**	2014
Revenues		
Program Revenues:		
Charges for Services	\$ 5.8	\$ 6.6
Operating Grants	179.6	181.9
General Revenue:		
Property Taxes	280.2	287.3
Local One Cent Sales Tax	75.9	84.1
Revenue in Lieu of Taxes	93.3	91.6
Other	17.4	3.0
Total Revenues	652.2	654.5
Program Expenses		
Instruction	237.0	249.7
Support Services	218.9	235.4
Community Services	7.8	7.5
Intergovernmental	0.8	0.9
Payments to Component Units	30.3	32.8
Interest and Fiscal Charges	40.9	32.6
Depreciation Unallocated	26.3	27.2
Total Program Expenses	562.0	586.1
Change in Net Position	90.2	68.4
Net Position, Beginning of Year	384.3	479.5
Prior Period Adjustments *	5.0	-
Net Position, Beginning of Year - Restated	389.3	479.5
Net Position, End of Year	\$ 479.5	\$ 547.9

**CHARLESTON COUNTY SCHOOL DISTRICT
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YEAR ENDED JUNE 30, 2014

Analysis of the District's Government-wide Statements (Continued)

* The School District recorded a prior period adjustment in fiscal year 2013 increasing beginning fund balance in the Special Revenue Fund by \$5,046,868 as a result of improper revenue recognition in prior years.

** 2013 amounts have been adjusted to reflect the implementation of GASB #65 during the year ended June 30, 2014. See Note I.B. for more information on the effects of the implementation.

Expense categories:

Instruction – face-to-face direct classroom expenditures

Support Services – those expenditures that support the classroom including media center, guidance, health services, professional development, food service, student transportation, maintenance and administrative costs

Community Services – those expenditures that are an extension of the regular school day to include Adult Education, Community Education and After-School child care

Intergovernmental – those expenditures that reflect payments to other school districts and agencies who educate our students in their facilities to include foster homes, group homes and the detention center

Payment to Component Units – those expenditures that reflect payments to the charter schools that the School District sponsors

Interest and Fiscal Charges – those expenditures that reflect the interest due on short- and long-term borrowing to include debt service interest payments due under alternative financing

Depreciation Unallocated – the depreciation on buildings and property not included in the instruction, support services or community services categories

Revenues increased 0.4 percent, or \$2.3 million primarily due to a \$7.1 million increase in property taxes as a result of increased assessed values, an \$8.2 million increase in local one cent sales tax revenues partially due to continued economic growth in the area partially offset by a \$14.4 million decrease in other revenues primarily due to a \$14.2 million decrease in investment income as a result of a \$13.1 million payment resulting from the termination of a forward delivery agreement in the prior year and decreased cash balances in the debt service funds as a portion of reserved funds were used in the prior year refundings.

Expenses increased approximately 4.3 percent, or \$24.1 million. Instruction expenses increased 5.4 percent, or \$12.7 million, support expenditures increased 7.5 percent, or \$16.5 million, and payments to component units increased 8.3 percent or \$2.5 million. The increases in instruction and support expenses were primarily due to a 4.3 percent, or \$10.8 million, increase in salaries and a 10.1 percent, or \$8.6 million, increase in fringe benefits as a result of the 1.4 percent cost of living adjustment provided to all employees, a step increase given to all teachers, and benefit rates increasing from the prior year. In addition, instruction and support expenses increased as a result of expenses related to new federal grants in their first full year of operation in fiscal year 2014. Payments to component units increased due to increased state allocations that the District passes through to the charter schools.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Analysis of the School District's Funds

The fund financial statements, which can be found as listed in the table of contents, provide more detailed information about the School District's funds, focusing on its significant funds – not the School District as a whole. Funds are accounting devices that the School District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The School District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The School District has two kinds of funds:

- **Governmental funds:** The School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information follows the governmental funds statements, in the form of a reconciliation, to explain the relationship (or differences) between them.
- **Fiduciary funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the scholarships and the student activities funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from district-wide financial statements because it cannot use these assets to finance its operations.

Governmental Funds

For the year ended June 30, 2014, the School District's governmental funds reported a *combined* fund balance of \$178.1 million, as compared to \$244.0 million for the prior year. This decrease of \$65.9 million was primarily the decrease in the Capital Projects – District Fund, the Capital Projects – CEEF Fund, the Debt Service – District Fund, and the General Fund, all of which are discussed below.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

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MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Analysis of the School District's Funds (Continued)

Governmental Funds (Continued)

At June 30, 2014, the School District's non-spendable fund balance for all governmental funds was \$7.7 million, which includes \$6.9 million related to prepaid items and \$0.5 million related to inventories in the General Fund and \$0.3 million related to inventories in the Food Service Fund. The School District's restricted fund balance for all governmental funds was \$121.0 million including restrictions for debt service of \$30.0 million, capital projects of \$81.9 million, food services of \$9.0 million and endowments and scholarships of \$0.1 million. Assigned fund balance includes \$7.4 million in assignments for future years' expenditures, which represents the projected use of fund balance in the fiscal year 2015 budgeted shortfall, \$2.9 million for fiscal year 2014 encumbrances for instruction, support and intergovernmental purposes, and \$3.6 million for Special Revenue programs. The portion of fund balance that is unassigned may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The total unassigned fund balance (all funds) was \$35.4 million, which includes \$39.2 million reported in the General Fund as well as deficits of \$0.3 million and \$3.5 million reported in the Special Revenue and Debt Service Funds, respectively.

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, total fund balance of the General Fund was \$57.0 million, including \$39.2 million unassigned. Unassigned fund balance was 10.2% of fiscal year 2014 expenditures.

The School District's fund balance policy requires a minimum fund balance of 5% of the next year's General Fund budgeted revenues. This amount was \$19.8 million as of June 30, 2014, which represents 5% of fiscal year 2015 budgeted revenues and other financing sources of \$396.6 million, not included a budgeted use of fund balance of \$7.4 million. The unassigned fund balance of the General Fund totaled \$39.2 million as of June 30, 2014, which exceeded the minimum balance by \$19.4 million. The total fund balance for fiscal year 2014 decreased \$12.3 million, as expenditures and other financing uses of \$386.3 million exceeded revenues and other financing sources of \$374.0 million.

The School District's Governmental Funds include the General Fund, as described above, Special Revenue, Special Revenue-EIA, Food Service, Debt Service-District, Debt Service-CEEF, Capital Projects-District, Capital Projects-CEEF, and Medals and Awards Permanent Fund.

The School District's Special Revenue Funds and EIA are used to account for revenues derived from the State of South Carolina and the Federal Government and various other special revenue programs. The Special Revenue Fund reported an ending fund balance of \$3.4 million, a decrease of \$1.4 million, as the expenditures and other financing sources uses \$75.5 million exceeded revenues and other financing sources of \$74.1 million. The EIA fund reports no fund balance as any unspent allocations received from the State Department of Education as of year-end are considered to be unearned revenues. As a result, revenues and other financing sources of \$29.3 million equaled expenditures and other financing uses of \$29.3 million.

The School District accounts for its United States Department of Agriculture's approved school breakfast and lunch programs in a separate Food Service (special revenue) fund. The fund balance at the end of the current fiscal year was \$9.2 million, which was an increase of \$0.5 million from the prior year. Total revenues and other financing sources of \$24.9 million exceeded expenditures of \$24.4 million.

**CHARLESTON COUNTY SCHOOL DISTRICT
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**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Financial Analysis of the School District's Funds (Continued)

Governmental Funds (Continued)

Two Debt Service funds are shown in the accompanying financial statements of the School District, the regular School District Debt Service fund and the CEEF Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The District Debt Service fund balance at the end of the current fiscal year was a deficit of \$1.2 million, a decrease of \$7.7 million from the prior year fund balance of \$6.5 million. The change in fund balance is primarily due to the District's issuing short-term debt that is outstanding as of June 30, 2014, which is recorded as a liability as opposed to an other financing source if it were long-term debt. This deficit will be alleviated through property tax collections in fiscal year 2015. The CEEF Debt Service fund balance at the end of the current fiscal year of \$27.7 million accounts for accumulated resources for payment on the CEEF Installment Purchase Revenue Bonds sold by the non-profit organization. The fund balance decreased by \$0.6 million primarily due to the use of a portion of investment earnings in prior years to make current year principal and interest payments.

Two Capital Projects funds are utilized as well to segregate CEEF expenditures from School District capital project expenditures. The School District's Capital Projects Fund decreased by \$24.1 million to \$67.8 million at June 30, 2014, due primarily to construction-related expenditures exceeding revenues from the one cent local sales tax as previously discussed and transfers from the District's Debt Service Fund (representing proceeds from short-term borrowings to be used in construction projects). The CEEF Capital Projects Fund had a June 30, 2014 fund balance of \$14.1 million and is restricted for capital expenditures during the building program. The fund balance decreased by \$20.3 million due to construction-related expenditures.

General Fund Budgetary Highlights

The School District's original budgeted expenditures for the General Fund including other financing uses were approximately \$382.1 million and anticipated that expenditures would exceed revenues by \$10.0 million. The shortfall was made up by assigning this amount from the prior year's accumulated fund balance. The final amended budget anticipated that expenditures would exceed revenues by \$12.8 million. Differences between the original budget and the final amended budget are summarized as follows:

- Purchase orders totaling \$2.8 million were brought forward from fiscal year 2013. An assignment from fund balance in the prior year was used to offset these carry over purchase orders.

The Board of Trustees included in the fiscal year 2014 budget for all employee groups to receive a 1.4% Cost of Living Adjustment. In addition, teachers received a step increase.

Expenditures exceeded revenues by \$12.3 million, which was \$0.5 million less than the amended budgeted decrease of \$12.8 million. This was due to several areas as indicated below:

- Ad valorem taxes, including penalties and interest, were received at \$4.7 million less the budgeted amount due to a smaller increase in assessed values than originally anticipated based on projections received during the budgeting process.

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YEAR ENDED JUNE 30, 2014

General Fund Budgetary Highlights (Continued)

- State revenues exceeded budget by \$5.6 million primarily due to an increase in base student cost from the prior year as well as conservative budgeting by the School District.
- Instructional expenditures were over budget by \$2.8 million due to workers' compensation exceeding budgeted amounts due to changes related to the estimated incurred but not reported liability received from the third party administrator.
- Support Services expenditures were under budget by \$4.1 million due to the cost control measures put in place and each school, office and department exercising fiscal responsibility in spending for this year.
- Payments to component units were over budget by \$2.4 million due to the School District receiving higher state funding than originally anticipated.

Capital Asset and Debt Administration

Capital Assets

The School District has invested \$1.491 billion in a broad range of capital assets including land, school buildings, athletic facilities, equipment, and administrative offices. Accumulated depreciation on these assets as of June 30, 2014, was \$325.0 million (See Figure A-3).

Total depreciation expense for the year was \$29.4 million while additions to capital assets amounted to \$136.6 million. The School District identified a portion of Springfield Elementary that is to be demolished and rebuilt. Accordingly, the School District recognized an impairment loss of \$0.3 million in fiscal year 2014 for the carrying value of the portion of the school that is to be demolished.

FIGURE A - 3
CAPITAL ASSETS AT YEAR-END
(Net of Depreciation, in millions of dollars)

	Governmental Activities	
	2013	2014
Land	\$ 37.5	\$ 37.5
Construction in Progress	125.9	139.0
Building and Improvements	1,114.7	1,234.8
Improvements Other than Buildings	46.5	46.9
Leasehold Improvements	-	-
Furniture and Fixtures	34.5	29.9
Food Service Equipment	3.2	2.5
Less: Accumulated Depreciation	(303.4)	(325.0)
Totals	<u>\$ 1,058.9</u>	<u>\$ 1,165.6</u>

Major additions primarily included construction projects, which were discussed in detail above.

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YEAR ENDED JUNE 30, 2014

Capital Asset and Debt Administration (Continued)

Long-Term Debt

As of June 30, 2014, the School District had \$765.2 million in general obligation bonds and other long-term obligations, a decrease of \$25.4 million or 3.2% from June 30, 2014, as shown in Figure A-4. The District’s bond rating as of October 2014 was AA+ by Standard & Poors and Aa1 by Moody’s.

**FIGURE A - 4
Outstanding Debt at Year-End
(In millions of dollars)**

	Governmental Activities	
	2013	2014
General Obligation Bonds	\$ 210.8	\$ 200.5
Installment Revenue Bonds	576.9	564.7
QZAB Bonds	2.8	-
2009 Energy Grant Obligation	0.1	-
Totals	<u>\$ 790.6</u>	<u>\$ 765.2</u>

In addition, the School District had \$83.8 million in outstanding General Obligation Bond Anticipation Notes (“BAN”) at June 30, 2014. Subsequent to year end, the School District issued a short-term Tax Anticipation Note (“TAN”) in the amount of \$67.1 million to defray the operations and maintenance of the School District pending the collection of ad valorem taxes and State aid collections. Principal and interest on the TAN are due in full on April 1, 2014. The School District issued a short-term General Obligation Bond (“GOB”) in October 2014 in the amount of \$58.9 million to fund the installments of purchase price coming due under Facilities Agreements entered into with CEEF, to repay the outstanding Series 2014A BAN, to partially fund ongoing construction projects, and to provide for the costs of issuance of the bonds. Principal and interest are due in full on March 1, 2015. The School District also issued its Series 2014 CEEF Installment Purchase Revenue Refunding Bonds with a par amount of \$111,565,000 at a coupon rate of 5.0% and received a premium of \$19,680,042 in September 2014. Principal is due on the bonds annually on December 1, 2019 through December 1, 2031 with interest due semi-annually beginning on December 1, 2014. These bonds were issued for the purpose of advance refunding \$132,995,000 of the outstanding Series 2006 CEEF Installment Purchase Revenue Bonds. The School District used the proceeds from the issuance of the refunding bonds along with \$13,438,780 in released debt service reserve funds, \$3,395,000 in funds from the termination of a forward delivery agreement and \$361,872 in other funds and placed \$147,589,642 in an irrevocable trust, which will be used to pay the principal and interest payments on the refunded bonds until December 1, 2016, the earliest date of optional redemption, at which time the refunded bonds will be redeemed. This refunding was undertaken to reduce total debt service payments over the next 18 years by \$37,047,764 and resulted in an economic gain of \$11,689,869.

More detailed information on capital assets and long-term debt is provided in the accompanying notes to the financial statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

YEAR ENDED JUNE 30, 2014

Factors Bearing on the School District's Future

At the time these financial statements were prepared, the School District was aware of existing circumstances that could significantly affect its financial health in the future:

- The fiscal year 2015 budget was developed in a manner that was conservative in its revenue projections and frugal in its expenditure allocations to non-instructional programs. The budget represents a laser focused effort to ensure that resources are directed to the most appropriate uses in order to support Vision 2016. To that end, the School District allocated \$7.4 million of fund balance to balance the budget. The General Fund increased by 4.9% over the final amended fiscal year 2014 budget. The biggest driver of the budget increase was the cost associated with salary increases. The Board of Trustees commissioned Fox Lawson and Associates (FLA) to conduct an intensive Classification and Compensation Study. The purpose of the study was to better understand our classification system and pay structures so CCSD can recruit, retain and reward the most highly-qualified employees. The board approved with an early budget decision a portion of the implementation of the study results. The implementation awarded one step for all employees and provided the district with a consolidated salary structure for all classification of employees. Increased employer health insurance premiums and retirement contributions continue to drive the fringe benefit expenditure budget up.
- The FY2015 budget was developed with no tax increase.
- The District continues to fund literacy programs and our early childhood programs as our most important strategic priorities. Increased Montessori options and entered into a public private venture with Meeting Street Academy to reopen the once closed Brentwood campus.
- The Board of Trustees approved a list of building projects for the 2017-2023 Capital Program categorized by core and mission critical projects to be included in the November 4th Referendum. The Referendum was approved by the public majority vote and extended the one cent sales tax for Charleston County.

Contacting the School District's Financial Management

This financial report is designed to provide the School District's citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Office, Charleston County School District, 3999 Bridge View Drive, Charleston, SC 29406.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

STATEMENT OF NET POSITION

JUNE 30, 2014

	Primary Government Governmental Activities	Charter Schools Component Units
ASSETS		
Cash and Cash Equivalents	\$ 71,771,231	\$ 9,602,510
Investments	-	3,518,719
Restricted Cash and Cash Equivalents	147,387,432	-
Restricted Investments	15,756,210	-
Accounts Receivable, Net	3,326,772	-
Property Taxes Receivable, Net	9,945,631	-
Local Sales Tax Receivable, Net	23,152,358	-
Due from Governmental Agencies	64,029,252	164,822
Due from Others	-	216,731
Inventory	768,449	-
Prepaid Expenses	6,899,301	123,682
Capital Assets - Not Being Depreciated	176,490,538	-
Capital Assets - Net of Accumulated Depreciation	989,088,319	5,638,547
TOTAL ASSETS	1,508,615,493	19,265,011
DEFERED OUTFLOWS OF RESOURCES		
Advance Refunding Charges	51,529,297	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	51,529,297	-
LIABILITIES		
Accounts Payable	24,890,376	1,186,369
Contracts Payable - Retainage	3,848,622	-
Unearned Revenue	3,889,888	76,021
Due to Other Entities	344,929	2,527,970
Due to Related Parties	-	42,560
Accrued Compensation and Related Benefits	34,497,978	-
Accrued Interest Payable	5,561,258	-
Other Accrued Expenses	4,908,705	-
Bond Anticipation Notes	83,835,000	-
Long-term Liabilities:		
Due Within One Year	41,658,325	112,031
Due in More than One Year	808,801,574	2,698,996
TOTAL LIABILITIES	1,012,236,655	6,643,947
NET POSITION		
Net Investment in Capital Assets	385,221,794	2,953,533
Restricted For:		
Capital Projects	90,935,266	-
Food Service	9,239,175	-
Endowments and Scholarships	145,863	-
Unrestricted	62,366,037	9,667,531
TOTAL NET POSITION	\$ 547,908,135	\$ 12,621,064

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2014

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET REVENUE (EXPENSE) AND CHANGE IN NET POSITION	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units Charter Schools
PRIMARY GOVERNMENT						
Governmental Activities:						
Instruction	\$ 249,745,116	-	94,265,975	-	\$ (155,479,141)	
Support Services	235,434,086	6,587,054	47,364,486	-	(181,482,546)	
Community Services	7,476,348	-	6,805,206	-	(671,142)	
Intergovernmental	935,163	-	665,945	-	(269,218)	
Payments to Component Units	32,803,827	-	32,803,827	-	-	
Interest and Other Charges	32,557,363	-	-	-	(32,557,363)	
Depreciation - Unallocated *	27,170,987	-	-	-	(27,170,987)	
TOTAL PRIMARY GOVERNMENT	586,122,890	6,587,054	181,905,439	-	(397,630,397)	
COMPONENT UNITS						
Charter Schools	31,414,432	899,218	32,156,794	-		1,641,580
TOTAL COMPONENT UNITS	\$ 31,414,432	899,218	32,156,794	-		\$ 1,641,580

GENERAL REVENUES

Property Taxes Levied for		
General Purposes	207,488,553	-
Debt Service	79,794,005	-
Revenue in Lieu of Taxes	91,592,345	-
Local One Cent Sales Tax	84,130,252	-
Miscellaneous Revenue	1,007,974	596,129
Grants and Contributions Not Restricted to Specific Programs	882,040	-
Interest on Investments	1,134,075	15,598
Total General Revenue	<u>466,029,244</u>	<u>611,727</u>
CHANGE IN NET POSITION	68,398,847	2,253,307
NET POSITION, Beginning of Year, As Previously Reported	483,159,012	10,284,144
Adjustment for Apple Charter School and for the Implementation of GASB65	(3,649,724)	83,613
NET POSITION, Beginning of Year, As Adjusted	<u>479,509,288</u>	<u>10,367,757</u>
NET POSITION, End of Year	\$ 547,908,135	\$ 12,621,064

* This amount excludes the depreciation that is included in the direct expenses of the various functions.

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2014

	GENERAL	SPECIAL REVENUE	EIA	FOOD SERVICE
ASSETS				
Cash and Cash Equivalents	\$ 71,727,328	-	-	43,903
Restricted Cash and Cash Equivalents	-	1,434,399	-	-
Restricted Investments	-	-	-	-
Accounts Receivable, Net	2,699,786	591,571	22,500	-
Property Taxes Receivable, Net	7,685,851	-	-	-
Local Sales Tax Receivable, Net	-	-	-	-
Due From Other Funds	15,391,821	-	1,796,353	9,519,226
Due From County Treasurer	2,086,639	-	-	-
Due From State Department of Education	1,641,596	55,017	3,190,819	-
Due From Other Agencies	6,789,093	2,943	-	-
Due From Federal Agencies	-	19,737,007	-	491,090
Inventory	482,967	-	-	285,482
Prepaid Items	6,899,301	-	-	-
TOTAL ASSETS	\$ 115,404,382	21,820,937	5,009,672	10,339,701
LIABILITIES				
Accounts Payable	\$ 4,175,871	1,711,066	324,204	64,250
Contracts Payable - Retainage	-	-	-	-
Unearned Revenue	-	575,314	3,145,767	168,707
Due to Other Funds	13,812,936	12,718,175	-	-
Due to State Department of Education	-	-	258,632	-
Due to Other Agencies	-	56,297	-	-
Due to Charter Schools	-	-	30,000	-
Accrued Compensation and Related Benefits	28,979,530	3,392,474	1,251,069	867,569
Accrued Interest Payable on Short-Term Debt	-	-	-	-
Other Accrued Expenditures	4,908,705	-	-	-
Bond Anticipation Notes	-	-	-	-
TOTAL LIABILITIES	51,877,042	18,453,326	5,009,672	1,100,526
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	6,564,812	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	6,564,812	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	58,441,854	18,453,326	5,009,672	1,100,526
FUND BALANCES				
Nonspendable:				
Inventory	482,967	-	-	285,482
Prepaid Items	6,899,301	-	-	-
Restricted for:				
Food Service	-	-	-	8,953,693
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Endowments and Scholarships	-	-	-	-
Assigned for:				
Special Revenue Programs	-	3,636,290	-	-
Instruction Purposes	168,256	-	-	-
Support Purposes	2,708,984	-	-	-
Intergovernmental Purposes	60,927	-	-	-
Future Years' Expenditures	7,424,722	-	-	-
Unassigned	39,217,371	(268,679)	-	-
TOTAL FUND BALANCES	56,962,528	3,367,611	-	9,239,175
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 115,404,382	21,820,937	5,009,672	10,339,701

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - CEEFF	CAPITAL PROJECTS - DISTRICT	CAPITAL PROJECTS - CEEFF	MEDALS AND AWARDS PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
-	-	-	-	-	\$ 71,771,231
-	13,827,490	112,362,354	19,630,141	133,048	147,387,432
2,315,297	13,440,913	-	-	-	15,756,210
-	-	-	-	12,915	3,326,772
2,259,780	-	-	-	-	9,945,631
-	-	23,152,358	-	-	23,152,358
172,055	412,198	1,913,104	-	-	29,204,757
30,035,048	-	-	-	-	32,121,687
-	-	-	-	-	4,887,432
-	-	-	-	-	6,792,036
-	-	-	-	-	20,228,097
-	-	-	-	-	768,449
-	-	-	-	-	6,899,301
34,782,180	27,680,601	137,427,816	19,630,141	145,963	\$ 372,241,393
19,804	-	16,395,731	2,199,450	-	\$ 24,890,376
-	-	3,204,240	644,382	-	3,848,622
-	-	-	-	100	3,889,888
-	-	-	2,673,646	-	29,204,757
-	-	-	-	-	258,632
-	-	-	-	-	56,297
-	-	-	-	-	30,000
-	-	7,336	-	-	34,497,978
289,861	-	-	-	-	289,861
-	-	-	-	-	4,908,705
33,825,000	-	50,010,000	-	-	83,835,000
34,134,665	-	69,617,307	5,517,478	100	185,710,116
1,848,343	-	-	-	-	8,413,155
1,848,343	-	-	-	-	8,413,155
35,983,008	-	69,617,307	5,517,478	100	194,123,271
-	-	-	-	-	768,449
-	-	-	-	-	6,899,301
-	-	-	-	-	8,953,693
2,315,297	27,680,601	-	-	-	29,995,898
-	-	67,810,509	14,112,663	-	81,923,172
-	-	-	-	145,863	145,863
-	-	-	-	-	3,636,290
-	-	-	-	-	168,256
-	-	-	-	-	2,708,984
-	-	-	-	-	60,927
-	-	-	-	-	7,424,722
(3,516,125)	-	-	-	-	35,432,567
(1,200,828)	27,680,601	67,810,509	14,112,663	145,863	178,118,122
34,782,180	27,680,601	137,427,816	19,630,141	145,963	\$ 372,241,393

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2014

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS **\$ 178,118,122**

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

Property taxes receivable will be collected but are not available soon enough to pay for the current period's expenditures and therefore are considered unavailable revenues in the funds. 8,413,155

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$1,490,560,649 and the accumulated depreciation was \$324,981,792. 1,165,578,857

Advance refunding charges are amortized over the lives of the bonds; however, in governmental accounting, advance refunding charges are expenditures the year they are incurred. The advance refunding charges of \$59,038,292 have been shown net of accumulated amortization expense of \$7,508,995. 51,529,297

Accrued interest on outstanding long-term obligations in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds. (5,271,397)

Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term obligations consisted of:

Long-Term Debt	(765,160,000)	
Premium, net of accumulated amortization	(80,770,985)	
Compensated Absences	(4,528,914)	(850,459,899)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ 547,908,135**

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2014

	GENERAL	SPECIAL REVENUE	EIA	FOOD SERVICE
REVENUES				
Local Property Taxes	\$ 207,580,893	-	-	-
Local One Cent Sales Tax	-	-	-	-
Other Local	335,641	10,023,026	300	6,595,475
Total Local	207,916,534	10,023,026	300	6,595,475
State	152,515,947	5,082,312	29,250,624	-
Federal	96,631	57,904,305	-	17,524,204
Intergovernmental	152,772	-	-	-
TOTAL REVENUE ALL SOURCES	360,681,884	73,009,643	29,250,924	24,119,679
EXPENDITURES				
Current:				
Instruction	207,862,609	26,000,472	15,159,224	-
Support Services	147,398,166	35,791,249	3,974,353	21,672,645
Community Services	230,355	7,168,204	61,518	-
Intergovernmental	172,474	762,689	-	-
Payments to Component Units	28,442,117	2,449,053	1,912,657	-
Capital Outlay	109,940	245,412	36,386	573,682
Debt Service:				
Principal	107,972	-	-	-
Interest and Other Charges	120,669	-	-	-
TOTAL EXPENDITURES	384,444,302	72,417,079	21,144,138	22,246,327
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(23,762,418)	592,564	8,106,786	1,873,352
OTHER FINANCING SOURCES (USES)				
Transfers In	13,365,603	1,065,518	-	819,964
Transfers Out	(1,885,482)	(3,075,279)	(8,106,786)	(2,183,538)
TOTAL OTHER FINANCING SOURCES (USES)	11,480,121	(2,009,761)	(8,106,786)	(1,363,574)
NET CHANGES IN FUND BALANCES	(12,282,297)	(1,417,197)	-	509,778
FUND BALANCES, Beginning of Year	69,244,825	4,784,808	-	8,729,397
FUND BALANCES, End of Year	\$ 56,962,528	3,367,611	-	9,239,175

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - CEEf	CAPITAL PROJECTS - DISTRICT	CAPITAL PROJECTS - CEEf	MEDALS AND AWARDS PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
79,828,316	-	-	-	-	\$ 287,409,209
-	-	84,130,252	-	-	84,130,252
157,566	811,426	176,316	3,688	19,442	18,122,880
79,985,882	811,426	84,306,568	3,688	19,442	389,662,341
1,793,307	-	-	-	-	188,642,190
665,945	-	-	-	-	76,191,085
-	-	-	-	-	152,772
82,445,134	811,426	84,306,568	3,688	19,442	654,648,388
-	-	-	-	-	249,022,305
-	-	20,601,548	77,919	-	229,515,880
-	-	-	-	16,271	7,476,348
-	-	-	-	-	935,163
-	-	-	-	-	32,803,827
-	-	118,694,050	20,262,764	-	139,922,234
13,071,647	12,305,000	-	-	-	25,484,619
8,881,900	26,410,324	-	-	-	35,412,893
21,953,547	38,715,324	139,295,598	20,340,683	16,271	720,573,269
60,491,587	(37,903,898)	(54,989,030)	(20,336,995)	3,171	(65,924,881)
560,435	37,298,768	31,439,298	-	-	84,549,586
(68,738,066)	-	(560,435)	-	-	(84,549,586)
(68,177,631)	37,298,768	30,878,863	-	-	-
(7,686,044)	(605,130)	(24,110,167)	(20,336,995)	3,171	(65,924,881)
6,485,216	28,285,731	91,920,676	34,449,658	142,692	244,043,003
(1,200,828)	27,680,601	67,810,509	14,112,663	145,863	\$ 178,118,122

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2014

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ (65,924,881)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenues for the year.	(126,651)
--	-----------

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	25,484,619
--	------------

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, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is the net change in accrued interest for the year.	453,344
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Advance refunding charges are expenditures the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the Statement of Activities. This amount represents the current year amortization expense for advance refunding charges.	(4,182,719)
--	-------------

Bond premiums are revenues the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities. This amount represents the current year amortization expense on premiums.	6,584,905
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(591,387)
---	-----------

In the Statement of Activities the loss on the sale of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.	(214,009)
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The loss on the impairment of capital assets is not reported in the governmental funds statements.	(249,191)
--	-----------

Governmental funds report asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$136,555,650 exceeded depreciation expense of \$29,390,833 in the current year.	107,164,817
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u>68,398,847</u>
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**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

STATEMENT OF ASSETS AND LIABILITIES

FIDUCIARY FUNDS

JUNE 30, 2014

	PRIVATE- PURPOSE TRUSTS	AGENCY FUNDS
ASSETS		
Cash and Cash Equivalents	\$ -	\$ 3,105,445
Restricted Cash and Cash Equivalents	251,078	-
Investments	-	75,000
Accounts Receivable	-	72,625
TOTAL ASSETS	\$ 251,078	\$ 3,253,070
LIABILITIES		
Accounts Payable	\$ -	\$ 70,870
Accrued Compensation and Related Benefits	-	5,051
Due to Schools	-	3,177,149
TOTAL LIABILITIES	-	3,253,070
NET POSITION		
Held in Trust for Other Purposes	251,078	-
TOTAL NET POSITION	\$ 251,078	\$ -

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

STATEMENT OF CHANGES IN NET POSITION

FIDUCIARY FUND

JUNE 30, 2014

	PRIVATE- PURPOSE TRUSTS
ADDITIONS	
Interest	\$ 410
TOTAL ADDITIONS	410
CHANGES IN NET POSITION	410
NET POSITION, Beginning of Year	250,668
NET POSITION, End of Year	\$ 251,078

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

Charleston County School District (the "School District") was created in July, 1968 through the merger of eight former school districts (which became constituent districts) to form a single county-wide district. The School District operates 45 elementary schools (grades K-5), 12 middle schools (grades 6-8), 7 high schools (grades 9-12), 7 multi-level combination schools, 8 special programs and 4 special education satellite facilities.

The financial statements of the School District 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. The more significant of the School District's accounting policies are described below.

The School District is the government which has responsibility for and control over all activities related to public school education in Charleston County, South Carolina. The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. The School District is governed by a nine member Board of Trustees (the "Board"). The Board determines the operating policies of the School District and such policies are implemented by the School District Superintendent.

As required by GAAP, the financial statements must present the School District's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the School District both appoints a voting majority of the entity's governing body, and either 1) the School District is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the School District. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the School District and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the School District.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the School District having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the School District; and (c) issue bonded debt without approval by the School District. An entity has a financial benefit or burden relationship with the School District if, for example, any one of the following conditions exists: (a) the School District is legally entitled to or can otherwise access the entity's resources, (b) the School District is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the School District is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the School District's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the School District. Based on the criteria above, the School District has two blended component units and several discretely presented component units.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Blended Component Units. The Charleston County School District Development Corporation (the Corporation) and the Charleston Educational Excellence Financing Corporation (CEEF), not-for-profit organizations, were formed to acquire, construct, and lease facilities to be used by the School District. A voting majority of the Corporation's and CEEF's Board of Directors are appointed by the School District, and the School District has the ability to modify or approve the Corporation's and CEEF's budgets. The Corporation is reported as a nonmajor governmental fund, but has been inactive for the last several years. The School District has a financial burden to the CEEF in that it is obligated for lease payments equaling the amount of debt to be relieved and associated interest payments. Activities of CEEF are reported as major capital projects and debt service funds. Separate financial statements for CEEF are not issued.

Discretely Presented Component Units. A charter school is considered a public school, and these schools are a part of the School District for the purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District.

The following charter schools were established under the South Carolina Charter Schools Act by a charter granted by the School District:

Charleston Development Academy, Inc. (CDA)
233 Line Street, P. O. Box 20518
Charleston, SC, 29413

East Cooper Montessori Charter School (ECMCS)
188 Civitas Street
Mt. Pleasant, SC, 29464

James Island Charter High School (JICHHS)
1000 Fort Johnson Road
Charleston, SC, 29412

Orange Grove Elementary Charter (OGEC)
1225 Orange Branch Road
Charleston, SC, 29407

Greg Mathis Charter High School (GMCHS)
7555 N. Spartan Boulevard
North Charleston, SC, 29420

Pattison's Academy for Comprehensive Education (PACE)
2383 Highway 41
Mt. Pleasant, SC, 29466

Charleston Charter School for Math
and Science (CCSMS)
1002 King Street
Charleston, SC, 29403

The Apple Charter School (ACS)
1101 Camp Road
Charleston, SC, 29412

Complete financial statements for each of the discretely presented component units may be obtained at the respective charter school's administrative offices. The School District paid a total of \$32,803,827 to the charter schools during fiscal year 2014. These expenditures are included in payments to component units in the Statement of Revenues, Expenditures, and Changes in Fund Balances.

Combining schedules for the discretely presented component units have been provided as Schedule F series in the supplementary information to assist in providing information to the SDE. The information in these schedules was provided to the School District by the charter schools. The beginning net position of the discretely presented component units has been adjusted from the prior year's ending balance of \$10,284,144 to remove the beginning deficit net position of \$106,113 for ACS, which was closed at the end of the 2013-2014 school year, and to reflect a \$22,500 prior period adjustment recorded for Charleston Charter School for Math and Science.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the School District (the primary government) and its component units. The effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The School District does not have any business-type activities. Likewise, the *primary government* (the School District) is reported separately from certain legally separate *component units* which are fiscally dependent on the School District.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

The **government-wide financial statements** (which exclude fiduciary activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Fiduciary Fund financial statements. Revenues are recognized and recorded when earned and expenses are recorded when a liability is incurred, 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.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, federal and state grant programs and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The School District generally uses restricted amounts to be spent 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 generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following major funds and fund types are used by the School District.

The School District implemented GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*" ("GASB #65") in the year ended June 30, 2014. GASB #65 establishes accounting and financial reporting standards that require reclassification, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. In particular, GASB #65 requires that bond issuance costs (as defined) should be recognized as an expense in the period incurred. This Statement supplements and extends the reach of GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*", which was adopted by the School District in the year ended June 30, 2013. The School District's former financial statement items that were affected by the implementation of GASB #65 were its bond issuance costs, deferred revenue liability (for unavailable revenue – property taxes), and deferred charges (advance refunding charges) in its statements of financial position. Under GASB #65, (a) bond issuance costs are expensed in the period incurred. Any such unamortized bond issuance costs that were incurred and capitalized in a previous year should be written off as an adjustment to beginning net position, (b) deferred revenue that is not available should no longer be shown as a liability but will be reclassified and shown as a component of deferred inflows of resources, and (c) for current and advance debt refundings, the difference between reacquisition price and net carrying amount of the old debt should no longer be shown as a contra-liability, but will be reclassified and shown as a component of deferred outflows of resources. The write-off of bond issuance costs resulted in a reduction of beginning net position of \$3,649,724, the net balance of bond issuance costs as of June 30, 2013, as shown in the Statement of Activities.

Governmental fund types are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and liabilities are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the School District's major and nonmajor governmental fund types:

The **General Fund, a major fund** and a budgeted fund, is the general operating fund of the School District and accounts for all revenues and expenditures of the School District except those required to be accounted for in other funds. 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. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The School District has three Special Revenue Funds:

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

- i) **The Special Revenue Fund, a major fund** and a budgeted fund, is used to account for and report the financial resources provided by federal, state and local projects and grants that are restricted, committed or assigned for specific educational programs.
- ii) **The Education Improvement Act ("EIA") Fund, a major fund** and a budgeted fund, is used to account for and report the restricted revenue from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source) which are restricted for specific programs authorized or mandated by EIA.
- iii) **The Food Service Fund, a major fund** and a budgeted fund, is used to account for and report the financial resources received that are restricted for the operation and improvement of the food service program. These revenues primarily consist of resources received (a) from breakfast, lunch, and other food sales and (b) from the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

The **Debt Service Fund-District, a major fund** and a budgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for the School District except those accounted for in the CEEF Debt Service Fund.

The **Debt Service Fund-CEEF, a major fund** and a budgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for CEEF.

The **Capital Projects Fund-District, a major fund** and a budgeted fund, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to equipment, site acquisitions, construction, renovation of capital facilities, and other capital assets of the School District except for those accounted for by the CEEF Capital Projects Fund.

The **Capital Projects Fund-CEEF, a major fund** and a budgeted fund, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to equipment, site acquisitions, construction, renovation of capital facilities, and other capital assets for CEEF.

The **Permanent Fund, a nonmajor fund** and an unbudgeted fund, is used to account for financial resources endowed to the School District in trust, for which only the interest earnings may be used by the School District for various restricted purposes as specified by the private donors. The School District reports the following permanent fund:

- The **Medals and Awards Fund** accounts for amounts contributed to the School District for the purpose of providing monies from which medals and awards may be purchased. Initial contributions to this fund are recorded as principal and may not be expended. Earnings from investments are recorded as income and are available for the stated fund purposes. Since it is the only non-major governmental fund, it is shown in a separate column in the fund financial statements.

Fiduciary Fund types are used to account for expendable assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds and include agency funds and private-purpose trust funds. Fiduciary Fund types include the following funds:

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The *Agency Fund* accounts for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. Agency funds do not have a measurement focus.

The *Private Purpose Trust Funds* are used to account for assets held in trust for other purposes. The School District reports the following private-purpose trust funds:

- The *William C. Bradley Fund* accounts for monies given to the School District to fund engineering scholarships to students graduating from Wando High School. The fund principal balance may not be expended. Earnings from investments are recorded as income and are available for the stated fund purpose.
- The *Heidel L. Lentz Memorial Trust* provides awards to the James Island Charter High School science fair winners. Both the principal and interest may be spent.

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund to be cash equivalents. Securities with an initial maturity of more than three months (when initially purchased) that are not purchased from the South Carolina Pooled Investment Fund are reported as investments.

Investments

The School District's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the School District to invest in the following:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

Investments (Continued)

- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- (f) Repurchase agreements when collateralized by securities as set forth in this section.
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The School District's cash investment objectives are preservation of capital, liquidity and yield. The School District reports its cash and investments at fair value which is normally determined by quoted market prices.

The School District has used the following investments in the past year:

- Open-end mutual funds, primarily money market funds which invest in short term obligations of the United States and related agencies.
- Obligations of agencies described in (b) above.
- South Carolina Pooled Investment Fund ("SC Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00.
- Overnight repurchase agreement primarily investing in obligations of agencies described in (b) above.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

2. *Receivables and Payables*

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the governmental activities column of the Statement of Net Position.

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts.

3. *Inventories and Other Assets*

Inventories

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at average cost, determined using the first-in, first-out method, and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories in the General Fund include operating and instructional supplies. The Food Service Special Revenue Fund inventory includes an amount for commodities received from the USDA that are recorded at fair market value at the time of receipt but have not been consumed as of the end of the fiscal year.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

4. *Restricted Assets*

The School District established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreements. Certain bond indentures and related agreements require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; (iii) bond proceeds to be used for construction purposes as required in the bond agreement; and (iv) sinking fund accounts for the accumulation of funds for future debt service payments. Also, the principal portion of assets of the Permanent and Private-Purpose Trust funds are classified as restricted assets because their use is restricted by donors.

5. *Capital Assets*

General capital assets, which include land, buildings, furniture, equipment and improvements to land and buildings, generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District's infrastructure assets are immaterial and have been reported with the buildings and improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

5. Capital Assets (Continued)

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Assets	Years
Buildings	40
Furniture and fixtures	5-17
Print shop equipment	15
Food service equipment	12
Improvement other than buildings	10-20
Leasehold improvements	Over the term of the lease

6. Compensated Absences

School District employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days; unused sick leave is not reimbursed. The entire compensated absence liability and expense is reported on the governmental-wide financial statements.

The School District's policy on compensated absences is as follows: Employees are entitled to vacation if employed on a twelve-month (12) basis. Vacation allowance shall not be cumulative. Vacation days are earned during the fiscal year and shall be used by the end of the succeeding year. A sixty-day grace period is automatically allowed. Employees are allowed to accumulate up to 45 days of vacation in the last five years prior to retirement.

7. Accrued Liabilities and Long-Term Obligations

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

Salaries and employee benefits of teachers and certain other instructional employees are based on elections by those employees, paid over a twelve-month period from August to July, but are earned by those employees over the school year of August through May. Salaries and certain related employee benefits earned but not paid because of such employee elections have been accrued and recorded in the financial statements as accrued compensation and related benefits.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

7. *Accrued Liabilities and Long-Term Obligations (Continued)*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. If material, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Amortization of premiums, discounts, and deferred refunding charges are included in interest expense. Bonds payable are reported net of the applicable bond premiums and discounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses. If applicable, estimated arbitrage payable is also reflected in long-term obligations.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures in the period they are incurred.

8. *Deferred Outflows and Inflows of Resources*

As defined by GASB Concept Statement No. 4, “*Elements of Financial Statements*”, deferred outflows of resources and deferred inflows of resources are the consumption of net position by the government that are applicable to a future reporting period and an acquisition of net position by the government that are applicable to a future reporting period, respectively.

In addition to assets, the School District’s statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School District’s deferred outflows of resources consists of deferred losses on current and advance refundings of debt (“deferred charges”).

In addition to liabilities, the School District’s statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has one type of deferred inflows of resources, which only arises under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue – property taxes*, is reported only in the governmental funds’ balance sheet. This item is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available.

9. *Fund Balance*

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (“GASB 54”), which established new fund balance classifications for governmental fund types and clarifies the definitions of the governmental fund types the School District classifies governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

9. Fund Balance (Continued)

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 the highest level of decision making authority before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District consist of amounts approved by a majority vote of the Board of Trustees.

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The Board of Trustees allows the Superintendent and the Chief Financial and Operations Officer the right to make assignments of fund balance for the School District. The General Fund assignments of fund balance represent the amount of encumbrances as of June 30, 2014 and the use of fund balance in the fiscal year 2015 budget approved by the Board of Trustees on June 23, 2014.

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 of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

The School District's Board of Trustees has formally adopted a minimum fund balance policy that requires 5% of the next year's General Fund budgeted revenues, which includes other financing sources, be available as unassigned fund balance. The minimum fund balance amount was \$19,829,221 as of June 30, 2014, representing 5% of the budgeted revenues for the General Fund for fiscal year 2015.

10. Net Position

Net position represents assets and deferred outflows of resources less liabilities and deferred inflows of resources. The *net investment in capital assets* portion of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as *restricted* when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Both the expendable and nonexpendable portion of net position related to certain endowments is reflected as Restricted Net Position.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

11. Accounting Estimates

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

12. Comparative Data

Comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgetary Practices - Budgets are presented as required supplementary information for the General Fund, Special Revenue Fund, Education Improvement Act Fund and the Food Service Fund.

Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

The School District's policies allow funds to be transferred between functions. The legal level of control is at the fund level. During the year, the School District revised the budget.

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

- (1) In the fall of the preceding year, the School District begins its budget process for the next succeeding fiscal year beginning on July 1.
- (2) After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for her review and adjustment.
- (3) The Superintendent then presents a proposed budget to the Board of Trustees, which reviews the proposed budget, in a series of workshops, and makes any additions or deletions as deemed necessary.
- (4) Prior to July 1, the Board legally enacts the budget through passage of a resolution.

The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts are as amended by the administration. All annual appropriations lapse at fiscal year end.

Encumbrance accounting is employed in governmental funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. 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, 2014, none of the School District's bank balances of \$37,131,746, which had a carrying amount of \$32,340,215, were exposed to custodial credit risk.

Investments

As of June 30, 2014, the School District had the following investments:

Investment Type	Fair Value	Credit Ratings		Weighted Average Maturity
		S&P	Moody's	
SC Local Government Investment Pool	\$ 155,134,857	Unrated	Unrated	^
Government Advantage Open-End Money Market Fund	13,635,788	AAAm	Aaa-mf	<1 year
Treasury Plus Open-End Money Market Fund	19,741,658	AAAm	Aaa-mf	<1 year
Resolution Funding Corporation Coupon Strips	1,603,840	Unrated	Unrated	>5 years
United States Treasury Note	710,617	Unrated	Unrated	>5 years
Federal Home Loan Bank Discount Notes	13,439,639	A-1+	P-1	<1 year
Federal National Mortgage Association Discount Notes	538	A-1+	P-1	<1 year
Overnight Repurchase Agreement	1,739,244	Unrated	Unrated	<1 year
	<u>\$ 206,006,181</u>			

^ Investments in 2a-7 like pools do not require interest rate risk disclosure.

Interest Rate Risk: The School District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District does not have an investment policy for credit risk, but follows the investment policy statutes of the State of South Carolina.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

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 an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. At June 30, 2014, 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 it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S government and investments in mutual funds and external investment pools are excluded from this disclosure requirement.

A reconciliation of cash and investments as shown in the financial statements for all fund types follows:

Financial Statement Totals		Footnotes	
Balance Sheet - Governmental Funds			
Cash and Cash Equivalents	\$ 71,771,231	Carrying Amount	
Restricted Cash and Cash Equivalents	147,387,432	of Deposits	\$ 32,340,215
Restricted Investments	15,756,210		
	<u>234,914,873</u>	Fair Value of	
		Investments	<u>206,006,181</u>
Statement of Assets and Liabilities - Fiduciary Funds			
Cash and Cash Equivalents	3,105,445		
Restricted Cash and Cash Equivalents	251,078		
Investments	75,000		
	<u>3,431,523</u>		
	<u>\$ 238,346,396</u>		<u>\$ 238,346,396</u>

Due to higher cash flows at certain times during the year, the School District's deposits and investments were often significantly higher than at year end.

B. Property Taxes and Other Receivables

Charleston County, South Carolina (the "County") is responsible for levying and collecting sufficient property taxes to meet funding obligations for the School District. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

B. Property Taxes and Other Receivables (Continued)

Property taxes are levied and billed by the County on real and personal properties (excluding vehicles, merchants inventory and TIF District properties) on October 1 based on an assessed value of approximately \$3,307,000,000 at rates of 100.5 mills and 26.0 mills for the General Fund and Debt Service Fund, respectively. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 16	-	10% of tax
After March 16	-	15% of tax

Current year real and personal property taxes become delinquent on March 17. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable include an allowance for uncollectible amounts of approximately \$3,293,936 for the General Fund and \$968,477 for the Debt Service – District Fund and at June 30, 2014. Significant allowances for uncollectible amounts were not necessary for the other receivable accounts, which are expected to be collected within the next twelve months.

C. Unearned Revenues and Deferred Inflows of Resources

Governmental funds report deferred inflows of resources and unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Also, both the government-wide financial statements and governmental funds do not recognize revenue in connection with resources that have been received, but not yet earned. At June 30, 2014, the various components of deferred inflows and unearned revenue were as follows:

Deferred Inflows:

Delinquent Property Taxes Receivable (General Fund)	\$	6,564,812
Delinquent Property Taxes Receivable (Debt Service - District Fund)		1,848,343
Total Deferred Inflows for Governmental Funds	\$	<u>8,413,155</u>

Unearned Revenues:

Revenue Collected, but Unearned (Special Revenue Fund)	\$	575,314
Revenue Collected, but Unearned (Special Revenue - EIA Fund)		3,145,767
Revenue Collected, but Unearned (Special Revenue - Food Service Fund)		168,707
Revenue Collected, but Unearned (Medals and Awards Permanent Fund)		100
Total Unearned Revenues for both Government-wide Financial Statements and Governmental Funds	\$	<u>3,889,888</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

C. Capital Assets

Capital asset activity for the School District's Primary Government for the year ended June 30, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 37,503,777	-	-	-	\$ 37,503,777
Construction in Progress	125,929,861	133,873,039	-	(120,816,139)	138,986,761
Total Capital Assets, Not Being Depreciated	<u>163,433,638</u>	<u>133,873,039</u>	<u>-</u>	<u>(120,816,139)</u>	<u>176,490,538</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,114,719,083	-	(705,116)	120,816,139	1,234,830,106
Improvements Other than Buildings	46,455,601	555,330	(142,732)	-	46,868,199
Furniture and Fixtures	34,528,367	2,127,281	(6,788,735)	-	29,866,913
Food Service Equipment	3,183,188	-	(678,295)	-	2,504,893
Total Capital Assets Being Depreciated	<u>1,198,886,239</u>	<u>2,682,611</u>	<u>(8,314,878)</u>	<u>120,816,139</u>	<u>1,314,070,111</u>
Less: Accumulated Depreciation for:					
Buildings	(239,222,982)	(25,700,057)	408,966	-	(264,514,073)
Improvements Other than Buildings	(36,535,769)	(1,250,588)	46,959	-	(37,739,398)
Furniture and Fixtures	(24,957,213)	(2,333,395)	6,717,458	-	(20,573,150)
Food Service Equipment	(2,726,673)	(106,793)	678,295	-	(2,155,171)
Total Accumulated Depreciation	<u>(303,442,637)</u>	<u>(29,390,833)</u>	<u>7,851,678</u>	<u>-</u>	<u>(324,981,792)</u>
Total Capital Assets, Being Depreciated, Net	<u>895,443,602</u>	<u>(26,708,222)</u>	<u>(463,200)</u>	<u>120,816,139</u>	<u>989,088,319</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 1,058,877,240</u>	<u>107,164,817</u>	<u>(463,200)</u>	<u>-</u>	<u>\$ 1,165,578,857</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

C. Capital Assets (Continued)

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

Governmental Activities:	
Instruction	\$ 95,038
Support Services	2,124,808
Community Services	-
Unallocated	27,170,987
Total Depreciation Expense - Governmental Activities	<u>\$ 29,390,833</u>

Construction Commitments

The School District has several ongoing construction projects as of June 30, 2014. The projects include renovation of existing schools as well as construction of new facilities. Total outstanding construction commitments at June 30, 2014 are approximately \$56,503,000. Subsequent to June 30, 2014, the School District committed an additional \$40,649,000 in construction contracts.

Impairment Loss

During the year ended June 30, 2014, the District identified a portion of Springfield Elementary that is to be demolished and rebuilt. Accordingly, the School District recognized an impairment loss of approximately \$249,191 during fiscal 2014 for the carrying value of the portion of the school that is to be demolished. This loss is included in Support Services expense in the Statement of Activities.

One Percent Educational Capital Improvement Sales and Use Tax

In August 2010, the School District's Board approved a motion to place a 1% Educational Capital Improvement Sales and Use Tax on the November 2, 2010 Ballot for Consideration, with the proceeds to be used for rebuilding and renovating a number of schools. In November 2010, the voters of Charleston County approved this referendum, and the new tax became effective March 1, 2011. This action will provide a projected revenue source of about \$450 million over the approved six-year program. A list of the projects was included on the ballot and a Citizen's Advisory Committee was established to work with the School District on prioritization, design and community engagement into the program. The South Carolina Department of Revenue collects the tax and disburses it to Charleston County, who disburses it to the School District. The School District recognized approximately \$84,130,000 in revenues from this funding source in fiscal year 2014. A six-year extension of this program was approved by the voters of Charleston County on November 4, 2014.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Interfund Receivables and Payables

Interfund balances at June 30, 2014 (all of which are expected to be paid or received within one year), consisted of the following individual fund receivables and payables for the primary government:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 15,391,821	\$ 13,812,936
Special Revenue Funds:		
Special Revenue	-	12,718,175
EIA	1,796,353	-
Food Service	9,519,226	-
Debt Service Fund - District	172,055	-
Debt Service Fund - CEEF	412,198	-
Capital Projects Fund - District	1,913,104	-
Capital Projects Fund - CEEF	-	2,673,646
Totals	<u>\$ 29,204,757</u>	<u>\$ 29,204,757</u>

The General Fund receivable is the result of amounts due from the Special Revenue Fund and the Capital Projects Fund - CEEF. The General Fund pays the expenditures of other funds throughout the year and is reimbursed when claims or other deposits are received. The General Fund payable is the result of amounts due to the Special Revenue – EIA Fund, the Special Revenue – Food Service Fund, the Debt Service Fund - District, the Debt Service Fund – CEEF, and the Capital Projects Fund – District. Deposits are generally made into the General Fund central depository account, which reflects the amounts as due to other funds. These due to balances are reduced as expenditures are processed for the other funds.

Special Revenue Fund and Capital Projects Fund - CEEF net payables are a result of expenditures paid by the General Fund, with the cash transferred to the General Fund subsequent to year end when claims or other deposits were received.

The Special Revenue – EIA Fund, Special Revenue – Food Service Fund, Debt Service Fund - District, Debt Service Fund - CEEF, and Capital Projects Fund – District net receivables are primarily a result of revenues received and recorded as cash in the General Fund.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Transfers From and To Other Funds

Transfers from and to other funds for the year ended June 30, 2014, consisted of the following:

<u>Transfers from</u>		<u>Transfers to</u>	
		<u>General Fund</u>	
Special Revenue	\$ 1,000,000	Special Revenue	\$ 1,065,518
EIA	8,106,786	Food Service	819,964
Special Revenue - Indirect Costs	2,075,279		-
Food Service - Indirect Costs	2,183,538		-
	<u>\$ 13,365,603</u>		<u>\$ 1,885,482</u>
		<u>Special Revenue Fund</u>	
General Fund	\$ 1,065,518	General Fund	\$ 1,000,000
	-	General Fund - Indirect Costs	2,075,279
	<u>\$ 1,065,518</u>		<u>\$ 3,075,279</u>
		<u>EIA Fund</u>	
None	<u>\$ -</u>	General Fund	<u>\$ 8,106,786</u>
		<u>Food Service</u>	
General Fund	<u>\$ 819,964</u>	General Fund - Indirect Costs	<u>\$ 2,183,538</u>
		<u>Capital Projects - District</u>	
Debt Service - District	<u>\$ 31,439,298</u>	Debt Service - District	<u>\$ 560,435</u>
		<u>Debt Service - District</u>	
Capital Projects - District	\$ 560,435	Debt Service - CEEF	\$ 37,298,768
	-	Capital Projects - District	31,439,298
	<u>\$ 560,435</u>		<u>\$ 68,738,066</u>
		<u>Debt Service - CEEF</u>	
Debt Service - District	<u>\$ 37,298,768</u>		<u>\$ -</u>
Totals	<u>\$ 84,549,586</u>	Totals	<u>\$ 84,549,586</u>

General Fund

Transfers from:

Funds were transferred to the General Fund from other funds to cover EIA raises for teachers and the corresponding fringe benefits increase related to the EIA raise for teachers, transfers of e-rate funding from the Special Revenue Funds, and indirect costs for federal programs and food services.

Transfers to:

Funds were transferred from the General Fund into other funds to cover funding shortfalls in Special Revenue programs and for the Food Service benefit shortfall.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Transfers From and To Other Funds (Continued)

Special Revenue/EIA Funds

Transfers from:

Funds were transferred from the General Fund to cover funding shortfalls.

Transfers to:

Funds were transferred from Special Revenue and EIA funds to other funds to cover indirect costs on federal programs, the EIA raise for teachers, EIA school employer contributions, and to provide e-rate funding for use in the General Fund as budgeted.

Food Service Fund

Transfer from:

Funds were transferred from the General Fund for fringe benefit shortfall.

Transfer to:

Funds were transferred to the General Fund for indirect costs.

Capital Projects Funds

Transfers from:

Funds were transferred from the Debt Service – District Fund to the Capital Projects – District Fund to partially fund the capital projects program.

Transfers to

Funds were transferred from the Capital Projects – District Fund to the Debt Service - District Fund to use the unspent funds from the 2010B QSCB to call a portion of the outstanding bonds.

Debt Service Funds

Transfers from:

Funds were transferred from the Debt Service - District Fund to the Debt Service - CEEF Fund to make the base lease payments as defined in the acquisition agreement. Funds were transferred from the Capital Projects – District Fund to the Debt Service - District Fund to use the unspent funds from the 2010B QSCB to call a portion of the outstanding bonds.

Transfers to:

Funds were transferred from the School District's Debt Service – District Fund to the School District's Capital Projects – District Fund to partially fund the capital projects program and to the Debt Service – CEEF Fund to make the base lease payments as defined in the acquisition agreement.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

F. Short-Term Obligations

The School District's short-term debt activity is as follows:

Governmental Activities:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Tax Anticipation Note, issued October 2013, with interest at 5.00%, matured April 2014.	\$ -	67,600,000	67,600,000	\$ -
General Obligation Bonds, Series 2013, issued October 2013, with interest at 1.50%, matured March 2014.	-	65,605,000	65,605,000	-
General Obligation Bond Anticipation Note, Series 2013A, issued May 2013, with interest at 2.00%, maturing November 2013.	31,300,000	-	31,300,000	-
General Obligation Bond Anticipation Note, Series 2013B, issued May 2013, with interest at 1.00%, maturing May 2014.	25,000,000	-	25,000,000	-
General Obligation Bond Anticipation Note, Series 2014A, issued April 2014, with interest at 5.00%, matures November 2014.	-	33,825,000	-	33,825,000
General Obligation Bond Anticipation Note, Series 2014B, issued April 2014, with interest at 0.75%, matures May 2014.	-	50,010,000	-	50,010,000
Total Governmental Activities	<u>\$ 56,300,000</u>	<u>217,040,000</u>	<u>189,505,000</u>	<u>\$ 83,835,000</u>

All of the outstanding short-term debt is backed by the full faith and credit of the Charleston County School District and matures within one year. The Tax Anticipation Note was issued to fund ongoing operations and was repaid in April 2014 from General Fund property tax revenues. The General Obligation Bonds – Series 2013 were issued for the purposes of providing funds to pay a portion of the purchase price coming due under the 2004 and 2006 Facilities Agreements and 2013A and 2013B Supplemental Facilities Agreements entered into with CEEF, provide funding for certain improvements to the facilities of the School District, repay the outstanding 2013A Bond Anticipation Notes and pay the costs of issuance of the bonds. The General Obligation Bonds – Series 2013 were fully repaid in March 2014. The General Obligation Bond Anticipation Notes – Series 2014A were issued for the purposes of providing funds to pay a portion of the purchase price coming due under the 2004 and 2006 Facilities Agreements and 2013A and 2013B Supplemental Facilities Agreement entered into with CEEF, provide funding for certain improvements to the facilities of the School District, and pay the costs of issuance of the bonds. The General Obligation Bond Anticipation Notes – Series 2014B were issued for the purposes of providing funds to pay the principal and interest due on the Series 2013B General Obligation Bond Anticipation Notes, pay a portion of the cost of construction, renovation and equipping of the Sales Tax Projects, and pay the costs of issuance of the notes.

The School District received premiums totaling approximately \$2,959,000 upon issuance of the Tax Anticipation Note, the General Obligation Bonds, and the General Obligation Bond Anticipation Notes. The Tax Anticipation Note, including interest of approximately \$1,615,000, was repaid in April 2014 utilizing General Fund property tax revenues. The General Obligation Bonds - Series 2013, including interest of approximately \$292,000, were repaid in March 2014 using Debt Service – District Fund property tax revenues. The General Obligation Bond Anticipation Notes – Series 2013A, including interest of approximately \$323,000, were repaid in November 2013 with the proceeds of the General Obligation Bonds – Series 2013. The General Obligation Bond Anticipation Notes – Series 2013B, including interest of approximately \$249,000, were repaid in May 2014 with the proceeds of the General Obligation Bond Anticipation Notes – Series 2014B.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

F. Short-Term Obligations (Continued)

The General Obligation Bond Anticipation Notes – Series 2014A and Series 2014B are due in November 2014 and May 2015, respectively, and were outstanding as of June 30, 2014. They have appropriately been reflected as a liability on the governmental funds balance sheet. The premiums received have been netted against interest expenditures in the financial statements.

G. Long-Term Obligations

The following is a summary of changes in School District long-term obligations for the year ended June 30, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds:					
Series 2004A Refunding GO Bonds - (voter referendum)	\$ 5,000	-	5,000	-	\$ -
Series 2004B Refunding GO Bonds - subject to 8%	5,355,000	-	5,355,000	-	-
Series 2009B QSCB - subject to 8%	13,515,000	-	-	13,515,000	-
Series 2010A Refunding GO Bonds - (voter referendum)	57,025,000	-	4,335,000	52,690,000	4,500,000
Series 2010B QSCB - subject to 8%	15,075,000	-	560,000	14,515,000	-
Series 2011A Refunding GO Bonds - (voter referendum)	64,025,000	-	-	64,025,000	-
Series 2012A Refunding GO Bonds - (voter referendum)	44,965,000	-	-	44,965,000	5,085,000
Series 2012B GO Bonds - subject to 8%	10,800,000	-	-	10,800,000	2,900,000
Total General Obligation Bonds	210,765,000	-	10,255,000	200,510,000	12,485,000
Installment Revenue Bonds					
Series 2004 Bonds	24,540,000	-	11,605,000	12,935,000	12,935,000
Series 2006 Bonds	132,995,000	-	-	132,995,000	-
Series 2013A Refunding Bonds	76,000,000	-	700,000	75,300,000	14,250,000
Series 2013B Refunding Bonds	343,420,000	-	-	343,420,000	-
Total Installment Sale Revenue Bonds	576,955,000	-	12,305,000	564,650,000	27,185,000
QZAB Bonds	2,816,647	-	2,816,647	-	-
2009 Energy Grant Obligation	107,972	-	107,972	-	-
Total Premiums, net	87,355,890	-	6,584,905	80,770,985	-
Compensated Absences	3,937,527	2,579,712	1,988,325	4,528,914	1,988,325
Total Long-Term Obligations	\$ 881,938,036	2,579,712	34,057,849	850,459,899	\$ 41,658,325

General Fund resources typically have been used in prior years to liquidate compensated absences payable and the 2009 Energy Grant Obligation. The Debt Service Funds have been used to liquidate all other long-term obligations.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-Term Obligations (Continued)

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, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) 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 does not have positive arbitrage on any of its indebtedness as of June 30, 2014.

The CEEF bonds were issued pursuant to a School Facilities Purchase and Occupancy Agreement (the "Facilities Agreement") and evidence proportionate interests of the owners in certain rental payments to be made by the School District under the terms of a Base Lease Agreement between the School District and CEEF dated March 15, 2002. The School District will purchase the Capital Projects from CEEF pursuant to the Facilities Agreement, which will obligate the School District to make semiannual installment payments to CEEF in amounts calculated to be sufficient to enable CEEF to pay the principal and interest on the outstanding bonds. The School District's obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District to pay the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the Facilities for the remainder of the term of the Lease. It is anticipated that the payments will be funded by the School District by the future issuance of short-term general obligation bonds. Upon the termination/completion of the School Facilities Purchase and Occupancy Agreements, the School District will own all of the capital assets financed by the Installment Sale Revenue Bonds.

The CEEF bonds are not a debt of the School District; however, as CEEF is blended with the operations of the School District, the debt of CEEF is included with the School District's other obligations as required by GAAP.

In January 2013, the School District obtained a bank loan in the amount of \$76,000,000. The District placed \$75,785,011 in an irrevocable trust that will be used to redeem \$69,300,000 of the outstanding balance on the Series 2004 Installment Revenue Bonds maturing on December 1, 2015 through December 1, 2018. The proceeds in the trust will be used to make future debt service payments related to the these bonds and redeem the bonds on December 1, 2014, the date the bonds are first callable, at a redemption price of par. The reacquisition price exceeded the net carrying amount of the old debt by \$4,274,537. This amount is being amortized over the life of the new debt, which has the same life as the old debt. The portion of the bonds that has been refunded is considered to be defeased until redemption in December 2014 and the liability has been removed from the governmental activities column of the Statement of Net Position.

In May 2013, the School District issued \$343,420,000 in Series 2013B Installment Purchase Refunding Bonds, receiving a premium of \$60,284,402. The District was also able to utilize \$10,674,778 in funds from the 2013A BAN, \$41,673,728 from a debt service reserve fund release, and \$13,100,000 from a debt service termination payment. The District placed \$467,454,492 in an irrevocable trust, which will be used to redeem the entire \$406,675,000 of the outstanding balance on the Series 2005 Installment Revenue Bonds maturing on December 1, 2019 through December 1, 2030. The proceeds in the trust will be used to make future debt service payments related to the these bonds and redeem the bonds on December 1, 2015, the date the bonds are first callable, at a redemption price of par. The reacquisition price exceeded the net carrying amount of the old debt by \$39,727,870. This amount is being amortized over the life of the new debt, which has the same life as the old debt. The refunded bonds are considered to be defeased until redemption in December 2015 and the liability has been removed from the governmental activities column of the Statement of Net Position.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-Term Obligations (Continued)

Details for each debt issue outstanding as of June 30, 2014 are as follows:

General Obligation Bonds:

\$13,517,000 Series 2009B (QSCB), with interest at 1.05%, maturing in September 2026	\$	13,515,000
\$62,655,000 Series 2010A Refunding, with interest from 2.0% to 5.0%, maturing in February 2025.		52,690,000
\$15,075,000 Series 2010B (QSCB), with interest at 4.8%, maturing in August 2027.		14,515,000
\$64,200,000 Series 2011A Refunding, with interest of from 2.0% to 5.0%, maturing in February 2023.		64,025,000
\$44,965,000 Series 2012A Refunding, with interest of 4.0%, maturing in February 2024.		44,965,000
\$60,160,000 Series 2012B, with interest of 5.0%, maturing in March 2016.		10,800,000
Total General Obligation Bonds	\$	<u>200,510,000</u>

Installment Revenue Bonds:

\$135,620,000 Series 2004, with interest from 3.0% to 5.0%, maturing in December 2018.	\$	12,935,000
\$132,995,000 Series 2006, with interest from 4.75% to 5.0%, maturing in June 2032.		132,995,000
\$76,000,000 Series 2013A Refunding, with interest at 1.16%, maturing in December 2018.		75,300,000
\$343,420,000 Series 2013B Refunding, with interest from 2.0% to 5.0%, maturing in December 2018.		343,420,000
Total Installment Revenue Bonds	\$	<u>564,650,000</u>

2010 Qualified School Construction Bonds:

In October 2010, the School District issued its Series 2010B General Obligation Bonds (Taxable Qualified School Construction Bonds) with a par amount of \$15,075,000 to provide funds to pay for improvements to School District facilities and to pay for the costs of issuance of the bonds. Interest payments are due semi-annually beginning on February 1, 2011 at a coupon rate of approximately 4.80% with \$5,000 in principal due on August 1, 2015 and the remaining \$15,070,000 due on August 1, 2027. The Federal Government is subsidizing 100% of the interest payments. The School District entered into a Paying Agent and Registrar Agreement with Wells Fargo Bank in October 2010 for the purpose of establishing a sinking fund to accumulate assets to be used for the retirement of this debt at maturity. In accordance with the terms of this agreement, the District directed and will direct the U. S. Department of the Treasury to send the interest subsidy to Wells Fargo Bank to be held by them in a sinking fund until maturity. The District anticipates that amounts on deposit plus the expected yield (investment earnings) of these funds on deposit will produce an amount equal to the required principal payment due in August 2027 of \$15,070,000. The balance in the escrow sinking fund account at June 30, 2014 was approximately \$2,315,000 and is included in the restricted investments in the financial statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-Term Obligations (Continued)

Annual Debt Service Requirements

Annual debt service requirements to maturity for all long-term debt as of June 30, 2014 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$ 39,670,000	32,857,181	\$ 72,527,181
2016	29,530,000	31,833,347	61,363,347
2017	30,820,000	30,853,645	61,673,645
2018	32,420,000	30,195,773	62,615,773
2019	35,275,000	29,546,908	64,821,908
2020-2024	201,575,000	121,625,056	323,200,056
2025-2029	264,140,000	65,560,277	329,700,277
2030-2032	131,730,000	7,669,250	139,399,250
Totals	<u>\$ 765,160,000</u>	<u>350,141,437</u>	<u>\$ 1,115,301,437</u>

The School District is subject to a statutory millage limit on the amount of ad valorem taxes it may annually levy to fund operations and does not presently have sufficient unused capacity under its operating millage limit to levy additional ad valorem taxes to fund the installment payments of purchase price due under the Facilities Agreement. The School District is, however, authorized to levy an unlimited ad valorem tax to pay its general obligation debt and has covenanted and agreed in the Facilities Agreement to exercise its best efforts to issue its general obligation debt from time to time to provide funds to make installment payments of purchase price due under the Facilities Agreement as well as base payments to CEEF.

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. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. Of the outstanding general obligation debt at June 30, 2014, \$161,680,000 was approved through voter referendum. Therefore, \$122,665,000 including the \$83,835,000 in short-term General Obligation Bond Anticipation Notes outstanding at June 30, 2014, is subject to the 8% limitation. Based on an assessed value of approximately \$3,307,163,000 at June 30, 2014 (which includes merchant's inventory and TIF District amounts), the School District had available capacity to issue approximately \$141,908,000 of additional general obligation debt. However, subsequent to year end, the School District issued a \$67,150,000 Tax Anticipation Note (which is not included in bonded indebtedness subject to the 8% debt limit) and \$58,910,000 in short-term General Obligation Bonds, for which a portion of the proceeds were used to repay the outstanding \$33,825,000 BAN. The available capacity is approximately \$116,823,000 at the time of issuance of the financial statements.

H. Endowments

Medals and Awards Permanent Fund. For the year ended June 30, 2014, the net appreciation on investments of donor-restricted endowments was \$217. Under the terms of the endowment, the School District is authorized to spend the net appreciation on medals and awards. At June 30, 2014, the principal amount of \$27,947 and the accumulated net appreciation of \$114,962 is reported in net position restricted for endowments and scholarships. Also included in this fund is contributions restricted for scholarships. For the year ended June 30, 2014, additional contributions of \$19,225 were received with a total of \$16,271 in scholarships awarded. The net accumulation of contributions for scholarships of \$2,954 is also reported in net position restricted for endowments and scholarships.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

H. Endowments (Continued)

William C. Bradley Private-Purpose Trust Fund. For the year ended June 30, 2014, the appreciation on investments of donor-restricted endowments was \$410. Under the terms of the endowment, the School District is authorized to spend the net appreciation on engineering scholarships to students graduating from Wando High School. At June 30, 2014, the principal balance of \$250,000 and the accumulated net appreciation of \$1,078 is reported as Fiduciary Net Position held in trust for other purposes.

Heidel L. Lentz Memorial Private-Purpose Trust Fund. For the year ended June 30, 2014, there was no net appreciation on investments of donor-restricted endowments. Under the terms of the endowment, the School District is authorized to spend both the principal and net appreciation on awards to James Island Charter High School science fair winners.

I. Food Service

Federal Guidelines

The School District's Food Service Fund administers the lunch programs in accordance with United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. Within the Food Service Fund, meals served to pupils are classified as regular, reduced or free. The type of meal served determines the amount of reimbursement received from the USDA. Reimbursements may be in the form of cash or commodities. The Food Service expenses are inclusive of \$977,420 of commodities consumed during the year ended June 30, 2014.

J. Deficit Fund Balances

As of June 30, 2014, the Debt Service – District Fund and the Special Revenue Fund have deficit unassigned fund balances of \$3,516,125 and \$268,679, respectively. The deficit in the Debt Service – District Fund is a result of the timing of short-term debt issuances. This deficit will be alleviated through property tax collections in fiscal year 2015. The deficit in the Special Revenue Fund is a result of operating losses in the community education program. This deficit will be alleviated by transfers from the before and after school daycare program, which shares resources with the community education program.

IV. OTHER INFORMATION

A. Retirement Plans

South Carolina Retirement System ("SCRS") & South Carolina Police Officers' Retirement System ("SCPORS")

Plan Description – A majority of the School District's full-time employees are covered under two different retirement plans. The South Carolina Retirement System ("SCRS") is a cost-sharing multiple-employer defined benefit pension plan. The South Carolina Police Officers' Retirement System ("PORS") is also a cost-sharing multiple-employer defined benefit pension plan.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

South Carolina Retirement System (“SCRS”) & South Carolina Police Officers’ Retirement System (“SCPORS”) (Continued)

The SCRS was established by the South Carolina state legislature on July 1, 1945, for the benefit of teachers and employees of the State and its political subdivisions. The PORS was established by the South Carolina state legislature on July 1, 1962, for the benefit of police officers and firemen. Both the SCRS and the PORS offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits, and survivor benefits. The Plans’ provisions are established under Title 9 of the South Carolina Code of Laws and are administered by the South Carolina Public Employee Benefit Authority (“PEBA”). The PEBA has the authority to establish and amend benefits and funding policy. A comprehensive annual financial report containing financial statements and required supplementary information for the retirement benefits is issued and publicly available by writing the South Carolina Public Employee Benefits Authority, P.O. Box 11960, Columbia, SC 29211-1960.

Benefits vest after five years of service, and vested members who retire at age sixty-five or with twenty-eight years of service at any age, receive an annual benefit, payable monthly for life. The benefit is based on the length of service and on average final compensation, an annualized average of the employee's highest twelve consecutive quarters' compensation. Reduced benefits are payable as early as age sixty.

Funding Policy – Both employees and employers are required to contribute to the Plans at rates established and as amended by the PEBA. The School District’s contributions are actuarially determined, but are communicated to and paid by the School District as a percentage of the employees’ annual earnings. For the year ended June 30, 2014, employee contributions to the Plan are 7.5% of salary and employers are required to contribute at the following rates: SCRS State Agencies & Public Schools—10.45% and PORS –12.44%. In addition to the above rates participating employers of the SCRS and PORS contribute 0.15% and 0.20%, respectively, of payroll to provide a group life insurance benefit for their active participants. Participating employers of the PORS also contribute 0.20% to provide an accidental death insurance benefit for their active participants. The School District contributed amounts equal to the required contribution to the SCRS of \$23,288,009, \$22,954,336, and \$19,882,428, and SCPORS of \$31,362, \$27,965, and \$18,893, for the years ended June 30, 2014, 2013, and 2012, respectively.

Other Retirement Plan

The State of South Carolina also provides an optional retirement plan (“State ORP”). It is a governmental plan administered as a qualified plan pursuant to Section 401(a) of the Internal Revenue Code (“IRC”). The State ORP is a defined contribution plan that provides retirement and survivor benefits as an alternative to the SCRS. Employees may choose between the State ORP plan and the SCRS plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. The SCRS assumes no liability for State ORP benefits, as they are the liability of the investment providers.

The employee required contribution rate to the State ORP was 7.5% of covered salary for the year ended June 30, 2014. The employer required contribution rate was 10.45% for the year ended June 30, 2014, for which 5% of the employer required contribution is remitted to the employees authorized investment providers (“AIP”) with the balance being remitted to the South Carolina Retirement System. Because the contribution rates to the State ORP are required, they are also actual contributions as well. Thus, the actual contribution rate and amount is 100% of the required contribution rate and amount for the ORP for all years presented. The School District contributed amounts equal to the required contribution of \$4,373,269, \$3,657,070, and \$2,638,775 for the years ended June 30, 2014, 2013, and 2012, respectively.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Deferred Compensation Plan

The School District offers its employees a deferred compensation plan created in accordance with IRC Section 457. The plan, available to all regular full-time and part-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employee or his beneficiaries until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to the claims of the School District's general creditors. The plan is administered by the State of South Carolina.

Pending Implementation of GASB Statement on Pensions

GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" ("GASB #68"), was issued by the GASB in June 2012. The primary objective of GASB #68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB's intention that GASB #68 will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the School District's financial obligations to current and former employees for past services rendered.

In particular, the School District will be required to report a net pension liability for its participation in the SCRS and SCPORS on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures. In general, it should not have a significant impact on the School District's governmental funds.

The School District has been in communications with the PEBA on the effect of implementing GASB #68. Based on recent information provided by the PEBA, it is anticipated that the School District's proportionate share of the net pension liability associated with the SCRS and SCPORS will decrease the School District's beginning unrestricted net position for the year ended June 30, 2015 by approximately \$498,000,000 for Governmental Activities

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

B. Contingent Liabilities

Litigation

Act 189 is local legislation that was passed by the South Carolina General Assembly and signed by the Governor of the State of South Carolina. This act, which only applies to the Charleston County School District, could be interpreted to require the School District to provide resources to some or all charter schools in Charleston County, above and beyond the general operating funds allocated to such schools under the state statutory formula. The School District filed a lawsuit challenging the constitutionality of Act 189 broadly on the grounds that it is impermissible local legislation, affecting only one county, addressing an area of law already addressed in the "general" or statewide law that is devoted to charter schools. A circuit court judge dismissed the School District's lawsuit and the School District appealed to the South Carolina Supreme Court (the "Court"). The Court recently reversed the dismissal and sent the case back to the circuit court for trial. A motion for summary judgment has also been filed in the case. Two charter schools have filed lawsuits against the School District seeking additional resources under Act 189, including funding for facilities and bus transportation. If Act 189 is upheld by the Court, then those, and perhaps other, charter schools will insist that the School District owes additional funding to those schools. The School District is not able to estimate the possible additional funding it may have to provide to the charter schools at this time if Act 189 is upheld by the Court, although it could be substantial.

Various other claims and lawsuits are pending against the School District. Although the outcome of these other claims and lawsuits is not presently determinable, it is the opinion of the School District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

C. Grants

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

D. Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The School District continues to carry commercial insurance for employee health and dental coverage and is partially self-insured for workers' compensation and general liability, auto, and property and casualty. Because of the high cost of insurance, the School District has partnered with the South Carolina School Boards Insurance Trust ("SCSBIT") in order to obtain property and casualty insurance at the best rate. The School District is insured through SCSBIT for property and casualty insurance and has a service agreement with SCSBIT for risk management services; however, the School District does not participate in SCSBIT's property and casualty insurance pool but contracts independently with Willis, the same broker for SCSBIT, for brokerage services. As a result, the School District is not liable for any shortages related to SCSBIT's property and casualty pool. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

As noted above, the School District is self insured related to risks associated with workers compensation. The School District has a \$700,000 per claim deductible with the insurance provider paying claims that are in excess of \$700,000 per claim. The School District has recorded an estimated liability of \$3,310,938 for incurred but unpaid claims at June 30, 2014, which is based on GASB No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Other Accrued Expenses in the Statement of Net Position.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

D. Risk Management (Continued)

Changes in the balances of estimated unpaid claims for workers' compensation during the three years ended June 30, 2014, are as follows:

Year ending June 30,	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at End of Fiscal Year
2012-2013	\$ 769,519	3,779,236	(3,464,276)	\$ 1,084,479
2013-2014	\$ 1,084,479	6,271,135	(4,044,676)	\$ 3,310,938

The School District is also self insured related to risks associated with general liability, auto, and property and casualty. For general liability and auto coverage, the School District has a \$75,000 per claim deductible with the insurance provider paying claims that are in excess of \$75,000 per claim; for property and casualty coverage, the School District has a \$100,000 per claim deductible with the insurance provider paying claims that are in excess of \$100,000 per claim. In the event of a wind storm (hurricane), the District will incur the greater of a deductible of 2% of the total loss or \$100,000. The School District has recorded an estimated liability of \$1,597,766 for incurred but not reported claims at June 30, 2014, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the basic financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Other Accrued Expenses in the Statement of Net Position.

Changes in the balances of estimated unpaid claims for property damage, auto and general liability claims during the three years ended June 30, 2014 are as follows:

Year ending June 30,	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at End of Fiscal Year
2012-2013	\$ 131,000	107,736	(112,044)	\$ 126,692
2013-2014	\$ 126,692	2,177,895	(706,821)	\$ 1,597,766

E. Service Contracts and Operating Leases

The School District is party to the following contracts for services which are funded by the General, Special Revenue, EIA Funds and Capital Projects Funds.

In June 2008, the School District contracted for student transportation services with Durham Services. The Contract period is from July 2008 through June 2012. The School District pays a base payment which is calculated per bus per day based on bus routes. The base payment is \$8,375,776 and will be increased annually. The School District extended the contract with Durham Services during fiscal year 2012 for an additional two year period with the second year based on Durham meeting certain goals to get the extension. Additionally, the School District pays \$50,000 per year for administrative office space for the contractor. The District eliminated the \$50,000 office space cost for fiscal year 2012. In fiscal year 2014, the School District extended the contract with Durham Services for one year through the end of fiscal year 2015.

In June 2009, the School District entered into a five-year contract with IKON Office Solutions, Inc. (IKON) for copy, equipment management, and print layout and design services. In January 2011, the School District added courier services and printer services to the contract. The School District also added consulting services in the Archives and Records Department and increased the potential for printer service and toner during fiscal year 2012. In April 2013, the contract was extended through June 30, 2016 and revised to include the leasing of the copier equipment at an annual cost of \$1,553,080.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

E. Service Contracts and Operating Leases (Continued)

In June 2011, the School District contracted with Cummings/SMG for Program Management Services for the 2011-2016 Capital Program. The contract period runs through February 2017 and the fee associated with this contract is \$16,959,167. This Program is funded by the penny sales tax approved in November 2010.

Future required annual payments under the contracts for services are as follows:

<u>Fiscal Year</u>	<u>Durham</u>	<u>IKON</u>	<u>SMG</u>	<u>Total</u>
2015	\$ 13,088,857	1,553,080	4,700,000	\$ 19,341,937
2016	-	1,553,080	3,500,000	5,053,080
2017	-	-	815,000	815,000
	<u>\$ 13,088,857</u>	<u>3,106,160</u>	<u>9,015,000</u>	<u>\$ 25,210,017</u>

F. Postemployment Benefits

Plan Description – In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State of South Carolina (“State”) provides health, dental, and long-term disability benefits (“OPEB Plan”) to retired State and school district employees and their covered dependents. The OPEB plans have been determined to be cost-sharing multiple-employer defined benefit plans and are administered by the Employee Insurance Program (“EIP”), a part of the PEBA. Generally, retirees are eligible for the health and dental benefits if they have established 10 years of retirement service credit. For new hires on or after May 2, 2008, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 – 24 years of service for 50% employer funding.

Benefits become effective when the former employee retires under a state retirement system (i.e. SCRS, PORS, etc.). Basic long-term disability (“BLTD”) benefits are provided to active state, school district and participating local government employees approved for disability. Complete financial statements for the OPEB plans may be obtained by writing to the Employee Insurance Program, South Carolina Public Employee Benefit Authority, 1201 Main Street, Suite 360, Columbia, South Carolina 29201.

Funding Policy – Code of Laws of the State, as amended, requires these post-employment healthcare and long-term disability benefits be funded through annual appropriation by the General Assembly for active employees to the EIP and participating retirees to the PEBA except for the portion funded through the pension surcharge who are not funded by State General Fund appropriations. Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget. The employer contribution rate for the year ended June 30, 2014 was 4.92%. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The School District has no liability beyond the payment of monthly contributions. The actual contribution rate and amount is 100% of the required contribution rate and amount for the OPEB Plan for all years presented. The District contributed amounts equal to the required contribution to the SCRS of approximately \$10,809,151, \$9,853,040, and \$8,966,381, the SCPORS of approximately \$12,017, \$10,345, and \$16,907, and the ORP of approximately \$2,169,103, \$1,648,636, and \$1,190,008 for the years ended 2014, 2013, and 2012, respectively.

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

G. Encumbrances

As of June 30, 2014, the School District had encumbrances as follows:

- General Fund – \$2,938,167
- Special Revenue – \$566,214
- EIA – \$16,324
- Food Service – \$37,061
- Capital Projects – District – \$44,066,819
- Capital Projects – CEEF – \$5,542,259

H. Subsequent Events

In October 2014, the School District issued its Series 2014 short-term General Obligation Bonds with a par amount of \$58,910,000 at a coupon rate of 0.75% and received a premium of \$133,137. Principal and interest are due in full on March 1, 2015 and will be paid using debt service tax collections. The bonds were issued for the purpose of paying the installments coming due under the lease agreements with CEEF, repaying the outstanding Series 2014A GO BAN, partially funding ongoing construction projects and paying the costs of issuance of the bonds.

In September 2014, the School District issued a short-term Tax Anticipation Note ("TAN") with a par amount of \$67,150,000 at a coupon rate of 1.25% and received a premium of \$449,234. Principal and interest are due in full on the April 1, 2015 and will be paid using operating tax collections. The TAN was issued for the purpose of providing funds to pay the operational expenditures of the School District during fiscal year 2015 until tax revenues are received.

In September 2014, the School District issued its Series 2014 CEEF Installment Purchase Revenue Refunding Bonds with a par amount of \$111,565,000 at a coupon rate of 5.0% and received a premium of \$19,680,042. Principal is due on the bonds annually on December 1, 2019 through December 1, 2031 with interest due semi-annually beginning on December 1, 2014. These bonds were issued for the purpose of advance refunding \$132,995,000 of the outstanding Series 2006 CEEF Installment Purchase Revenue Bonds. The School District used the proceeds from the issuance of the refunding bonds along with \$13,438,780 in released debt service reserve funds, \$3,395,000 in funds from the termination of a forward delivery agreement and \$361,872 in other funds and placed \$147,589,642 in an irrevocable trust, which will be used to pay the principal and interest payments on the refunded bonds until December 1, 2016, the earliest date of optional redemption, at which time the refunded bonds will be redeemed. This refunding was undertaken to reduce total debt service payments over the next 18 years by \$37,047,764 and resulted in an economic gain of \$11,689,869.

REQUIRED SUPPLEMENTARY INFORMATION

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

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

REQUIRED SUPPLEMENTARY INFORMATION - GENERAL FUND

YEAR ENDED JUNE 30, 2014

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local Property Taxes	\$ 212,242,415	212,242,415	207,580,893	\$ (4,661,522)
Other Local	225,000	271,392	335,641	64,249
Total Local	212,467,415	212,513,807	207,916,534	(4,597,273)
State	146,881,035	146,881,034	152,515,947	5,634,913
Federal	181,861	181,861	96,631	(85,230)
Intergovernmental	10,000	236,062	152,772	(83,290)
TOTAL REVENUE	359,540,311	359,812,764	360,681,884	869,120
EXPENDITURES				
Current:				
Instruction	207,327,291	205,071,849	207,862,609	(2,790,760)
Support Services	146,759,059	151,559,838	147,398,166	4,161,672
Community Services	117,344	109,587	230,355	(120,768)
Intergovernmental	138,200	172,474	172,474	-
Payment to Component Units	26,050,259	26,050,259	28,442,117	(2,391,858)
Capital Outlay	23,652	149,092	109,940	39,152
Debt Service:				
Principal	-	-	107,972	(107,972)
Interest and Other Fiscal Charges	100,000	133,630	120,669	12,961
TOTAL EXPENDITURES	380,515,805	383,246,729	384,444,302	(1,197,573)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,975,494)	(23,433,965)	(23,762,418)	(328,453)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	25,000	25,000	-	(25,000)
Transfers In	12,499,348	12,499,348	13,365,603	866,255
Transfers Out	(1,548,854)	(1,885,482)	(1,885,482)	-
TOTAL OTHER FINANCING SOURCES (USES)	10,975,494	10,638,866	11,480,121	841,255
NET CHANGES IN FUND BALANCES	(10,000,000)	(12,795,099)	(12,282,297)	512,802
FUND BALANCE, Beginning of Year	69,244,825	69,244,825	69,244,825	-
FUND BALANCE, End of Year	\$ 59,244,825	56,449,726	56,962,528	\$ 512,802

The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL

REQUIRED SUPPLEMENTARY INFORMATION - SPECIAL REVENUE FUND

YEAR ENDED JUNE 30, 2014

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Other Local	\$ 12,864,181	17,252,493	10,023,026	\$ (7,229,467)
Total Local	12,864,181	17,252,493	10,023,026	(7,229,467)
State	3,288,626	5,573,260	5,082,312	(490,948)
Federal	54,053,007	75,073,773	57,904,305	(17,169,468)
TOTAL REVENUE	70,205,814	97,899,526	73,009,643	(24,889,883)
EXPENDITURES				
Current:				
Instruction	25,605,199	31,524,188	26,000,472	5,523,716
Support Services	30,834,680	49,712,576	35,791,249	13,921,327
Community Services	9,490,568	9,603,973	7,168,204	2,435,769
Intergovernmental	441,464	442,885	762,689	(319,804)
Payment to Component Units	1,628,885	3,130,209	2,449,053	681,156
Capital Outlay	-	433,722	245,412	188,310
TOTAL EXPENDITURES	68,000,796	94,847,553	72,417,079	22,430,474
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,205,018	3,051,973	592,564	(2,459,409)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	55,996	-	(55,996)
Transfers In	253,000	437,784	1,065,518	627,734
Transfers Out	(2,458,018)	(3,500,621)	(3,075,279)	425,342
TOTAL OTHER FINANCING SOURCES (USES)	(2,205,018)	(3,006,841)	(2,009,761)	997,080
NET CHANGES IN FUND BALANCES	-	45,132	(1,417,197)	(1,462,329)
FUND BALANCE, Beginning of Year	4,784,808	4,784,808	4,784,808	-
FUND BALANCE, End of Year	\$ 4,784,808	4,829,940	3,367,611	\$ (1,462,329)

The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL

REQUIRED SUPPLEMENTARY INFORMATION - EDUCATION IMPROVEMENT ACT FUND

YEAR ENDED JUNE 30, 2014

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Other Local	\$ -	-	300	\$ 300
Total Local	-	-	300	300
State	27,072,947	32,515,310	29,250,624	(3,264,686)
TOTAL REVENUE	27,072,947	32,515,310	29,250,924	(3,264,386)
EXPENDITURES				
Current:				
Instruction	13,756,323	17,752,083	15,159,224	2,592,859
Support Services	2,662,993	4,483,887	3,974,353	509,534
Community Services	78,328	61,518	61,518	-
Payment to Component Units	2,023,543	1,912,657	1,912,657	-
Capital Outlay	-	198,379	36,386	161,993
TOTAL EXPENDITURES	18,521,187	24,408,524	21,144,138	3,264,386
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,551,760	8,106,786	8,106,786	-
OTHER FINANCING SOURCES (USES)				
Transfers Out	(8,551,760)	(8,106,786)	(8,106,786)	-
TOTAL OTHER FINANCING SOURCES (USES)	(8,551,760)	(8,106,786)	(8,106,786)	-
NET CHANGES IN FUND BALANCES	-	-	-	-
FUND BALANCE, Beginning of Year	-	-	-	-
FUND BALANCE, End of Year	\$ -	-	-	\$ -

The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL

REQUIRED SUPPLEMENTARY INFORMATION - FOOD SERVICE FUND

YEAR ENDED JUNE 30, 2014

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Other Local	\$ 6,186,941	6,186,941	6,595,475	\$ 408,534
Total Local	6,186,941	6,186,941	6,595,475	408,534
State	22,000	22,000	-	(22,000)
Federal	16,999,675	16,999,675	17,524,204	524,529
TOTAL REVENUE	23,208,616	23,208,616	24,119,679	911,063
EXPENDITURES				
Current:				
Support Services	21,514,499	21,421,394	21,672,645	(251,251)
Capital Outlay	16,500	593,828	573,682	20,146
TOTAL EXPENDITURES	21,530,999	22,015,222	22,246,327	(231,105)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,677,617	1,193,394	1,873,352	679,958
OTHER FINANCING SOURCES (USES)				
Transfers In	600,000	600,000	819,964	219,964
Transfers Out	(2,277,617)	(2,277,617)	(2,183,538)	94,079
TOTAL OTHER FINANCING SOURCES (USES)	(1,677,617)	(1,677,617)	(1,363,574)	314,043
NET CHANGES IN FUND BALANCES	-	(484,223)	509,778	994,001
FUND BALANCE, Beginning of Year	8,729,397	8,729,397	8,729,397	-
FUND BALANCE, End of Year	\$ 8,729,397	8,245,174	9,239,175	\$ 994,001

The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 204,242,415	197,778,777	\$ (6,463,638)
1140 Penalties & Interest on Taxes (Independent)	8,000,000	9,802,116	1,802,116
1500 Earnings on Investments:			
1510 Interest on Investments	100,000	62,299	(37,701)
1900 Other Revenue from Local Sources:			
1950 Refund of Prior Year's Expenditures	25,669	44,683	19,014
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	17,870	18,763	893
1994 Receipt of Legal Settlements	-	300	300
1999 Revenue from Other Local Sources	127,853	209,596	81,743
Total Revenue from Local Sources	<u>212,513,807</u>	<u>207,916,534</u>	<u>(4,597,273)</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	10,000	8,504	(1,496)
2200 Payments from Public Charter School	226,062	144,268	(81,794)
Total Intergovernmental Revenue	<u>236,062</u>	<u>152,772</u>	<u>(83,290)</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	6,000	9,216	3,216
3132 Home Schooling (No Carryover Provision)	-	2,100	2,100
3160 School Bus Driver's Salary (Includes Hazardous Condition Transportation)	1,421,772	1,707,509	285,737
3162 Transportation Workers' Compensation	160,000	149,540	(10,460)
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	15,375,226	15,731,826	356,600
3181 Retiree Insurance (No Carryover Provision)	7,154,873	9,377,918	2,223,045
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	3,067,937	3,218,249	150,312
3312 Primary	7,940,576	8,724,048	783,472
3313 Elementary	9,582,220	9,851,827	269,607
3314 High School	4,025,625	4,606,891	581,266
3315 Trainable Mentally Handicapped	214,772	229,450	14,678
3316 Speech Handicapped (Part-Time Program)	1,139,244	1,068,099	(71,145)
3317 Homebound	152,801	169,821	17,020
3320 Part-Time Programs:			
3321 Emotionally Handicapped	227,386	247,359	19,973
3322 Educable Mentally Handicapped	251,521	272,165	20,644
3323 Learning Disabilities	1,851,921	2,109,731	257,810
3324 Hearing Handicapped	64,326	72,372	8,046
3325 Visually Handicapped	45,130	29,923	(15,207)
3326 Orthopedically Handicapped	65,902	56,744	(9,158)
3327 Vocational	\$ 4,408,132	4,483,011	\$ 74,879

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
3330 Other EFA Programs:			
3331 Autism	\$ 432,812	526,200	\$ 93,388
3350 Residential Treatment Facilities	-	72,910	72,910
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief	16,955,782	16,955,782	-
3820 Homestead Exemption	3,541,168	3,557,262	16,094
3825 Reimbursement for Property Tax Relief (Tier 3)	66,847,571	66,882,062	34,491
3830 Merchant's Inventory Tax	1,948,337	1,948,337	-
3840 Manufacturers Depreciation Reimbursement	-	455,595	455,595
Total Revenue from State Sources	<u>146,881,034</u>	<u>152,515,947</u>	<u>5,634,913</u>
4000 Revenue from Federal Sources:			
4100 Federally Impacted Areas:			
4110 Maintenance & Operations (P.L. 874)	106,861	96,631	(10,230)
4900 Other Federal Sources:			
4992 U.S. Forest Commission Revenues	75,000	-	(75,000)
Total Revenue from Federal Sources	<u>181,861</u>	<u>96,631</u>	<u>(85,230)</u>
TOTAL REVENUE ALL SOURCES	<u>359,812,764</u>	<u>360,681,884</u>	<u>869,120</u>

EXPENDITURES

100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	11,807,600	11,798,496	9,104
200 Employee Benefits	4,337,804	4,337,049	755
300 Purchased Services	41,894	24,849	17,045
400 Supplies and Materials	98,794	88,508	10,286
112 Primary Programs:			
100 Salaries	28,097,880	28,097,371	509
200 Employee Benefits	9,782,210	10,394,049	(611,839)
300 Purchased Services	1,464,050	1,443,510	20,540
400 Supplies and Materials	367,440	352,114	15,326
113 Elementary Programs:			
100 Salaries	43,497,216	43,894,893	(397,677)
140 Terminal Leave	(72,350)	345	(72,695)
200 Employee Benefits	13,984,365	16,118,607	(2,134,242)
300 Purchased Services	3,069,532	3,318,271	(248,739)
400 Supplies and Materials	1,364,316	1,293,344	70,972
600 Other Objects	81,273	18,434	62,839
114 High School Programs:			
100 Salaries	24,911,427	24,827,376	84,051
140 Terminal Leave	7,178	7,178	-
200 Employee Benefits	8,453,494	9,130,352	(676,858)
300 Purchased Services	2,246,740	1,834,911	411,829
400 Supplies and Materials	669,823	621,009	48,814
600 Other Objects	\$ 15,630	305	\$ 15,325

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
115 Vocational Programs:			
100 Salaries	\$ 6,952,090	6,951,077	\$ 1,013
200 Employee Benefits	2,459,753	2,381,641	78,112
300 Purchased Services - Other than Tuition	91,976	37,212	54,764
400 Supplies and Materials	757,605	649,833	107,772
118 Montessori Programs			
100 Salaries	2,729,296	2,702,423	26,873
200 Employee Benefits	1,004,801	971,825	32,976
300 Purchased Services	39,569	41,032	(1,463)
400 Supplies and Materials	59,125	56,864	2,261
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	3,585,030	3,582,685	2,345
200 Employee Benefits	1,333,916	1,312,842	21,074
400 Supplies and Materials	19,331	19,331	-
122 Trainable Mentally Handicapped:			
100 Salaries	1,618,896	1,592,786	26,110
200 Employee Benefits	627,289	624,263	3,026
300 Purchased Services	346	-	346
400 Supplies and Materials	10,737	9,881	856
123 Orthopedically Handicapped:			
100 Salaries	220,363	182,755	37,608
200 Employee Benefits	73,394	59,810	13,584
400 Supplies and Materials	1,886	1,886	-
124 Visually Handicapped:			
100 Salaries	203,014	203,014	-
200 Employee Benefits	64,505	64,505	-
125 Hearing Handicapped:			
100 Salaries	692,435	691,591	844
200 Employee Benefits	243,297	242,838	459
400 Supplies and Materials	1,708	149	1,559
126 Speech Handicapped:			
100 Salaries	1,966,055	1,966,055	-
200 Employee Benefits	690,476	690,476	-
127 Learning Disabilities:			
100 Salaries	7,245,071	7,245,071	-
200 Employee Benefits	2,505,259	2,471,323	33,936
300 Purchased Services	1,038	-	1,038
400 Supplies and Materials	1,151	984	167
128 Emotionally Handicapped:			
100 Salaries	2,243,118	2,243,118	-
200 Employee Benefits	803,684	803,563	121
300 Purchased Services	5,136	4,937	199
400 Supplies and Materials	\$ 12,899	11,888	\$ 1,011

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	\$ 1,408,796	1,407,409	\$ 1,387
200 Employee Benefits	508,452	508,225	227
400 Supplies and Materials	22,559	6,166	16,393
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	137,679	131,354	6,325
200 Employee Benefits	61,101	56,262	4,839
139 Early Childhood Programs:			
100 Salaries	3,950,282	3,925,813	24,469
200 Employee Benefits	1,474,045	1,455,720	18,325
300 Purchased Services	24,953	3,317	21,636
400 Supplies and Materials	295,280	113,200	182,080
600 Other Objects	158,303	-	158,303
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	597,492	865,344	(267,852)
200 Employee Benefits	196,171	309,014	(112,843)
300 Purchased Services	50,000	50,000	-
145 Homebound:			
100 Salaries	391,015	369,153	21,862
200 Employee Benefits	98,117	96,349	1,768
300 Purchased Services	258,902	247,975	10,927
148 Gifted and Talented - Artistic:			
100 Salaries	6,100	6,100	-
200 Employee Benefits	1,515	1,413	102
300 Purchased Services	133,087	53,927	79,160
400 Supplies and Materials	33,312	31,694	1,618
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	1,028,555	1,028,186	369
200 Employee Benefits	391,036	390,887	149
400 Supplies and Materials	8,531	5,307	3,224
170 Summer School Programs:			
173 High School Summer School:			
100 Salaries	5,988	1,488	4,500
200 Employee Benefits	1,434	344	1,090
300 Purchased Services	5,000	5,000	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	58,931	26,624	32,307
200 Employee Benefits	14,165	5,718	8,447
300 Purchased Services	1,779	4,150	(2,371)
400 Supplies and Materials	\$ 15,567	18,400	\$ (2,833)

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs			
100 Salaries	\$ 27,490	21,437	\$ 6,053
200 Employee Benefits	6,690	5,321	1,369
300 Purchased Services	6,000	5,997	3
188 Parenting/Family Literacy:			
100 Salaries	195,108	158,990	36,118
140 Terminal Leave	19,360	19,359	1
200 Employee Benefits	66,069	65,626	443
300 Purchased Services	116,674	116,674	-
190 Instructional Pupil Activity:			
100 Salaries	652,470	754,069	(101,599)
200 Employee Benefits	153,276	171,968	(18,692)
Total Instruction	<u>205,071,849</u>	<u>207,862,609</u>	<u>(2,790,760)</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	745,707	682,877	62,830
140 Terminal Leave	7,431	7,431	-
200 Employee Benefits	230,181	220,879	9,302
300 Purchased Services	262,020	244,256	17,764
400 Supplies and Materials	24,015	18,661	5,354
600 Other Objects	75	75	-
212 Guidance Services:			
100 Salaries	6,743,876	6,803,140	(59,264)
140 Terminal Leave	15,678	15,678	-
200 Employee Benefits	2,327,711	2,569,283	(241,572)
300 Purchased Services	52,250	44,099	8,151
400 Supplies and Materials	3,709	3,679	30
213 Health Services:			
100 Salaries	2,773,050	2,786,188	(13,138)
200 Employee Benefits	870,954	969,697	(98,743)
300 Purchased Services	19,994	15,738	4,256
400 Supplies and Materials	121,224	51,658	69,566
600 Other Objects	4,000	3,690	310
214 Psychological Services:			
100 Salaries	762,797	783,811	(21,014)
200 Employee Benefits	252,435	259,162	(6,727)
300 Purchased Services	1,225	1,225	-
215 Exceptional Program Services:			
300 Purchased Services	\$ 34,703	31,825	\$ 2,878

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	\$ 5,329,672	5,336,163	\$ (6,491)
140 Terminal Leave	5,348	20,846	(15,498)
200 Employee Benefits	1,537,091	1,674,187	(137,096)
300 Purchased Services	906,921	430,063	476,858
400 Supplies and Materials	344,427	291,152	53,275
600 Other Objects	8,887	5,353	3,534
222 Library and Media Services:			
100 Salaries	3,712,124	3,762,779	(50,655)
200 Employee Benefits	1,297,857	1,384,646	(86,789)
300 Purchased Services	100	100	-
400 Supplies and Materials	177,116	165,352	11,764
223 Supervision of Special Programs:			
100 Salaries	574,951	570,943	4,008
140 Terminal Leave	23,078	23,078	-
200 Employee Benefits	243,671	189,869	53,802
300 Purchased Services	34,920	18,301	16,619
400 Supplies and Materials	103,563	98,982	4,581
600 Other Objects	15	15	-
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	177,041	228,696	(51,655)
200 Employee Benefits	49,370	60,381	(11,011)
300 Purchased Services	41,136	6,864	34,272
400 Supplies and Materials	9,772	13	9,759
600 Other Objects	1,385	1,385	-
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	265,927	306,584	(40,657)
200 Employee Benefits	1,631,013	2,009,138	(378,125)
300 Purchased Services	358,086	393,934	(35,848)
318 Audit Services	190,000	77,234	112,766
400 Supplies and Materials	9,105	5,737	3,368
600 Other Objects	734,444	329,816	404,628
232 Office of Superintendent:			
100 Salaries	1,596,068	1,619,276	(23,208)
140 Terminal Leave	5,429	5,429	-
200 Employee Benefits	490,326	563,981	(73,655)
300 Purchased Services	251,991	216,498	35,493
400 Supplies and Materials	203,959	171,040	32,919
600 Other Objects	45,553	14,617	30,936
233 School Administration:			
100 Salaries	18,728,592	19,557,960	(829,368)
140 Terminal Leave	16,143	50,822	(34,679)
200 Employee Benefits	6,559,917	7,240,392	(680,475)
300 Purchased Services	1,240,822	926,000	314,822
400 Supplies and Materials	745,211	645,906	99,305
600 Other Objects	\$ 17,093	2,901	\$ 14,192

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	\$ -	3,850	\$ (3,850)
252 Fiscal Services:			
100 Salaries	2,416,243	2,108,753	307,490
140 Terminal Leave	9,191	24,935	(15,744)
200 Employee Benefits	842,502	692,383	150,119
300 Purchased Services	375,326	482,843	(107,517)
400 Supplies and Materials	62,389	53,725	8,664
600 Other Objects	100,092	255,253	(155,161)
253 Facilities Acquisition and Construction:			
300 Purchased Services	45,000	45,000	-
600 Other Objects	176	-	176
254 Operation and Maintenance of Plant:			
100 Salaries	5,960,312	5,671,081	289,231
140 Terminal Leave	13,650	30,561	(16,911)
200 Employee Benefits	2,057,124	2,073,093	(15,969)
300 Purchased Services	25,019,026	24,113,727	905,299
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	1,349,388	1,398,719	(49,331)
400 Supplies and Materials	3,537,853	3,317,814	220,039
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	12,711,626	12,075,836	635,790
500 Capital Outlay	109,940	109,940	-
600 Other Objects	452,941	399,180	53,761
255 Student Transportation (State Mandated):			
100 Salaries	185,618	202,801	(17,183)
200 Employee Benefits	88,755	81,556	7,199
300 Purchased Services	13,526,680	13,048,728	477,952
400 Supplies and Materials	107,426	88,323	19,103
500 Capital Outlay	32,000	-	32,000
257 Internal Services:			
100 Salaries	758,667	609,179	149,488
140 Terminal Leave	20,565	20,565	-
200 Employee Benefits	290,924	232,956	57,968
300 Purchased Services	866,119	779,093	87,026
400 Supplies and Materials	154,253	125,730	28,523
600 Other Objects	39,230	1,025	38,205
258 Security:			
100 Salaries	468,841	468,841	-
140 Terminal Leave	5,260	5,260	-
200 Employee Benefits	157,760	155,585	2,175
300 Purchased Services	1,763,765	1,750,043	13,722
400 Supplies and Materials	187,730	187,723	7
259 Internal Auditing Services:			
100 Salaries	353,683	329,523	24,160
140 Terminal Leave	-	1,243	(1,243)
200 Employee Benefits	104,607	99,473	5,134
300 Purchased Services	157,414	8,002	149,412
400 Supplies and Materials	\$ 2,586	2,343	\$ 243

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	\$ 1,045,072	941,693	\$ 103,379
200 Employee Benefits	314,586	263,759	50,827
300 Purchased Services	38,736	24,227	14,509
400 Supplies and Materials	18,723	10,991	7,732
600 Other Objects	8,700	8,700	-
263 Information Services:			
100 Salaries	505,569	424,170	81,399
140 Terminal Leave	13,013	13,013	-
200 Employee Benefits	155,470	129,429	26,041
300 Purchased Services	385,171	294,701	90,470
400 Supplies and Materials	54,900	53,068	1,832
600 Other Objects	5,604	5,604	-
264 Staff Services:			
100 Salaries	2,573,756	2,584,995	(11,239)
140 Terminal Leave	28,442	28,442	-
200 Employee Benefits	836,324	902,080	(65,756)
300 Purchased Services	613,754	549,837	63,917
400 Supplies and Materials	535,155	77,165	457,990
500 Capital Outlay	1,152	-	1,152
600 Other Objects	3,480	1,276	2,204
266 Technology and Data Processing Services:			
100 Salaries	1,942,618	1,681,739	260,879
140 Terminal Leave	2,066	1,762	304
200 Employee Benefits	583,706	510,667	73,039
300 Purchased Services	2,358,150	1,430,281	927,869
400 Supplies and Materials	652,198	432,260	219,938
500 Capital Outlay	6,000	-	6,000
600 Other Objects	400	400	-
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	1,064,602	1,494,905	(430,303)
200 Employee Benefits (Optional)	259,692	353,697	(94,005)
300 Purchased Services (Optional)	237,605	181,375	56,230
400 Supplies and Materials (Optional)	148,465	133,700	14,765
600 Other Objects (Optional)	60,000	-	60,000
Total Support Services	<u>151,708,930</u>	<u>147,508,106</u>	<u>4,200,824</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	34,934	143,526	(108,592)
200 Employee Benefits	12,410	47,615	(35,205)
350 Custody and Care of Children Services:			
100 Salaries	1,150	1,121	29
390 Other Community Services:			
300 Purchased Services	61,093	38,093	23,000
Total Community Services	<u>\$ 109,587</u>	<u>230,355</u>	<u>\$ (120,768)</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	REVISED BUDGET	ACTUAL	VARIANCE
400 Other Charges:			
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units			
720 Transits	\$ 172,474	172,474	\$ -
416 Payments to Public Charter Schools			
720 Transits	26,050,259	28,442,117	(2,391,858)
Total Intergovernmental Expenditures	<u>26,222,733</u>	<u>28,614,591</u>	<u>(2,391,858)</u>
500 Debt Service:			
610 Redemption of Principal	-	107,972	(107,972)
620 Interest	100,000	87,037	12,963
690 Other Objects	33,630	33,632	(2)
Total Debt Service	<u>133,630</u>	<u>228,641</u>	<u>(95,011)</u>
TOTAL EXPENDITURES	<u>383,246,729</u>	<u>384,444,302</u>	<u>(1,197,573)</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Capital Assets	25,000	-	(25,000)
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	1,000,000	1,000,000	-
5230 Transfer from Special Revenue EIA Fund	8,652,272	8,106,786	(545,486)
5280 Transfer from Other Funds Indirect Costs	2,847,076	4,258,817	1,411,741
421-710 Transfer to Special Revenue Fund	(1,065,518)	(1,065,518)	-
425-710 Transfer to Food Service Fund	(819,964)	(819,964)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,638,866</u>	<u>11,480,121</u>	<u>841,255</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(12,795,099)	(12,282,297)	512,802
FUND BALANCE, Beginning of Year	<u>48,186,297</u>	<u>69,244,825</u>	<u>21,058,528</u>
FUND BALANCE, End of Year	<u>\$ 35,391,198</u>	<u>56,962,528</u>	<u>\$ 21,571,330</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
REVENUES			
1000 Revenue from Local Sources:			
1900 Other Revenue from Local Sources:			
1910 Rentals	\$ -	-	-
1920 Contributions and Donations Private Sources	-	-	-
1930 Medicaid	-	-	-
1990 Miscellaneous Local Revenue:			
1999 Revenue from Other Local Sources	-	-	-
Total Revenue from Local Sources	-	-	-
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3110 Occupational Education:			
3118 EEDA Career Specialist	-	-	-
3120 General Education:			
3127 Student Health and Fitness	-	-	-
3130 Special Programs:			
3136 Student Health and Fitness - Nurses	-	-	-
3150 Adult Education:			
3155 Adult Education SNAP Program	-	-	-
3177 Summer Reading Camp	-	-	-
3190 Miscellaneous Restricted State Grants:			
3193 Education License Plates	-	-	-
3195 South Carolina Reading Initiative	-	-	-
3199 Other Restricted State Grants	-	-	-
3600 Education Lottery Act Revenue:			
3607 6-8 Enhancement	-	-	-
3610 K-5 Enhancement	-	-	-
3900 Other State Revenue:			
3999 Revenue from Other State Sources	-	-	-
Total Revenue from State Sources	-	-	-
4000 Revenue from Federal Sources:			
4200 Occupational Education:			
4210 Perkins Aid, Title I	-	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):			
4310 Title I, Basic State Grant Programs (Carryover Provision)	13,120,528	-	-
4314 School Improvement Grant	-	-	-
4316 School Improvement Discretionary (ARRA)	-	-	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-	-
4343 McKinney-Vento	-	-	-
4351 Improving Teacher Quality (Carryover Provision)	-	-	-
4400 Adult Education:			
4410 Basic Adult Education	\$ -	-	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	242,070	\$ 242,070
-	-	-	-	798,822	798,822
-	-	-	-	2,262,764	2,262,764
-	-	-	-	-	-
-	-	-	-	6,719,370	6,719,370
-	-	-	-	10,023,026	10,023,026
-	-	-	1,344,684	-	1,344,684
-	-	-	359,520	-	359,520
-	-	-	1,639,111	-	1,639,111
-	-	-	76,693	-	76,693
-	-	-	10,937	-	10,937
-	-	-	7,369	-	7,369
-	-	-	3,898	-	3,898
-	-	-	-	44,793	44,793
-	-	-	98,158	-	98,158
-	-	-	1,370,514	-	1,370,514
-	-	-	-	126,635	126,635
-	-	-	4,910,884	171,428	5,082,312
426,282	-	-	-	-	426,282
-	-	-	-	1,086,452	14,206,980
-	-	-	-	4,921,419	4,921,419
-	-	-	-	1,340,249	1,340,249
-	-	-	-	284,371	284,371
-	-	-	-	64,793	64,793
-	-	-	-	1,895,343	1,895,343
-	-	263,706	-	-	\$ 263,706

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
4500 Programs for Children with Disabilities:			
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	\$ -	12,270,657	-
4520 Preschool Grants (IDEA) (Carryover Provision)	-	-	359,209
4570 SC Gateway: From Cradle to Careers	-	-	-
4900 Other Federal Sources:			
4924 21st Century Community Learning Center Program (Title IV, 21st Century Schools)	-	-	-
4940 SC School Climate Initiative	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	<u>13,120,528</u>	<u>12,270,657</u>	<u>359,209</u>
TOTAL REVENUE ALL SOURCES	<u>13,120,528</u>	<u>12,270,657</u>	<u>359,209</u>
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Program:			
100 Salaries	59,339	-	-
200 Employee Benefits	21,724	-	-
400 Supplies and Materials	1,082	-	-
112 Primary Programs:			
100 Salaries	666,988	-	-
200 Employee Benefits	234,403	-	-
300 Purchased Services	258	-	-
400 Supplies and Materials	74,057	-	-
113 Elementary Programs:			
100 Salaries	2,023,394	-	-
200 Employee Benefits	703,026	-	-
300 Purchased Services	177,936	-	-
400 Supplies and Materials	197,669	-	-
600 Other Objects	-	-	-
114 High School Programs:			
100 Salaries	720,458	-	-
200 Employee Benefits	258,447	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	45,077	-	-
600 Other Objects	-	-	-
115 Vocational Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	653,882	-
200 Employee Benefits	-	257,028	-
400 Supplies and Materials	\$ -	81,649	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	-	\$ 12,270,657
-	-	-	-	-	359,209
-	-	-	-	58,687	58,687
-	-	-	-	317,417	317,417
-	-	-	-	185,393	185,393
-	-	-	-	21,309,799	21,309,799
426,282	-	263,706	-	31,463,923	57,904,305
426,282	-	263,706	4,910,884	41,658,377	73,009,643
-	-	-	-	-	59,339
-	-	-	-	-	21,724
-	-	-	213	-	1,295
-	-	-	-	104,056	771,044
-	-	-	-	29,922	264,325
-	-	-	-	113,121	113,379
-	-	-	324	73,435	147,816
-	-	-	249,522	625,482	2,898,398
-	-	-	90,972	212,336	1,006,334
-	-	-	69,434	251,441	498,811
-	-	-	5,085	478,658	681,412
-	-	-	-	937	937
-	-	-	-	1,745,169	2,465,627
-	-	-	-	275,653	534,100
-	-	-	-	113,083	113,083
-	-	-	1,396	806,305	852,778
-	-	-	-	900	900
-	-	-	-	37,195	37,195
-	-	-	-	8,953	8,953
-	-	-	-	28	28
2,378	-	-	-	3,322	5,700
-	-	-	-	-	653,882
-	-	-	-	-	257,028
-	-	-	-	-	\$ 81,649

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ -	438,820	-
200 Employee Benefits	-	167,297	-
123 Orthopedically Handicapped:			
100 Salaries	-	24,323	-
200 Employee Benefits	-	9,323	-
124 Visually Handicapped:			
600 Other Objects	-	1,306	-
125 Hearing Handicapped:			
400 Supplies and Materials	-	-	-
126 Speech Handicapped:			
100 Salaries	-	73,276	-
200 Employee Benefits	-	23,630	-
300 Purchased Services	-	30,000	-
127 Learning Disabilities:			
100 Salaries	-	2,215,166	-
200 Employee Benefits	-	759,674	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	13,639	-
128 Emotionally Handicapped:			
100 Salaries	-	360,929	-
200 Employee Benefits	-	127,803	-
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	-	59,007	109,992
200 Employee Benefits	-	20,175	45,110
300 Purchased Services	-	-	26
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	-	54,611	-
200 Employee Benefits	-	20,162	-
139 Early Childhood Programs:			
100 Salaries	69,527	-	-
200 Employee Benefits	10,971	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
140 Special Programs:			
148 Gifted and Talented - Artistic:			
400 Supplies and Materials	-	-	-
149 Other Special Programs:			
400 Supplies and Materials	-	1,225	-
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	368,029	-
200 Employee Benefits	-	136,408	-
300 Purchased Services	\$ -	6,575	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	-	\$ 438,820
-	-	-	-	-	167,297
-	-	-	-	-	24,323
-	-	-	-	-	9,323
-	-	-	-	-	1,306
-	-	-	-	287	287
-	-	-	-	125,825	199,101
-	-	-	-	43,120	66,750
-	-	-	-	-	30,000
-	-	-	-	-	2,215,166
-	-	-	-	-	759,674
-	-	-	-	455	455
-	-	-	-	123	13,762
-	-	-	-	-	360,929
-	-	-	-	-	127,803
-	-	-	-	-	168,999
-	-	-	-	-	65,285
-	-	-	-	-	26
-	-	-	-	297,159	351,770
-	-	-	-	119,932	140,094
-	-	-	-	2,607,623	2,677,150
-	-	-	-	1,022,029	1,033,000
-	-	-	-	37,336	37,336
-	-	-	-	181,504	181,504
-	-	-	-	905	905
-	-	-	-	62	1,287
-	-	-	-	-	368,029
-	-	-	-	-	136,408
-	-	-	-	-	\$ 6,575

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	\$ 242,509	-	-
200 Employee Benefits	50,984	-	-
400 Supplies and Materials	-	-	-
172 Elementary Summer School:			
100 Salaries	66,383	-	-
200 Employee Benefits	15,828	-	-
173 High School Summer School:			
100 Salaries	82,133	-	-
200 Employee Benefits	18,466	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
174 Gifted and Talented Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	151,148	-	-
200 Employee Benefits	35,459	-	-
300 Purchased Services	1,338,732	-	-
400 Supplies and Materials	-	-	-
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
182 Adult Secondary Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
188 Parenting/Family Literacy:			
100 Salaries	833,518	-	-
200 Employee Benefits	280,018	-	-
300 Purchased Services	24,461	-	-
400 Supplies and Materials	122,628	-	-
190 Instructional Pupil Activity:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
Total Instruction	\$ 8,526,623	5,903,937	155,128

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	4,382	7,425	\$ 254,316
-	-	-	1,055	1,787	53,826
-	-	-	5,500	-	5,500
-	-	-	-	24,180	90,563
-	-	-	-	5,819	21,647
-	-	-	-	75,737	157,870
-	-	-	-	22,089	40,555
-	-	-	-	717	717
-	-	-	-	8,844	8,844
-	-	-	-	67,210	67,210
-	-	-	-	9,731	9,731
-	-	-	-	2,941	2,941
-	-	-	-	54,482	54,482
-	-	-	-	341,317	492,465
-	-	-	-	80,334	115,793
-	-	-	-	44,138	1,382,870
-	-	-	-	45,135	45,135
-	-	161,744	-	89,447	251,191
-	-	48,932	-	26,604	75,536
-	-	1,701	-	-	1,701
-	-	5,176	-	-	5,176
-	-	-	61,814	101,884	163,698
-	-	-	14,879	38,637	53,516
-	-	-	-	7,426	7,426
-	-	-	-	17,506	17,506
-	-	26,342	-	5,954	32,296
-	-	6,341	-	2,727	9,068
-	-	608	-	-	608
-	-	2,304	-	-	2,304
-	-	-	-	186,105	1,019,623
-	-	-	-	60,228	340,246
-	-	-	-	-	24,461
-	-	-	-	9,793	132,421
-	-	-	-	104	104
-	-	-	-	25	25
2,378	-	253,148	504,576	10,654,682	\$ 26,000,472

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
212 Guidance Services:			
100 Salaries	-	240,223	-
200 Employee Benefits	-	82,032	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
213 Health Services:			
100 Salaries	18,433	699,033	-
200 Employee Benefits	5,450	230,465	-
300 Purchased Services	15,243	20,000	-
400 Supplies and Materials	-	1,153	-
214 Psychological Services:			
100 Salaries	-	1,261,267	33,868
200 Employee Benefits	-	416,010	10,109
300 Purchased Services	29,684	-	-
215 Exceptional Program Services:			
100 Salaries	-	96,265	-
200 Employee Benefits	-	24,927	-
300 Purchased Services	-	1,328	3,943
400 Supplies and Materials	-	83,686	4,264
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	1,802,193	504,134	31,059
200 Employee Benefits	601,269	154,589	16,866
300 Purchased Services	43,534	-	-
400 Supplies and Materials	563	3,580	-
600 Other Objects	-	-	-
222 Library and Media:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
223 Supervision of Special Programs:			
100 Salaries	555,861	989,262	68,834
200 Employee Benefits	183,116	320,944	20,869
300 Purchased Services	106,539	20,751	692
400 Supplies and Materials	34,588	46,570	-
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	\$ -	-	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	536,285	\$ 536,285
-	-	-	-	199,243	199,243
-	-	-	-	4,586	4,586
18,190	-	-	893,947	430,866	1,583,226
6,735	-	-	328,493	139,101	556,361
26,967	-	-	-	737,626	764,593
5,354	-	-	-	44,042	49,396
-	-	-	1,055,462	698,744	2,471,672
-	-	-	429,017	243,327	908,259
-	-	-	-	144,918	180,161
-	-	-	-	60,843	61,996
-	-	-	-	-	1,295,135
-	-	-	-	-	426,119
-	-	-	-	-	29,684
-	-	-	-	-	96,265
-	-	-	-	-	24,927
-	-	-	-	-	5,271
-	-	-	-	-	87,950
-	-	-	28,414	1,071,122	3,436,922
-	-	-	6,697	330,615	1,110,036
141,276	-	-	848,256	1,212,665	2,245,731
841	-	-	312,564	389,450	706,998
-	-	-	-	2,035	2,035
-	-	-	-	4,245	4,245
-	-	-	-	1,258	1,258
-	-	-	-	19,949	19,949
-	-	350	-	995,664	2,609,971
-	-	84	-	324,951	849,964
-	-	-	-	2,451,832	2,579,814
-	-	-	-	80,893	162,051
-	-	-	-	2,005,658	2,005,658
-	-	-	-	652,219	652,219
-	-	-	1,460	3,373,897	3,375,357
-	-	-	97,454	3,280,681	\$ 3,378,135

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
230 General Administration Services:			
232 Office of the Superintendent:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
233 School Administration:			
100 Salaries	-	-	-
140 Terminal Leave	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	-	158,516	-
200 Employee Benefits	-	14,919	-
300 Purchased Services	526,852	-	-
252 Fiscal Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
254 Operation and Maintenance of Plant:			
300 Purchased Services	-	-	-
321 Public Utilities (Exclude gas, oil, electric & other heating fuels)	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
600 Other Objects	-	-	-
255 Student Transportation (State Mandated):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
256 Food Service:			
100 Salaries	-	-	-
260 Central Support Services:			
262 Planning:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
263 Information Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	\$ -	-	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	25,739	\$ 25,739
-	-	-	-	6,195	6,195
-	-	-	-	16,037	16,037
-	-	-	-	29,643	29,643
-	-	-	-	39,741	39,741
-	-	-	-	758,883	758,883
-	-	-	-	11,808	11,808
-	-	-	-	244,637	244,637
-	-	-	-	76,800	76,800
-	-	-	-	20,876	20,876
-	-	-	-	-	158,516
-	-	-	-	-	14,919
-	-	-	-	220,140	746,992
-	-	-	-	14,879	14,879
-	-	-	-	3,824	3,824
-	-	-	-	50,433	50,433
-	-	-	-	1,232	1,232
-	-	-	-	60,472	60,472
-	-	-	-	10,394	10,394
-	-	-	-	112,579	112,579
-	-	-	-	245,412	245,412
-	-	-	-	847	847
-	-	-	-	120	120
-	-	-	-	29	29
-	-	-	27,754	130,848	158,602
-	-	-	-	6,332	6,332
-	-	-	-	250	250
61,611	-	-	-	-	61,611
18,757	-	-	-	-	18,757
6,917	-	-	-	34,936	41,853
80	-	-	-	-	80
-	-	-	-	38,110	38,110
-	-	-	-	9,152	9,152
-	-	-	-	2,127	\$ 2,127

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
264 Staff Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
266 Technology and Data Processing Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	4,866	-	-
Total Support Services	<u>3,928,191</u>	<u>5,369,654</u>	<u>190,504</u>
300 Community Services:			
350 Custody and Care of Children:			
100 Salaries	-	-	-
140 Terminal Leave	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
390 Other Community Services:			
100 Salaries	-	-	-
140 Terminal Leave	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
Total Community Services	<u>-</u>	<u>-</u>	<u>-</u>
410 Intergovernmental Expenditures:			
411 Payments to SDE			
720 Transits	-	-	-
412 Payments to Other Governmental Units			
720 Transits	-	-	-
416 Payments to Public Charter Schools			
720 Transits	173,160	548,078	-
Total Intergovernmental Expenditures	<u>173,160</u>	<u>548,078</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 12,627,974</u>	<u>11,821,669</u>	<u>345,632</u>

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	95,534	\$ 95,534
-	-	-	-	26,089	26,089
-	-	-	-	61,587	61,587
-	-	-	-	5,389	5,389
-	-	-	-	213,479	213,479
-	-	-	-	67,126	67,126
-	-	-	-	9,906	9,906
-	-	-	-	1,230	1,230
-	-	-	-	316	316
95,740	-	-	-	46,046	146,652
382,468	-	434	4,029,518	22,135,892	36,036,661
-	-	-	-	4,050,850	4,050,850
-	-	-	-	877	877
-	-	-	-	917,120	917,120
-	-	-	-	286,834	286,834
-	-	-	-	443,858	443,858
-	-	-	-	195	195
-	-	-	-	747,164	747,164
-	-	-	-	36,455	36,455
-	-	-	-	236,201	236,201
-	-	-	-	372,378	372,378
-	-	-	-	76,022	76,022
-	-	-	-	250	250
-	-	-	-	7,168,204	7,168,204
-	-	-	-	740,175	740,175
-	-	-	-	22,514	22,514
25,850	-	-	376,790	1,325,175	2,449,053
25,850	-	-	376,790	2,087,864	3,211,742
410,696	-	253,582	4,910,884	42,046,642	\$ 72,417,079

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	\$ -	-	-
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	-	-	-
420-710 Transfer to General Fund (Exclude Indirect Costs)	-	-	-
421-710 Transfer to Special Revenue Fund	-	-	-
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(492,554)	(448,988)	(13,577)
TOTAL OTHER FINANCING SOURCES (USES)	(492,554)	(448,988)	(13,577)
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	-	-

CATE (VA Projects) (207/208)	Drug Free (FP/FQ Projects) (209/210)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
-	-	-	-	1,065,518	\$ 1,065,518
-	-	-	-	24,322	24,322
-	-	-	-	(1,000,000)	(1,000,000)
-	-	-	-	(24,322)	(24,322)
(15,586)	-	(10,124)	-	(1,094,450)	(2,075,279)
<u>(15,586)</u>	<u>-</u>	<u>(10,124)</u>	<u>-</u>	<u>(1,028,932)</u>	<u>(2,009,761)</u>
-	-	-	-	(1,417,197)	(1,417,197)
-	-	-	-	4,784,808	4,784,808
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,367,611</u>	<u>\$ 3,367,611</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2014

OTHER DESIGNATED RESTRICTED STATE GRANTS

919	Education License Plates
926	EEDA At Risk Student Program
928	EEDA Career Specialists
936	Student Health and Fitness - Nurses
937	Student Health and Fitness - PE Teachers
945	South Carolina Reading Initiative
955	Adult Education SNAP Program
960	K-5 Enhancement (Carryover Provision)
965	Digital Instructional Materials
967	6-8 Enhancement (Carryover Provision)

OTHER SPECIAL REVENUE PROGRAMS

TITLE I

201	Title I, Basic State Grant Programs
-----	-------------------------------------

IDEA

203	Individuals with Disabilities Education Act (IDEA)
-----	--

PRESCHOOL AND HANDICAPPED

205	Individuals with Disabilities Education Act (IDEA) Preschool
-----	--

OCCUPATIONAL EDUCATION

207	Perkins Aid, Title I, Base Grants Current Year
-----	--

DRUG FREE SCHOOLS

209	Drug and Violence Prevention Program (Title IV, 21st Century Schools)
210	Drug and Violence Prevention Program (Title IV, 21st Century Schools) Prior Year Optional

ADULT EDUCATION

243	Adult Education
-----	-----------------

OTHER SPECIAL REVENUE PROGRAMS

220	Before & After School Day Care
221	Neglected and Delinquent, Title I, Part D
224	21st Century Community Learning Centers Program, Title IV
226	American Recovery and Reinvestment Act (ARRA), School Improvement Grants
233	Gateway: Cradle to Careers
234	School Improvement Grant
235	Migrant Education, Title I, Part C

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2014

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

237	School Improvement, Title 1, Section 1003(a)
239	Federal Priority Funds
240	SC School Climate Initiative
256	McKinney-Vento Homeless Educational Assistance Act
264	Language Instruction for Limited English Proficient and Immigrant Students, (Title III)
267	Improving Teacher Quality, (Title II)
299	Junior Reserve Officer Training Corp (JROTC)
801	Teaching American History Grant
802	School Counseling Grant
803	Medicaid - Disabled Student Services
805	Children in Crisis
806	Community Leaders Institute
808	Staff Recognition Fund
811	G&T St. John's University
812	SC Chamber of Commerce Homework Centers
817	District Leased Properties
820	MUSC Wellness Grant
822	CCSD Gear Up
825	SC Gear Up
827	Advanced Placement Incentive
829	Bosch Community Fund
831	Reading Recovery - Clemson Grant
832	Race to the Top
833	Community Education SES Services
837	Charleston's Promise Neighborhood
838	Donations For Schools Supplies
839	Student-Generated Tuition for Summer G&T Programs (SMAART)
841	Head Start Collaboration
842	Early Head Start Collaboration
844	Miscellaneous Donations
846	Miscellaneous State Restricted
848	Professional Development for Arts Grant/Project AEIOU
850	Artists in Residence
851	PIRC with Trident United Way
855	Community Education
856	United States Tennis Association (USTA) After School Program
858	Rehabilitative Health Services
859	Boeing Donations
861	Adult Education Local
864	NIST Summer Institute for Mississippi State
865	PTSA Funds
869	E-Rate Funds
870	Teen Pregnancy Prevention
871	Character Education

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2014

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

874	Asset Recovery for Technology
875	Fit for School, Fit for Life
877	Engaging Creative Minds Project
880	Teacher Incentive Funds Project
881	Medicaid Nursing Program
893	Higher Education Awareness Program
980	Rising Star

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

Schedule B-3

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2014

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned Revenue
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
919	3193	Education License Plates	\$ 7,369	7,369	-	-	\$ -
926	3177	Summer Reading Camp	10,937	10,937	-	-	61,680
928	3118	EEDA Career Specialists	1,344,684	1,344,684	-	-	-
936	3136	Student Health and Fitness - Nurses	1,639,111	1,639,111	-	-	-
937	3127	Student Health and Fitness - PE Teachers	359,520	359,520	-	-	-
945	3195	South Carolina Reading Initiative	3,898	3,898	-	-	-
955	3155	Adult Education SNAP Program	76,693	76,693	-	-	-
960	3610	K-5 Enhancement (Carryover Provision)	1,370,514	1,370,514	-	-	260,187
965	3620	Digital Instructional Materials	-	-	-	-	241,360
967	3607	6-8 Enhancement (Carryover Provision)	98,158	98,158	-	-	4,031
Totals			\$ 4,910,884	4,910,884	-	-	\$ 567,258

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
REVENUES	
1000 Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	\$ 300
Total Revenue from Local Sources	<u>300</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 Assisting, Developing, and Evaluating Professional Teaching (ADEPT)	84,188
3509 Arts in Education	18,216
3511 Professional Development	345,582
3518 Formative Assessment	39,217
3525 Career and Technology Education Equipment	177,434
3526 Refurbishment of K-8 Science Kits	216,943
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	3,129,134
3533 Teacher of the Year Awards (No Carryover Provision)	1,077
3538 Students at Risk of School Failure	8,857,521
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,307,560
3544 High Achieving Students	2,016,309
3550 Teacher Salary Increase (No Carryover Provision)	7,813,803
3555 School Employer Contributions (No Carryover Provision)	1,038,937
3556 Adult Education	519,575
3558 Reading	168,642
3571 Palmetto Priority Technical Assistance	266,890
3572 Palmetto Priority Assistance	30,000
3577 Teacher Supplies (No Carryover Provision)	981,200
3578 High Schools That Work/Making Middle Grades Work	115,764
3585 Aid to Districts-Special Education	806,711
3592 Work-Based Learning	76,202
3594 EEDA Supplemental Programs	57,608
3597 Aid to Districts	1,028,707
3599 Other EIA	153,404
Total Revenue from State Sources	<u>29,250,624</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 29,250,924</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
EXPENDITURES	
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	\$ 192,958
200 Employee Benefits	44,866
112 Primary Programs:	
100 Salaries	2,694,652
200 Employee Benefits	810,943
300 Purchased Services	53,238
400 Supplies and Materials	613,680
113 Elementary Programs:	
100 Salaries	1,079,438
200 Employee Benefits	295,671
300 Purchased Services	98,716
400 Supplies and Materials	865,876
114 High School Programs:	
100 Salaries	822,085
200 Employee Benefits	226,240
300 Purchased Services	43,508
400 Supplies and Materials	349,517
115 Vocation Programs:	
100 Salaries	56,657
200 Employee Benefits	15,000
300 Purchased Services - Other than Tuition	1,416
400 Supplies and Materials	145,913
500 Capital Outlay	36,386
118 Montessori Programs	
100 Salaries	22,500
200 Employee Benefits	5,412
300 Purchased Services	3,513
400 Supplies and Materials	249,964
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	236,263
200 Employee Benefits	94,434
300 Purchased Services	68,693
400 Supplies and Materials	10,043
122 Trainable Mentally Handicapped:	
100 Salaries	69,275
200 Employee Benefits	\$ 20,530

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
125 Hearing Handicapped:	
400 Supplies and Materials	\$ 2,438
126 Speech Handicapped:	
100 Salaries	23,812
200 Employee Benefits	5,674
300 Purchased Services	49,909
400 Supplies and Materials	275
127 Learning Disabilities:	
100 Salaries	286,070
200 Employee Benefits	85,622
400 Supplies and Materials	275
600 Other Objects	264
128 Emotionally Handicapped:	
100 Salaries	72,289
200 Employee Benefits	17,325
300 Purchased Services	78,095
400 Supplies and Materials	8,649
130 Pre-School Programs:	
132 Preschool Handicapped Itinerant (5-Yr. Olds):	
100 Salaries	20,481
200 Employee Benefits	4,910
139 Early Childhood Programs:	
100 Salaries	1,959,507
200 Employee Benefits	735,875
300 Purchased Services	614
400 Supplies and Materials	111,809
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	1,369,843
200 Employee Benefits	441,164
148 Gifted and Talented - Artistic:	
100 Salaries	29,210
200 Employee Benefits	6,623
300 Purchased Services	27,988
400 Supplies and Materials	6,577
160 Other Exceptional Programs:	
161 Autism:	
100 Salaries	26,106
200 Employee Benefits	\$ 6,273

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
170 Summer School Programs:	
173 High School Summer School:	
100 Salaries	\$ 29,687
200 Employee Benefits	7,157
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	67,142
200 Employee Benefits	15,721
400 Supplies and Materials	2,830
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	80,373
200 Employee Benefits	23,314
182 Adult Secondary Education Programs:	
100 Salaries	205,783
200 Employee Benefits	54,532
300 Purchased Services	1,500
400 Supplies and Materials	4,500
188 Parenting/Family Literacy:	
100 Salaries	78,055
200 Employee Benefits	19,952
Total Instruction	<u>15,195,610</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	450,441
200 Employee Benefits	153,014
300 Purchased Services	4,374
400 Supplies and Materials	150,796
213 Health Services:	
100 Salaries	61,924
200 Employee Benefits	25,695
300 Purchased Services	283
214 Psychological Services:	
100 Salaries	94,232
200 Employee Benefits	18,966
400 Supplies and Materials	27,626
215 Exceptional Program Services:	
300 Purchased Services	688
400 Supplies and Materials	\$ 25,409

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	\$ 908,840
200 Employee Benefits	298,575
300 Purchased Services	232,732
400 Supplies and Materials	79,281
600 Other Objects	100
222 Library and Media:	
100 Salaries	18,400
200 Employee Benefits	4,560
223 Supervision of Special Programs:	
100 Salaries	555,157
200 Employee Benefits	172,608
300 Purchased Services	117,633
400 Supplies and Materials	65,352
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	69,081
200 Employee Benefits	16,008
300 Purchased Services	224,017
400 Supplies and Materials	76,753
230 General Administration Services:	
233 School Administration:	
100 Salaries	48,764
200 Employee Benefits	14,380
250 Finance and Operations Services:	
251 Student Transportation (Federal/District Mandated):	
100 Salaries	31,268
200 Employee Benefits	4,610
300 Purchased Services	604
255 Student Transportation (State Mandated):	
300 Purchased Services	6,091
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
300 Purchased Services (Optional)	16,052
400 Supplies and Materials (Optional)	39
Total Support Services	<u>\$ 3,974,353</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
300 Community Services:	
350 Custody and Care of Children:	
100 Salaries	\$ 45,474
200 Employee Benefits	15,266
300 Purchased Services	778
Total Community Services	<u>61,518</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	1,912,657
Total Intergovernmental Expenditures	<u>1,912,657</u>
TOTAL EXPENDITURES	<u>21,144,138</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	(8,106,786)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(8,106,786)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-
FUND BALANCE, Beginning of Year	<u>-</u>
FUND BALANCE, End of Year	<u><u>\$ -</u></u>

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

Schedule B-5

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2014

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Unearned Revenue
3500 Education Improvement Act:					
3502 Assisting, Developing, and Evaluating Professional Teaching (ADEPT)	\$ 84,488	84,488	-	-	\$ 45,117
3505 School Technology Initiative	-	-	-	-	74,494
3509 Arts in Education	18,216	18,216	-	-	-
3511 Professional Development	345,582	345,582	-	-	140,015
3518 Formative Assessment	39,217	39,217	-	-	102,920
3525 Career and Technology Education Equipment	177,434	177,434	-	-	109,670
3526 Refurbishment of K-8 Science Kits	216,943	216,943	-	-	1,192
3532 National Board Certification (NBC) Salary Supplement*	3,129,134	3,129,134	-	-	-
3533 Teacher of the Year Awards*	1,077	1,077	-	-	-
3538 Students at Risk of School Failure	8,857,521	8,857,521	-	-	-
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,307,560	1,307,560	-	-	-
3544 High Achieving Students	2,016,309	2,016,309	-	-	217,008
3550 Teacher Salary Increase*	7,813,803	605,630	-	(7,208,173)	-
3555 School Employer Contributions*	1,038,937	140,324	-	(898,613)	-
3556 Adult Education	519,575	519,575	-	-	-
3558 Reading	168,642	168,642	-	-	167,256
3571 Palmetto Priority Technical Assistance	266,890	266,890	-	-	769,793
3572 Palmetto Priority Assistance	30,000	30,000	-	-	-
3577 Teacher Supplies*	981,200	981,200	-	-	-
3578 High Schools That Work/Making Middle Grades Work	115,764	115,764	-	-	30,532
3585 Aid to Districts-Special Education	806,711	806,711	-	-	-
3592 Work-Based Learning	76,202	76,202	-	-	43,102
3594 EEDA Supplemental Programs	57,608	57,608	-	-	129,428
3597 Aid to Districts	1,028,707	1,028,707	-	-	1,315,240
3599 Other EIA	\$ 153,404	153,404	-	-	\$ -
Totals	\$ 29,250,924	21,144,138	-	(8,106,786)	\$ 3,145,767

*No carryover provision for Fiscal Year 2014

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2014

Program	Project/Grant Number	Revenue & Subfund Code	Description	Amount Due to State Department of Education or Federal Government	Status of Amount Due to Grantors
School Improvement Grants	14BH017	234/4314	Expenditures moved to alternate funding source	\$ 2,194	Paid after year end
Medicaid	N/A	803/1930	Medicaid Match	30,903	Paid after year end
Medicaid	N/A	803/1930	Repay SCDHHS	22,514	Will be paid after audit is completed
Race to the Top - District	B416A130264	832/4999	Expenditures moved to alternate funding source	686	Paid after year end
Career and Technology Equipment	13VA017	325/3525	Unspent allocation	258,632	Will be paid after audit is completed
Total				\$ 314,929	

Reconciliation to the Governmental Funds Balance Sheet:

Due to State Department of Education	\$ 258,632
Due to Other Agencies	56,297
	\$ 314,929

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-7

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	ACTUAL
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 8,421
1600 Food Service:	
1610 Lunch Sales to Pupils	1,665,078
1620 Breakfast Sales to Pupils	63,690
1630 Special Sales to Pupils	3,116,637
1640 Lunch Sales to Adults	139,101
1650 Breakfast Sales to Adults	1,796
1660 Special Sales to Adults	134,787
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	240,202
1999 Revenue from Other Local Sources	1,225,763
Total Revenue from Local Sources	<u>6,595,475</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	10,629,213
4830 School Breakfast Program	5,479,581
4860 Fresh Fruit and Vegetable Program (FFVP) (Carryover Provision)	437,990
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	977,420
Total Revenue from Federal Sources	<u>17,524,204</u>
TOTAL REVENUE ALL SOURCES	<u>24,119,679</u>
EXPENDITURES	
200 Support Services:	
256 Food Service:	
100 Salaries	7,539,634
140 Terminal Leave	7,852
200 Employee Benefits	2,568,809
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	225,178
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	11,312,466
500 Capital Outlay	573,682
600 Other Objects	18,706
Total Food Services Expenditures	<u>22,246,327</u>
TOTAL EXPENDITURES	<u>\$ 22,246,327</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule B-7

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	\$ 819,964
432-791 Food Service Fund Indirect Costs	(2,183,538)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,363,574)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	509,778
FUND BALANCE, Beginning of Year	<u>8,729,397</u>
FUND BALANCE, End of Year	<u>\$ 9,239,175</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule C-1

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	ACTUAL
REVENUES	
1000 Revenue from Local Sources:	
1100 Taxes:	
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 76,134,537
1140 Penalties & Interest on Taxes (Independent)	3,693,779
1500 Earnings on Investments:	
1510 Interest on Investments	770
1530 Gain or Loss on Sale of Investments	156,796
Total Revenue from Local Sources	<u>79,985,882</u>
3000 Revenue from State Sources:	
3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption	1,168,526
3830 Merchant's Inventory Tax	445,953
3840 Manufacturers Depreciation Reimbursement	117,865
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	60,963
Total Revenue from State Sources	<u>1,793,307</u>
4000 Revenue from Federal Sources:	
4900 Other Federal Sources:	
4999 Revenue from Other Federal Sources	665,945
Total Revenue from Federal Sources Sources	<u>665,945</u>
TOTAL REVENUE ALL SOURCES	<u>82,445,134</u>
EXPENDITURES	
500 Debt Service:	
319 Legal Services	190,144
610 Redemption of Principal	13,071,647
620 Interest	8,691,756
Total Debt Service	<u>21,953,547</u>
TOTAL EXPENDITURES	<u>21,953,547</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5250 Transfer from Capital Projects - District Fund	560,435
423-710 Transfer to Debt Service Fund - CEEF	(37,298,768)
424-710 Transfer to Capital Projects Fund - District	(31,439,298)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(68,177,631)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	<u>(7,686,044)</u>
FUND BALANCE, Beginning of Year	<u>6,485,216</u>
FUND BALANCE, End of Year	<u>\$ (1,200,828)</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule C-2

DEBT SERVICE FUND - CEEF

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 725,568
1900 Other Revenue from Local Sources:	
1950 Refund of Prior Year's Expenditures (Include Only if Expenditure Occurred Last Year and the Refund This Year)	85,858
Total Revenue from Local Sources	<u>811,426</u>
TOTAL REVENUE ALL SOURCES	<u>811,426</u>
EXPENDITURES	
500 Debt Service:	
610 Redemption of Principal	12,305,000
620 Interest	26,410,324
Total Debt Service	<u>38,715,324</u>
TOTAL EXPENDITURES	<u>38,715,324</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund - District	37,298,768
TOTAL OTHER FINANCING SOURCES (USES)	<u>37,298,768</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(605,130)
FUND BALANCE, Beginning of Year	<u>28,285,731</u>
FUND BALANCE, End of Year	<u>\$ 27,680,601</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule D-1

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	<u>ACTUAL</u>
REVENUES	
1000 Revenue from Local Sources:	
1100 Taxes:	
1190 Other Taxes (Independent)	\$ 84,130,252
1500 Earnings on Investments:	
1510 Interest on Investments	176,316
Total Revenue from Local Sources	<u>84,306,568</u>
TOTAL REVENUE ALL SOURCES	<u>84,306,568</u>
EXPENDITURES	
250 Finance and Operations:	
253 Facilities Acquisition & Construction:	
100 Salaries	1,106,259
140 Terminal Leave	10,444
200 Employee Benefits	342,342
300 Purchased Services	7,501,597
400 Supplies and Materials	11,640,677
500 Capital Outlay:	
520 Construction Services	93,801,019
530 Improvements Other Than Buildings	381,393
540 Equipment	4,831,097
545 Technology, Equipment and Software	6,176,524
550 Vehicles	39,286
580 Mobile Classrooms	1,514,705
590 Other Capital Outlay	11,950,026
600 Other Objects:	
690 Other Objects	229
Total Support Services	<u>139,295,598</u>
TOTAL EXPENDITURES	<u>139,295,598</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund - District	31,439,298
423-710 Transfer to Debt Service Fund - District	(560,435)
TOTAL OTHER FINANCING SOURCES (USES)	<u>30,878,863</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(24,110,167)
FUND BALANCE, Beginning of Year	<u>91,920,676</u>
FUND BALANCE, End of Year	<u>\$ 67,810,509</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

Schedule D-2

CAPITAL PROJECTS FUND - CEEF

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014

	ACTUAL
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 3,688
Total Revenue from Local Sources	3,688
TOTAL REVENUE ALL SOURCES	3,688
EXPENDITURES	
250 Finance and Operations:	
253 Facilities Acquisition & Construction:	
300 Purchased Services	77,919
500 Capital Outlay:	
520 Construction Services	18,130,465
540 Equipment	204,655
545 Technology, Equipment and Software	953,088
590 Other Capital Outlay	974,556
Total Support Services	20,340,683
TOTAL EXPENDITURES	20,340,683
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(20,336,995)
FUND BALANCE, Beginning of Year	34,449,658
FUND BALANCE, End of Year	\$ 14,112,663

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

Schedule E-1

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN DUE TO STUDENT ORGANIZATIONS

YEAR ENDED JUNE 30, 2014

	ACTUAL
RECEIPTS	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 3,039
1700 Pupil Activities:	
1710 Admissions	2,076,127
1720 Bookstore Sales	196,313
1730 Pupil Organization Membership Dues and Fees	45,620
1740 Student Fees	1,790,154
1790 Other	3,206,928
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	747,648
Total Receipts from Local Sources	8,065,829
TOTAL RECEIPTS ALL SOURCES	8,065,829
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	3,281,120
Total Instruction	3,281,120
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
100 Salaries (Optional)	264,766
200 Employee Benefits (Optional)	63,436
300 Purchased Services (Optional)	328,072
400 Supplies and Materials (Optional)	332,319
660 Pupil Activity	34,179
272 Enterprise Activities:	
660 Pupil Activity	3,124,523
273 Trust and Agency Activities:	
660 Enterprise Activity	690,932
Total Pupil Activity Expenditures	4,838,227
TOTAL DISBURSEMENTS	8,119,347
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(53,518)
DUE TO STUDENT ORGANIZATIONS, Beginning of Year	3,230,667
DUE TO STUDENT ORGANIZATIONS, End of Year	\$ 3,177,149

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

Schedule F-1

CHARTER SCHOOLS

COMBINING SCHEDULE OF NET POSITION

JUNE 30, 2014

	James Island Charter High School	Charleston Development Academy, Inc.	East Cooper Montessori Charter School	Orange Grove Elementary Charter School	Charleston Charter School for Math and Science	Pattison's Academy for Comprehensive Education	The Apple Charter School	Greg Mathis Charter High School	Totals
ASSETS									
Cash and Cash Equivalents	\$ 2,785,245	329,217	1,327,494	4,079,573	890,069	36,085	-	154,827	\$ 9,602,510
Investments	3,518,719	-	-	-	-	-	-	-	3,518,719
Due from Governmental Agencies	-	-	-	30,000	-	-	-	134,822	164,822
Due from Others	178,103	6,795	2,535	-	28,337	961	-	-	216,731
Prepaid Expenses	69,953	21,052	10,592	-	5,000	-	-	17,085	123,682
Capital Assets, Net of Accumulated Depreciation	2,518,198	145,087	2,722,761	102,636	87,595	45,314	-	16,956	5,638,547
TOTAL ASSETS	9,070,218	502,151	4,063,382	4,212,209	1,011,001	82,360	-	323,690	19,265,011
LIABILITIES									
Accounts Payable	113,155	115,342	233,618	286,143	251,652	9,070	-	177,389	1,186,369
Unearned Revenue	-	31,830	1,000	-	758	16,494	-	25,939	76,021
Due to Governmental Agencies	2,508,560	-	-	825	-	18,234	-	351	2,527,970
Due to Related Parties	-	-	-	-	-	42,560	-	-	42,560
Long-term Liabilities:									
Due Within One Year	17,340	6,329	88,362	-	-	-	-	-	112,031
Due in More than One Year	44,466	69,772	2,520,551	-	-	10,554	-	53,653	2,698,996
TOTAL LIABILITIES	2,683,521	223,273	2,843,531	286,968	252,410	96,912	-	257,332	6,643,947
NET POSITION									
Net Investment in Capital Assets	2,518,198	68,986	113,848	102,636	87,595	45,314	-	16,956	2,953,533
Unrestricted	3,868,499	209,892	1,106,003	3,822,605	670,996	(59,866)	-	49,402	9,667,531
TOTAL NET POSITION	\$ 6,386,697	278,878	1,219,851	3,925,241	758,591	(14,552)	-	66,358	\$ 12,621,064

CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA

Schedule F-2

CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2014

	James Island Charter High School	Charleston Development Academy, Inc.	East Cooper Montessori Charter School	Orange Grove Elementary Charter School	Charleston Charter School for Math and Science	Pattison's Academy for Comprehensive Education	The Apple Charter School	Greg Mathis Charter High School	Totals
FUNCTIONS/PROGRAMS									
Governmental Activities:									
Instruction									
Expenses	\$ (8,362,988)	(1,122,223)	(1,645,256)	(5,016,073)	(2,316,417)	(447,111)	-	(1,028,410)	\$ (19,938,478)
Revenues									
Charges for Services	-	-	223,543	560,291	115,384	-	-	-	899,218
Operating Grants and Contributions	14,281,370	1,586,301	2,321,893	6,957,770	4,398,923	588,683	-	2,021,854	32,156,794
Support Services									
Expenses	(5,125,812)	(619,154)	(784,654)	(1,740,188)	(1,746,488)	(397,354)	-	(937,133)	(11,350,783)
Community Services									
Expenses	-	-	(5,164)	-	-	-	-	-	(5,164)
Interest Expense and Other Charges	-	(4,046)	(115,961)	-	-	-	-	-	(120,007)
TOTAL GOVERNMENTAL ACTIVITIES	<u>792,570</u>	<u>(159,122)</u>	<u>(5,599)</u>	<u>761,800</u>	<u>451,402</u>	<u>(255,782)</u>	<u>-</u>	<u>56,311</u>	<u>1,641,580</u>
GENERAL REVENUES									
Miscellaneous Revenue	-	71,742	114,082	142,650	21,176	238,823	-	7,656	596,129
Investment Earnings	13,121	673	1,030	-	774	-	-	-	15,598
Total General Revenue	<u>13,121</u>	<u>72,415</u>	<u>115,112</u>	<u>142,650</u>	<u>21,950</u>	<u>238,823</u>	<u>-</u>	<u>7,656</u>	<u>611,727</u>
CHANGE IN NET POSITION	805,691	(86,707)	109,513	904,450	473,352	(16,959)	-	63,967	2,253,307
NET POSITION, Beginning of Year, as Previously	<u>5,581,006</u>	<u>365,585</u>	<u>1,110,338</u>	<u>3,020,791</u>	<u>307,739</u>	<u>2,407</u>	<u>(106,113)</u>	<u>2,391</u>	<u>10,284,144</u>
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,500)</u>	<u>-</u>	<u>106,113</u>	<u>-</u>	<u>83,613</u>
NET POSITION, Beginning of Year, Restated	<u>5,581,006</u>	<u>365,585</u>	<u>1,110,338</u>	<u>3,020,791</u>	<u>285,239</u>	<u>2,407</u>	<u>-</u>	<u>2,391</u>	<u>10,367,757</u>
NET POSITION, End of Year	<u>\$ 6,386,697</u>	<u>278,878</u>	<u>1,219,851</u>	<u>3,925,241</u>	<u>758,591</u>	<u>(14,552)</u>	<u>-</u>	<u>66,358</u>	<u>\$ 12,621,064</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2014

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0000	Debt Service	Non-School	Central	\$ 60,620,118
0100	Board Of Trustees	Non-School	Central	143,076
0101	Superintendent's Office	Non-School	Central	531,114
0102	Middle School Learning Collaborative	Non-School	Central	1,352,843
0103	Facilities and Asset Management	Non-School	Central	735,778
0104	Chief Academic Office	Non-School	Central	4,329,535
0105	Payroll Office	Non-School	Central	869,120
0106	Accounting Office	Non-School	Central	953,320
0107	Community Schools Office	Non-School	Central	222,984
0108	Employee Relations	Non-School	Central	408,078
0109	Bus Lots	Non-School	Central	87,587
0111	Maintenance Department	Non-School	Central	1,714,366
0112	School Food Services	Non-School	Central	2,793,129
0113	Capital Improvement	Non-School	Central	5,686,690
0115	Communications	Non-School	Central	967,827
0116	Construction Procurement	Non-School	Central	220,134
0117	Office Of General Counsel	Non-School	Central	606,324
0118	Gifted & Talented Office	Non-School	Central	409,733
0119	Plant Operations	Non-School	Central	429,238
0120	Federal Programs Office	Non-School	Central	3,248,220
0121	Fine Arts Office	Non-School	Central	505,744
0122	English As A Second Language	Non-School	Central	210,947
0123	Adult Education	Non-School	Central	1,473,212
0124	Office of Teacher Effectiveness	Non-School	Central	1,504,111
0125	Instructional Support	Non-School	Central	939,907
0127	Various Schools	Other Schools	School	3,403,121
0128	Curriculum & Instruction	Non-School	Central	2,953,263
0130	Human Capital Dev Office	Non-School	Central	3,108,389
0132	Community Outreach	Non-School	Central	588,740
0134	Nurse Services Office	Non-School	Central	860,330
0135	Career & Technology Education	Non-School	Central	433,250
0136	Pupil Accounting Office	Non-School	Central	344,705
0137	Business Intelligence	Non-School	Central	940,666
0138	Copy Center	Non-School	Central	7,683
0139	Archives & Records Office	Non-School	Central	130,249
0140	Public Safety Office	Non-School	Central	823,433
0141	Internal Audit	Non-School	Central	535,393
0143	Science Office	Non-School	Central	140,331
0144	Procurement Services	Non-School	Central	334,073
0151	Headstart/Ehs/Preschool	Non-School	Central	1,877,243
0152	Technology & Information Systems	Non-School	Central	708,863
0153	IT Network Operations	Non-School	Central	959,775
0154	Student Transportation	Non-School	Central	182,325
0155	Educational Technology	Non-School	Central	1,059,708
0156	IT Customer Support	Non-School	Central	3,547,810
0157	Human Resources	Non-School	Central	4,067,279
0158	Budgeting Office	Non-School	Central	733,519
0159	Bridge View Drive	Non-School	Central	\$ 967,650

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2014

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0160	Hvac Shop	Non-School	Central	\$ 2,081,203
0161	Energy Services	Non-School	Central	225,852
0162	Plumbing Shop	Non-School	Central	1,632,367
0164	Carpentry Shop	Non-School	Central	2,252,670
0166	Risk Management	Non-School	Central	516,310
0167	Guidance	Non-School	Central	27,364
0169	Special Education Department	Non-School	Central	3,752,853
0170	Assessment & Evaluation	Non-School	Central	1,025,476
0171	Contracts/Procurement Svcs	Non-School	Central	281,440
0172	Electrical Shop	Non-School	Central	1,324,822
0173	Chief Information Office	Non-School	Central	510,635
0180	Chief Finance & Operations	Non-School	Central	667,518
0181	Title I District Wide	Non-School	Central	1,293,338
0182	Video Services	Non-School	Central	179,564
0193	General Services	Non-School	Central	1,156,411
0194	Carolina Youth Development	Non-School	Central	27,744
0195	Financial Services	Non-School	Central	380,209
0196	Admin Building (75 Calhoun St.)	Non-School	Central	833,017
0200	Elementary Learning Comm	Non-School	Central	737,438
0202	Mt Pleasant Academy	Elementary	School	4,408,430
0203	Mamie P Whitesides Elementary	Elementary	School	5,158,758
0204	Sullivan's Island Elementary	Elementary	School	23,642,905
0205	Belle Hall Elementary	Elementary	School	5,508,305
0207	Jennie Moore Elementary	Elementary	School	13,892,414
0208	Charles Pinckney Elementary	Elementary	School	7,909,152
0209	Laurel Hill Primary	Other Schools	School	8,174,441
0210	Gov James B Edwards Elementary	Elementary	School	5,975,368
0239	Montessori Mt Plea Charter Es	Other Schools	School	2,328,702
0242	Laing Middle	Middle School	School	17,756,685
0245	Moultrie Middle	Middle School	School	6,426,801
0247	Cario Middle	Middle School	School	8,291,264
0252	Old Wando High School Site	Non-School	Central	37,176
0257	Wando High School	High School	School	51,924,412
0258	Wando Community School	Other Schools	School	551,101
0268	Windwood Farms Program	Non-School	Central	42,339
0290	Woodland Hall	Non-School	Central	21,308
0300	Old District 3 Learn Comm	Non-School	Central	71,936
0303	Riverland Terrace Shop	Non-School	Central	8,781
0304	Harborview Elementary	Elementary	School	16,705,932
0305	Stiles Point Elementary	Elementary	School	5,282,278
0309	Murray-Lasaine Elementary	Elementary	School	3,651,101
0310	James Island Elementary	Elementary	School	4,313,952
0342	James Island Middle	Middle School	School	2,826,782
0343	Fort Johnson Middle	Middle School	School	3,795,624
0350	James Island Charter High	Other Schools	School	15,756,264
0351	James Is Hi Community School	Other Schools	School	222,797
0359	Septima P Clark Academy	High School	School	1,888,717
0361	Apple Charter School	Other Schools	School	\$ 805,740

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2014

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0384	Assessment & Support	Non-School	Central	\$ 3,960,029
0400	CPN and District 4 Office	Non-School	Central	250,761
0402	Brentwood Service Center	Non-School	Central	22,042
0403	Lambs Service Center	Non-School	Central	61,537
0410	McNair Building	Non-School	Central	19,724
0411	Child & Family Development Ctr	Non-School	Central	949,056
0412	Chicora Elementary	Elementary	School	4,215,806
0413	E A Burns Elementary	Elementary	School	5,707,541
0414	Lambs Elementary	Elementary	School	4,072,208
0415	Ladson Elementary	Elementary	School	6,043,374
0416	Pinehurst Elementary	Elementary	School	4,365,231
0418	North Charleston Elementary	Elementary	School	5,118,599
0419	North Chas Creative Arts Elem	Elementary	School	4,785,678
0420	Malcolm C Hursey Elementary	Elementary	School	4,138,360
0421	W B Goodwin Elementary	Elementary	School	5,480,416
0422	Matilda F Dunston Elementary	Elementary	School	3,281,743
0424	Hunley Park Elementary	Elementary	School	4,313,971
0425	A C Corcoran Elementary	Elementary	School	6,135,528
0426	Midland Park Primary School	Other Schools	School	5,185,911
0435	Mary Ford Elementary	Elementary	School	4,145,778
0436	Pepperhill Elementary	Elementary	School	5,216,618
0439	Leadership Acadmy North Charleston	Other Schools	School	6,991
0441	Northwoods Middle School	Middle School	School	7,044,099
0442	Brentwood Middle	Middle School	School	99,577
0443	Morningside Boys Academy	Middle School	School	353,983
0444	Morningside Middle	Middle School	School	6,046,635
0445	Military Magnet Academy	High School	School	6,074,768
0446	Zucker Middle School	Middle School	School	4,564,246
0450	Chas County School Of The Arts	Other Schools	School	9,271,855
0451	Garrett Academy Of Technology	High School	School	7,051,678
0452	North Charleston High	High School	School	6,786,412
0453	Garrett Community Ed	Other Schools	School	120,445
0454	R B Stall High	High School	School	11,543,546
0455	Stall Community Ed	Other Schools	School	307,508
0458	Academic Magnet High School	High School	School	5,621,097
0459	New Cooper River High School	High School	School	313,133
0460	Charlestowne Academy	Other Schools	School	29,020
0461	Gregg Mathis Charter	Other Schools	School	2,026,318
0463	Daniel Jenkins Academy	Middle School	School	2,645,714
0464	Juvenile Detention Ctr Twin Ri	Non-School	Central	365,081
0465	Summit Program	Non-School	Central	388,618
0467	Department Of Juvenile Justice	Non-School	Central	17,531
0468	Liberty Hill Academy	Other Schools	School	4,197,004
0484	Psychological Svs & Autism	Non-School	Central	18,631
0499	Naval Base Facility	Non-School	Central	1,440
0504	St James-Santee Elementary	Elementary	School	2,986,159
0506	Rising Star	Non-School	Central	118,011
0507	Porcher Elem	Elementary	School	\$ 125

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2014

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0541	Mcclellanville Middle	Middle Schools	School	\$ 71,267
0554	Lincoln High	High School	School	4,239,570
0555	Lincoln Community Ed	Other Schools	School	74,829
0600	District 10 Constituent Office	Non-School	Central	22,663
0603	St Andrews Elementary	Elementary	School	17,551,907
0605	Stono Park Elementary	Elementary	School	3,166,883
0606	Oakland Elementary	Elementary	School	4,620,095
0607	Orange Grove Charter Elmntry	Other Schools	School	7,218,295
0608	Ashley River Elementary	Elementary	School	5,618,240
0611	Springfield Elementary	Elementary	School	5,361,674
0612	Montessori Community Schl Chas	Other Schools	School	12,230,562
0616	Drayton Hall Elementary	Elementary	School	5,046,802
0642	C E Williams Academic Magnet	Middle Schools	School	4,651,981
0644	Drayton Hall Mid- Closed 6/03	Middle Schools	School	3,624
0646	West Ashley Middle	Middle Schools	School	3,312,897
0647	Advanced Studies West Ashley Middle	Middle Schools	School	450,257
0648	St Andrews Middle	Middle Schools	School	3,828,302
0652	Middleton High Closed 6/2000	High School	School	2,226
0653	West Ashley High School	High School	School	15,617,791
0654	West Ashley Comm Schl	Other Schools	School	146,754
0655	WA Head Start	Non-School	Central	753,802
0661	Pattison's Academy Charter	Other Schools	School	690,307
0681	Materials Resource Center	Non-School	Central	1,771
0700	Secondary Learning Community	Non-School	Central	2,405,981
0701	Plant Operations	Non-School	Central	1,134,284
0705	Charleston Progressive School	Elementary	School	9,479,756
0706	Memminger Elementary	Elementary	School	7,846,707
0707	James Simons Elementary	Elementary	School	10,963,359
0708	Archer Building	Non-School	Central	30,670
0709	Buist Academy Elementary	Elementary	School	8,259,593
0710	W J Fraser Elementary	Elementary	School	79,569
0712	Julian Mitchell Elementary	Elementary	School	4,007,544
0714	Sanders-Clyde Elementary	Elementary	School	5,869,731
0739	Charleston Development Academy	Other Schools	School	1,607,334
0742	Buist Middle School	Middle Schools	School	157
0743	Low Country Tech	Non-School	Central	2,695,777
0744	Burke Middle School	Middle Schools	School	5,047
0750	Florence Crittenton	Non-School	Central	25,524
0752	Thomas Myers II	Non-School	Central	1,113,344
0755	Burke High	High School	School	8,799,572
0756	Burke Community Ed	Non-School	Central	241,487
0761	Chas Math & Science Charter	Other Schools	School	4,407,181
0777	Chs County Human Services	Non-School	Central	265,721
0784	Child Find	Non-School	Central	118,879
0800	Innovation Zone	Non-School	Central	1,164,537
0808	C C Blaney Elementary	Elementary	School	2,558,921
0809	Jane Edwards Elementary	Elementary	School	1,754,147
0810	E B Ellington Elementary	Elementary	School	\$ 2,915,000

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT
CHARLESTON, SOUTH CAROLINA**

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2014

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0811	Minnie Hughes Elementary	Elementary	School	\$ 2,365,444
0843	R D Schroder Middle	Middle Schools	School	270,819
0851	Baptist Hill High	High School	School	5,427,955
0852	Baptist Hill Comm Ed	Non-School	Central	186,595
0902	Angel Oak Elementary	Elementary	School	4,020,526
0903	Dist 9 New Elem	Elementary	School	7,860
0906	Mt Zion Elementary	Elementary	School	2,852,728
0907	Edith Frierson Elementary	Elementary	School	1,813,700
0944	Haut Gap Middle	Middle Schools	School	4,734,502
0951	St John's High	High School	School	5,556,501
0952	St Johns Comm Ed	Other Schools	School	87,459
0999	School-Wide Accounts	Non-School	Central	17,510,041
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ 728,692,616

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

General Fund	\$ 384,444,302
Special Revenue Fund (Subfunds 200s, 800s, 900s)	72,417,079
Special Revenue EIA Fund (Subfunds 300s)	21,144,138
Special Revenue Food Service Fund (Subfund 600)	22,246,327
Debt Service - District Fund (Subfunds 401 and 418)	21,953,547
Debt Service - CEEF Fund (Subfunds 415, 416, 417)	38,715,324
Capital Projects - District Fund (Subfunds 500s excluding those listed as Capital Projects - CEEF Funds)	139,295,598
Capital Projects - CEEF Fund (Subfunds 550, 551, 552, 555, 561, 563)	20,340,683
Medals and Awards Permanent Fund (Subfund 702 and 705)	16,271
Agency Fund (Pupil Activity) (Subfund 709)	8,119,347
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ 728,692,616

Memorandum to the Charleston County School Board of Trustees

Subject: Board Agenda: Request to amend Act 340 of 1967. The Board will consider a revision to Act 340. Type of Request: Action.

From: Collins, Ducker, Mack and Miller

Date: December 8, 2014

1. Discussion: The existing language of Act 340 of 1967, Section 3 states:

“(A) The members of the board shall receive a per diem allowance of twenty-five dollars for meetings actually attended, not exceeding fifty meetings in any calendar year and mileage at the rate of nine cents per mile for each mile of travel from the place of his residence to and from such meetings” (As last amended by Act 142 of 1975, is further amended by Act 230 of 1983) A majority of the board members shall constitute the action of the board. “Any member who is absent from five consecutive meetings of the board within one year without just cause may be removed from the board upon a majority vote of the members.” (As last amended by Act 230 of 1983, is further amended by Act 581 of 1984) The terms of office of the members of the county board of education of Charleston County shall be terminated on June 30, 1967.

“(B) Notwithstanding any other provisions of law, the members of the respective boards of trustees of the several constituent districts shall receive a per diem allowance of fifteen dollars for meetings actually attended, not exceeding fifty meetings per year.” (As last amended by Act 142 of 1975, is further amended by Act 230 of 1983)

2. A review of the legislation reveals the following deficiencies:

- a. The provisions specifying the per diem for board members has not been updated since 1983.
- b. The mileage rate does not match the Federal Standard.
- c. With the restructure of the Board, most members exceed the annual 50 meeting cap imposed by the legislation.

Item 3(A) and 3(B) of Section 3 of Act 340 of 1967, as last amended by Act 230 of 1983, requires a revision.

3. Proposed revision: The proposed legislation deletes the requirement for a specific per diem amount and rate for travel. If passed by the Legislation and signed by the Governor, the Board would construct a policy to address the compensation and travel for county and constituent board members. Section 3 is revised to state:

(A) The members of the board shall receive a per diem allowance for meetings actually attended, and mileage for each mile of travel from the place of his residence to and from such meetings. A majority of the board members shall constitute the action of the board. Any member who is absent from five consecutive meetings of the board within one year without just cause may be removed from the board upon a majority vote of the members.”

(B) Notwithstanding any other provisions of law, the members of the respective boards of trustees of the several constituent districts shall receive a per diem allowance for meetings actually attended, and mileage from the place of his residence to and from such meetings.”

4. Recommendation: The General Counsel shall compose a letter to the Charleston Legislative Delegation signed by the Board Chair requesting that they enact the proposed revisions.