

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**

**REPORT ON FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2011**

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
EDGEFIELD, SOUTH CAROLINA**

**DR. WALTER TOBIN, INTERIM SUPERINTENDENT  
MEMBERS OF THE BOARD OF EDUCATION**

<b>Name</b>	<b>Term of office</b>	
	<b>From</b>	<b>To</b>
Brad Covar, Chairperson	2008	2012
Carroll Wates, Vice-Chair	2010	2014
Bridget Clark, Secretary	2010	2014
Sallie Cooks	2008	2012
James Bibbs	2008	2012
William Herrin	2010	2014
J. Chris Hoffman	2008	2012

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
EDGEFIELD, SOUTH CAROLINA**

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EDGEFIELD, SOUTH CAROLINA**

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Education  
School District of Edgefield County  
Edgefield, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of School District of Edgefield County (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Fox Creek High School, which represents 100% of total assets, total net assets and total revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Fox Creek High School, is based solely on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis and the budgetary comparison information (Schedule 1) as listed in the table of contents are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information as listed in the table of contents is presented for purposes of additional analysis and are not required parts of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Greenwood, South Carolina  
November 30, 2011

*Elliott Davis, LLC*

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**INTRODUCTION**

This discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2011.

**FINANCIAL HIGHLIGHTS**

After one of the most fiscally demanding years in district history, the 2010-2011 school year was once again a year of significant state budget cuts. The Base Student Cost (BSC), the main source of state funding, fell from \$1,756 in 2009-2010 to \$1,636 in 2010-2011 or the approximate funding level of the 1994-1995 school year. However, due to conservative budgeting and the prudent and proactive measures taken this school year, Edgefield County Schools' net assets increased \$1,227,392 or 8% during the fiscal year.

With the help of stimulus funding, the budget decreased only slightly from \$25,696,181 in 2009-2010 to \$25,544,848 in 2010-2011 despite the cuts. Additionally, virtually all state funding sources were subjected to varying decreases and sequester of funds during the school year. Yet, the final total of all funding sources over funding uses in the general fund totaled \$468,186 in 2010-2011. The District also took advantage of funding flexibility permitted by the State. Despite conservation of general funds, the District was not only able to continue to deliver quality educational services to all students in the current year, but initial provisions to reduce or prevent any further personnel cuts in the coming year were also possible.

**OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements and accompanying notes. These statements are organized so the reader can understand Edgefield County Schools as a financial whole, or as an entire operating entity. For our district, this presentation also includes the charter school, Fox Creek High School. (Please refer to the Table of Contents for page numbers).

The statement of net assets and statement of activities provide information about the activities of the whole school district, presenting both an aggregate view and a longer-term view of our finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in a single column.

***Statement of Net Assets and Statement of Activities*** - One of the most important questions asked about the District's finances is, "is the District better or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. All of the current year's revenues and expenses are taken into consideration, regardless of when cash is received or paid.

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's health is improving or deteriorating. The reader will need to consider property tax laws, funding issues, student enrollment growth or decline, facility conditions and other economic factors in arriving at their conclusion regarding the overall health of the District.

**Fund Financial Statements** - The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State or Federal statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, fiduciary and proprietary, use different accounting approaches as further described in the notes to the financial statements.

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

**Fiduciary Funds** - The District is the trustee, or fiduciary, for its scholarship program and the other items listed as private purpose trusts. It is also responsible for other assets that, due to a trust agreement, can be used only for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**Proprietary Funds** - Proprietary Funds are used to present financial information about the activities within the organization that operate those funds like a business such as the Food Service program.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets can serve over time as a useful indicator of a government's financial position. The District's governmental activities assets exceeded liabilities by \$15,663,373 as of June 30, 2011. District governmental liabilities are 50.4% of total governmental assets.

By far the largest portion of the District's total assets (66.1%) reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment). The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's net assets invested in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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



The following table presents a comparative summary of the District's net assets for the fiscal year ended June 30, 2011 and 2010.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Assets:</b>				
Current assets	\$ 10,696,888	\$ 9,944,643	\$ 31,941	\$ 170,014
Capital assets, net	<u>20,883,725</u>	<u>21,944,856</u>	<u>137,014</u>	<u>156,711</u>
Total assets	<u>31,580,613</u>	<u>31,889,499</u>	<u>168,955</u>	<u>326,725</u>
<b>Liabilities:</b>				
Current liabilities	6,428,642	6,316,129	(622,851)	(271,227)
Long-term liabilities	<u>9,488,598</u>	<u>10,943,535</u>	-	-
Total liabilities	<u>15,917,240</u>	<u>17,259,664</u>	<u>(622,851)</u>	<u>(271,227)</u>
<b>Net assets:</b>				
Invested in capital assets, net of related debt	10,279,709	9,954,878	137,014	156,711
Restricted	625,732	494,185	-	-
Unrestricted	<u>4,757,932</u>	<u>4,180,772</u>	<u>654,792</u>	<u>441,241</u>
Total net assets	<u>15,663,373</u>	<u>14,629,835</u>	<u>791,806</u>	<u>597,952</u>
Total liabilities and net assets	<u><b>\$ 31,580,613</b></u>	<u><b>\$ 31,889,499</b></u>	<u><b>\$ 168,955</b></u>	<u><b>\$ 326,725</b></u>

Comparative information for 2011 and 2010 Statement of Activities is presented in the chart below. The chart shows that in spite of significant budget cuts in 2010-2011, that the primary mission of the school district was preserved (classroom instruction). 55.7% of District resources went directly into classrooms at our schools (not including instructional support functions).

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Revenues:</b>				
<b>Program revenues:</b>				
Charges for services	\$ 16,615	\$ 16,580	\$ 611,230	\$ 523,838
Operating grants and contributions	20,373,272	20,238,642	1,249,212	1,334,044
Capital grants	18,512	348	-	-
<b>General revenues:</b>				
Property taxes	10,501,877	10,358,079	-	-
Intergovernmental	5,074,073	5,301,413	-	-
Miscellaneous and transfers	<u>(44,355)</u>	<u>(226,300)</u>	<u>282,096</u>	<u>249,873</u>
Total revenues	<u>35,939,994</u>	<u>35,688,762</u>	<u>2,142,538</u>	<u>2,107,755</u>
<b>Expenses:</b>				
Instruction	19,433,224	22,106,748	-	-
Support services	12,508,277	11,623,836	1,948,684	1,985,630
Community services	137,568	103,640	-	-
Intergovernmental	2,446,729	-	-	-
Interest and other charges	<u>380,658</u>	<u>448,248</u>	<u>-</u>	<u>-</u>
Total expenses	<u>34,906,456</u>	<u>34,282,472</u>	<u>1,948,684</u>	<u>1,985,630</u>
Increase (decrease) in net assets	<u><b>\$ 1,033,538</b></u>	<u><b>\$ 1,406,290</b></u>	<u><b>\$ 193,854</b></u>	<u><b>\$ 122,125</b></u>

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$5,057,087, an increase of \$534,998 which is the result of the aforementioned measures. \$4,309,420 or 99.1% of general fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion. The administration intends to maintain this balance in order to be assured District operations continue to run smoothly despite unexpected budget cuts and the SDE's failure to make payments in a timely manner, both serious issues in recent years, and to adequately respond to the loss of all stimulus funding anticipated at the close of the 2011-2012 school year.

The remaining fund balance is nonspendable or restricted which indicates that it is not available for spending because it has already been restricted as follows:

- Debt service - \$544,203
- Special revenue - \$81,529

The general fund is the principal operating fund of the District. As the table below illustrates, the largest portions of the general fund expenditures each year are for salary and fringe benefits. 80% of the 2010-2011 budget (plus salaries and benefits paid by the charter school and portions of other fund transfers accounted for here under miscellaneous) was expended for staffing in the District.

	<u>Fiscal Year</u> <u>2011</u>	<u>2011 % of</u> <u>Budget</u>	<u>Fiscal Year</u> <u>2010</u>	<u>Percent</u> <u>Change</u>
<b>Expenditures by Object</b>				
Salaries and Wages	\$ 14,885,788	59.9%	\$ 14,505,778	2.6%
Fringe Benefits	4,547,977	20.1%	4,501,929	1.0%
Purchased Services	1,262,388	4.5%	1,244,234	1.5%
Supplies	952,731	5.1%	1,248,529	(23.7%)
Capital Outlay	9,338	0.0%	43,519	(78.5%)
Miscellaneous	307,955	1.5%	1,015,199	(69.7%)
Charter School Transfer	<u>2,126,817</u>	<u>8.9%</u>	<u>2,226,713</u>	<u>(4.5%)</u>
	<u><b>\$ 24,092,994</b></u>	<u><b>100.00%</b></u>	<u><b>\$ 24,785,901</b></u>	

Fiduciary funds are used to account for operations that are financial and operated in as a trust. The pupil activity fund is the only fiduciary fund. This fund had a net loss of \$39,341 and assets totaling \$712,755.

Proprietary funds are used to account for funds that the District operates like a business. The Food Service operation is the only proprietary fund that the District operates. The fund had an end of year net assets total of \$791,806.

## **BUDGETARY HIGHLIGHTS**

Over the course of the year, the District's General Fund expenditure and revenue budgets both traditionally increase slightly over the prior year operations, all things constant, if for no other reason than mandated salary and benefit increases. Due to the depressed economy and unprecedented budget cuts, this is no longer the case. As discussed previously, the District budget actually decreased slightly for the current fiscal year. The budget decrease would have been significant without the help of stimulus funding. The District employs strict cost control measures and continues to take a conservative approach to budgeted revenues in order to combat these funding problems.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in the fund financial statements of this report.

## **CAPITAL ASSETS**

As of June 30, 2011, the District had invested a net amount of \$20,883,725 in governmental capital assets, including school buildings, athletic facilities, buses, vehicles, computers and other equipment. Total depreciation expense for the year was \$1,115,426. Accumulated depreciation is \$19,749,753.

The detailed schedule for 2011 and more information can be located in Note 4 of the notes to the financial statements. No additional buildings or major renovations are being planned for the near future.

## **DEBT ADMINISTRATION**

At year-end, the District had \$10,991,826 in general obligation bonds and other long-term obligations outstanding, of which \$1,503,228 is due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal year ended June 30, 2011.

	<u>Principal outstanding July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal outstanding June 30, 2011</u>	<u>Amounts due in one year</u>
<b>Governmental activities</b>					
General obligation bonds					
School District:					
September 8, 2009	\$ 1,210,000	\$ -	\$ 300,000	\$ 910,000	\$ 295,000
February 1, 2008	<u>10,415,000</u>	<u>-</u>	<u>1,000,000</u>	<u>9,415,000</u>	<u>1,045,000</u>
Total bonds payable	11,625,000	-	1,300,000	10,325,000	1,340,000
Unearned bond premiums	171,907	-	25,546	146,361	25,547
Accrued compensated absences	241,449	-	-	241,449	48,290
Capital lease obligations	<u>364,978</u>	<u>-</u>	<u>85,962</u>	<u>279,016</u>	<u>89,391</u>
Total governmental activities general long-term debt	<b><u>\$12,403,334</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,411,508</u></b>	<b><u>\$10,991,826</u></b>	<b><u>\$ 1,503,228</u></b>

State statutes currently limit the amount of general obligation debt a District may issue to 8% of its total assessed valuation. The current remaining debt limitation for the District is \$5,163,600. Additional information on the District's long-term debt can be found in Note 5 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The School District is coextensive with the area and boundaries of Edgefield County, which is located in the southwestern section of South Carolina. It has a land area of 481 square miles and is bordered to the north by Greenwood County, to the northeast by Saluda County, to the south by Aiken County and to the west by McCormick County. The population of Edgefield County, according to the 2010 Census, is 26,985.

The School District presently operates four elementary schools, two middle schools, one high school, one charter high school and one career center. Kindergarten classes are available for all five-year-olds within the School District. Enrollment for the 2010-2011 school year is 3,796 average daily membership. For fiscal year 2010-2011, the School District employed approximately 295 certified staff and 250 other employees.

During the last few years, significant residential growth has taken place in the Merriwether section of the County. Assessment rates show a stagnated growth pattern, due to the loss of some industrial property. Some of these declines have been offset by the residential growth in the Merriwether area.

Factors under consideration by the District's administration during the process of developing the fiscal year 2010-2011 budget were to address a very aggressive anticipated economic decline, improve academic achievement and improve upon its recruitment efforts to be able to hire and retain the most highly qualified instructional staff. Budget projections reflected that growth would be stable but cuts continue to impact the district. Fiscal year 2011-2012 did not begin with budget cuts and projections do not seem as critical as the 2010-2011 year. Although state projections are at or above expectations, the loss of all stimulus funding makes the budget outlook for 2012-2013 challenging at best.

Conservative budgeting and reduction in spending has permitted the school district to absorb the current cuts without negatively impacting programs. The District's primary goal is to have a well run instructional program in a financially sound environment. Flexibility legislation and subsequent revisions have also eased the burden of the budget cuts on school districts, but there is no doubt that the state implementation of Act 388 and the overall state of the economy are to blame for the severity of these cuts. The majority of State revenues are now dependent upon sales tax collections as opposed to the more stable prior model of dependence on the real estate taxes and previously districts with fiscal autonomy were not subjected to a cap on local authority to raise taxes when deemed necessary.

The 2010-2011 budget year was the seventh year of a charter high school in the Merriwether section of the county (Fox Creek High School). The Edgefield County Board of Trustees approved the charter for the high school. Operations by the school began on July 1, 2004. The charter school acts independently with its own Board and operating under the governance and laws that regulate charter schools. Revenue transfers through Edgefield County Schools are estimated to be \$ 2,157,795 in 2011-2012, slightly less than last year, but are contingent on student counts and funding. Enrollment at Fox Creek High School is estimated to be 320 students.

All the factors above were considered when adopting the budget for fiscal year 2011-2012. Anticipated budgeted expenditures in the General Fund for fiscal year 2011-2012 will be \$26,266,970. The Board approved this budget with 194.73 mills, the maximum allowed.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Financial Services Office, Edgefield County School District, 425 Lee Street, Johnston, South Carolina 29832, (Telephone # 803-275-1122).

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

**Exhibit 1**

<b>ASSETS</b>	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Fox Creek High School</b>
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 5,819,241	\$ -	\$ 5,819,241	\$ 401,750
Deposits with Edgefield County Treasurer	721,400	-	721,400	-
Accounts receivable	55,121	-	55,121	29,721
Property taxes receivable, net	900,152	-	900,152	-
Due from other governmental units	3,102,220	-	3,102,220	-
Inventories and prepaid items	39,765	31,941	71,706	6,507
Deferred charges	58,989	-	58,989	-
Total current assets	10,696,888	31,941	10,728,829	437,978
<b>NON-CURRENT ASSETS</b>				
Non-depreciable capital assets	422,103	-	422,103	254,122
Depreciable capital assets, net of accumulated depreciation	20,461,622	137,014	20,598,636	4,878,439
Total non-current assets	20,883,725	137,014	21,020,739	5,132,561
Total assets	<b>\$ 31,580,613</b>	<b>\$ 168,955</b>	<b>\$ 31,749,568</b>	<b>\$ 5,570,539</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 699,350	\$ -	\$ 699,350	\$ 16,602
Unearned revenue	299,384	-	299,384	3,900
Due to other governmental units	2,245	-	2,245	-
Accrued salaries and benefits	3,158,914	-	3,158,914	44,417
Internal balances	622,851	(622,851)	-	-
Accrued interest	142,670	-	142,670	-
Current portion of non-current liabilities:				
Bonds payable	1,340,000	-	1,340,000	-
Notes payable	-	-	-	70,656
Capital leases	89,391	-	89,391	-
Unearned bond premium	25,547	-	25,547	-
Compensated absences	48,290	-	48,290	-
Total current liabilities	6,428,642	(622,851)	5,805,791	135,575
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable	8,985,000	-	8,985,000	-
Notes payable	-	-	-	5,634,516
Capital leases	189,625	-	189,625	-
Unearned bond premiums	120,814	-	120,814	-
Compensated absences	193,159	-	193,159	-
Total non-current liabilities	9,488,598	-	9,488,598	5,634,516
Total liabilities	15,917,240	(622,851)	15,294,389	5,770,091
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	10,279,709	137,014	10,416,723	-
Restricted for:				
Debt service	544,203	-	544,203	-
Special projects	81,529	-	81,529	-
Unrestricted	4,757,932	654,792	5,412,724	(199,552)
Total net assets (deficit)	15,663,373	791,806	16,455,179	(199,552)
Total liabilities and net assets	<b>\$ 31,580,613</b>	<b>\$ 168,955</b>	<b>\$ 31,749,568</b>	<b>\$ 5,570,539</b>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF ACTIVITIES**  
**For the fiscal year ended June 30, 2011**

**Exhibit 2**

Functions and Programs	Expenses	Program revenues			Net revenue (expense) and changes in net assets			Component Unit	
		Charges for Sales and Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total		
<b>Primary Government</b>									
Governmental activities:									
Instruction	\$ 19,433,224	\$ 6,641	\$ 11,462,019	\$ -	\$ (7,964,564)		\$ (7,964,564)		
Support services	12,508,277	9,974	7,332,628	18,512	(5,147,163)		(5,147,163)		
Community services	137,568	-	84,034	-	(53,534)		(53,534)		
Intergovernmental	2,446,729	-	1,494,591	-	(952,138)		(952,138)		
Interest and other charges	380,658	-	-	-	(380,658)		(380,658)		
Total governmental activities	<u>34,906,456</u>	<u>16,615</u>	<u>20,373,272</u>	<u>18,512</u>	<u>(14,498,057)</u>		<u>(14,498,057)</u>		
Business-type activities:									
Food service	<u>1,948,684</u>	<u>611,230</u>	<u>1,249,212</u>	<u>-</u>		\$ (88,242)	<u>(88,242)</u>		
Total business-type activities	<u>1,948,684</u>	<u>611,230</u>	<u>1,249,212</u>	<u>-</u>		<u>(88,242)</u>	<u>(88,242)</u>		
Total primary government	<u><b>36,855,140</b></u>	<u><b>627,845</b></u>	<u><b>21,622,484</b></u>	<u><b>18,512</b></u>	<u><b>(14,498,057)</b></u>	<u><b>(88,242)</b></u>	<u><b>(14,586,299)</b></u>		
<b>Component Unit</b>									
Charter School	<u>2,796,150</u>	<u>2,472</u>	<u>187,815</u>					\$ (2,605,863)	
General revenues:									
Property taxes levied for:									
General purposes					8,662,327	-	8,662,327	-	
Debt service					1,839,550	-	1,839,550	-	
Federal and state aid not restricted for specific purpose					5,074,073	-	5,074,073	-	
Unrestricted investment earnings					3,874	-	3,874	-	
Miscellaneous					233,867	-	233,867	2,442,001	
Transfers					(282,096)	282,096	-	-	
Total general revenues and transfers					<u>15,531,595</u>	<u>282,096</u>	<u>15,813,691</u>	<u>2,442,001</u>	
Change in net assets						1,033,538	193,854	1,227,392	(163,862)
Net assets (deficit), beginning of year					<u>14,629,835</u>	<u>597,952</u>	<u>15,227,787</u>	<u>(35,690)</u>	
Net assets (deficit), end of year					<u><b>\$ 15,663,373</b></u>	<u><b>\$ 791,806</b></u>	<u><b>\$ 16,455,179</b></u>	<u><b>\$ (199,552)</b></u>	

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

**Exhibit 3**

	Special Revenue Funds					Total Governmental Funds
	General	Special Projects	Education Improvement Act	Capital Projects	Debt Service	
<b>ASSETS</b>						
Cash and investments	\$ 5,819,241	\$ -	\$ -	\$ -	\$ -	\$ 5,819,241
Deposits with Edgefield County Treasurer	721,400	-	-	-	-	721,400
Accounts receivable	17,265	37,856	-	-	-	55,121
Property taxes receivable, net	774,969	-	-	-	125,183	900,152
Due from other governmental units	120,650	2,456,041	2,483	-	523,046	3,102,220
Due from other funds	1,408,201	-	127,893	82,170	-	1,618,264
Inventories and prepaid items	39,765	-	-	-	-	39,765
Total assets	<u>8,901,491</u>	<u>\$ 2,493,897</u>	<u>\$ 130,376</u>	<u>\$ 82,170</u>	<u>\$ 648,229</u>	<u>\$ 12,256,163</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 699,350	\$ -	\$ -	\$ -	\$ -	\$ 699,350
Unearned revenue	694,042	171,253	128,131	-	104,026	1,097,452
Due to other funds	-	2,241,115	-	-	-	2,241,115
Due to other governmental units	-	-	2,245	-	-	2,245
Accrued salaries and benefits	3,158,914	-	-	-	-	3,158,914
Total liabilities	<u>4,552,306</u>	<u>2,412,368</u>	<u>130,376</u>	<u>-</u>	<u>104,026</u>	<u>7,199,076</u>
Fund balances (deficit):						
Nonspendable	39,765	-	-	-	-	39,765
Restricted	-	81,529	-	-	544,203	625,732
Unassigned	4,309,420	-	-	82,170	-	4,391,590
Total fund balances (deficit)	<u>4,349,185</u>	<u>81,529</u>	<u>-</u>	<u>82,170</u>	<u>544,203</u>	<u>5,057,087</u>
Total liabilities and fund balances	<u>\$ 8,901,491</u>	<u>\$ 2,493,897</u>	<u>\$ 130,376</u>	<u>\$ 82,170</u>	<u>\$ 648,229</u>	<u>\$ 12,256,163</u>

The accompanying notes are an integral part of the basic financial statements

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**June 30, 2011**

**Exhibit 3**  
**(Continued)**

Total governmental fund balances	5,057,087
 <b>Amounts reported for governmental activities in the statement of net assets are different because of the following:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The cost of capital assets is \$40,633,478 and the accumulated depreciation is \$19,749,753.	20,883,725
Property taxes receivable are not available to pay for current period expenditures and therefore are deferred in the funds.	798,068
Unearned bond premiums are deferred in the statement of net assets. The premiums of \$224,632 have been amortized by \$78,271.	(146,361)
Deferred charges are not reported in the funds because they are not current financial resources, but they are reported in the Statement of Net Assets. Deferred charges of \$88,483 have been amortized by \$29,494.	58,989
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General obligation bonds payable	(10,325,000)
Capital lease obligations	(279,016)
Compensated absences	(241,449)
Accrued interest	(142,670)
	15,663,373
Net assets of governmental activities	<b>15,663,373</b>

The accompanying notes are an integral part of these financial statements.



**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the fiscal year ended June 30, 2011**

**Exhibit 4**

	Special Revenue Funds					Total Governmental Funds
	General	Special Projects	Education Improvement Act	Capital Projects	Debt Service	
<b>REVENUES</b>						
Local						
Property taxes	\$ 8,518,983	\$ -	\$ -	\$ -	\$ 1,714,959	\$ 10,233,942
Interest	1,528	-	-	58	2,288	3,874
Other	250,484	282,708	-	-	-	533,192
Total local sources	<u>8,770,995</u>	<u>282,708</u>	<u>-</u>	<u>58</u>	<u>1,717,247</u>	<u>10,771,008</u>
Intergovernmental	-	46,023	-	-	-	46,023
State	15,902,853	771,702	2,563,335	18,512	124,591	19,380,993
Federal	75,498	5,805,224	-	-	-	5,880,722
Total revenues	<u>24,749,346</u>	<u>6,905,657</u>	<u>2,563,335</u>	<u>18,570</u>	<u>1,841,838</u>	<u>36,078,746</u>
<b>EXPENDITURES</b>						
Current:						
Instruction	12,866,426	4,073,999	1,823,543	-	-	18,763,968
Support services	8,921,148	2,656,854	425,922	-	-	12,003,924
Community services	947	136,621	-	-	-	137,568
Intergovernmental	2,292,207	126,052	28,470	-	-	2,446,729
Debt service						
Principal	-	-	-	-	1,385,962	1,385,962
Interest	-	-	-	-	384,968	384,968
Other	2,928	-	-	-	5,918	8,846
Capital outlay	9,338	-	-	120,349	-	129,687
Total expenditures	<u>24,092,994</u>	<u>6,993,526</u>	<u>2,277,935</u>	<u>120,349</u>	<u>1,776,848</u>	<u>35,261,652</u>
Excess of revenues over (under) expenditures	656,352	(87,869)	285,400	(101,779)	64,990	817,094
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	628,422	222,856	333,376	103,601	-	1,288,255
Operating transfers out	(816,588)	(134,987)	(618,776)	-	-	(1,570,351)
Total other financing sources (uses)	<u>(188,166)</u>	<u>87,869</u>	<u>(285,400)</u>	<u>103,601</u>	<u>-</u>	<u>(282,096)</u>
Net change in fund balances	468,186	-	-	1,822	64,990	534,998
<b>FUND BALANCE, beginning of year</b>	<u>3,880,999</u>	<u>81,529</u>	<u>-</u>	<u>80,348</u>	<u>479,213</u>	<u>4,522,089</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 4,349,185</u>	<u>\$ 81,529</u>	<u>\$ -</u>	<u>82,170</u>	<u>\$ 544,203</u>	<u>\$ 5,057,087</u>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the fiscal year ended June 30, 2011**

Total net change in fund balance - governmental funds \$ 534,998

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Details supporting this adjustment are as follows:

Capital outlay	60,247	
Depreciation expense	(1,115,426)	
Net effect of disposal of capital assets	(5,952)	(1,061,131)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Bond principal retirement	1,300,000	
Capital lease principal retirement	85,962	1,385,962

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available revenues" and are deferred in the governmental funds. Deferred tax revenues increased by this amount this year. 143,344

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of bond premiums	25,546	
Amortization of deferred charges	(8,337)	17,209

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. 13,156

Change in net assets of governmental activities \$ 1,033,538

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
STATEMENT OF NET ASSETS - PROPRIETARY FUND  
JUNE 30, 2011**

**Exhibit 5**

<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Due from other funds	\$	622,851
Inventories		<u>31,941</u>
Total current assets		<u>654,792</u>
<b>NONCURRENT ASSETS</b>		
Equipment		190,519
Less: Accumulated depreciation		<u>53,505</u>
Total noncurrent assets		<u>137,014</u>
Total assets	<b>\$</b>	<b><u>791,806</u></b>
<b>NET ASSETS</b>		
Invested in capital assets	\$	137,014
Unrestricted		<u>654,792</u>
Total net assets	<b>\$</b>	<b><u>791,806</u></b>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET ASSETS - PROPRIETARY FUND**  
**For the fiscal year ended June 30, 2011**

**Exhibit 6**

<b>OPERATING REVENUES</b>	
Meal sales	\$ 498,615
Other operating revenues	112,615
Total operating revenues	<u>611,230</u>
<b>OPERATING EXPENSES</b>	
Food costs	738,922
Salaries and wages	1,056,507
Supplies	87,321
Depreciation	19,697
Other operating costs	46,237
Total operating expenses	<u>1,948,684</u>
Operating loss	<u>(1,337,454)</u>
<b>NON-OPERATING REVENUES</b>	
Commodities received from USDA	5,810
USDA reimbursements	1,226,093
Other non-operating revenues	17,309
Total non-operating revenues	<u>1,249,212</u>
Loss before operating transfers	(88,242)
<b>OPERATING TRANSFERS IN</b>	<u>282,096</u>
Change in net assets	193,854
<b>NET ASSETS, beginning of year</b>	<u>597,952</u>
<b>NET ASSETS, end of year</b>	<u><u>\$ 791,806</u></u>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**For the fiscal year ended June 30, 2011**

**Exhibit 7**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Received from patrons	\$ 611,230
Payments to employees for services	(735,708)
Payments to employees for benefits	(320,799)
Payments to suppliers for goods and services	(1,033,984)
Other payments	<u>(46,237)</u>
Net cash used for operating activities	<u>(1,525,498)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
Nonoperating grants received	1,243,402
Operating transfers in from general fund	<u>282,096</u>
Net cash received from non-capital financing activities	<u>1,525,498</u>
Net change in cash and cash equivalents	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, JULY 1, 2010</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2011</b>	<u>-</u>
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	(1,337,454)
Adjustments to reconcile operating loss to net cash used for operating activities	
Depreciation	19,697
Commodities received from the USDA	5,810
Change in deferred and accrued amounts	
Inventories	(2,094)
Due to/from other governmental units	140,167
Due to/from other funds	<u>(351,624)</u>
Net cash used for operating activities	<u>\$ (1,525,498)</u>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**STATEMENT OF FIDUCIARY NET ASSETS - AGENCY FUND**  
**JUNE 30, 2011**

**Exhibit 8**

	<u>Pupil Activity</u>	<u>Strom Thurmond Scholarship</u>	<u>J Carson Scholarship</u>	<u>ART Scholarship</u>	<u>Stamey Scholarship</u>	<u>Broadus Scholarship</u>	<u>Total</u>
<b>ASSETS</b>							
Cash	\$ 431,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 431,282
Investments	<u>-</u>	<u>117,609</u>	<u>72,900</u>	<u>4,794</u>	<u>8,847</u>	<u>77,323</u>	<u>281,473</u>
	<b><u>431,282</u></b>	<b><u>117,609</u></b>	<b><u>72,900</u></b>	<b><u>4,794</u></b>	<b><u>8,847</u></b>	<b><u>77,323</u></b>	<b><u>712,755</u></b>
<b>LIABILITIES</b>							
Deferred scholarship	-	117,609	72,900	4,794	8,847	77,323	\$ 281,473
Due to student organizations	<u>431,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>431,282</u>
	<b><u>\$ 431,282</u></b>	<b><u>\$ 117,609</u></b>	<b><u>\$ 72,900</u></b>	<b><u>\$ 4,794</u></b>	<b><u>\$ 8,847</u></b>	<b><u>\$ 77,323</u></b>	<b><u>\$ 712,755</u></b>

The accompanying notes are an integral part of these financial statements.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

School District of Edgefield County (the District) is governed by a seven member board of education. The District provides regular and exceptional education for students in kindergarten through grade twelve.

The financial statements of the 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 District has elected not to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its governmental and business-type activities and to its proprietary funds. The following is a summary of the more significant policies.

**A. Reporting Entity**

The District's financial statements include all funds over which the Board is considered to be financially accountable. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity because it does not meet the financial accountability criteria for inclusion established by governmental accounting standards. Board members have decision-making authority, the power to designate management, the ability to significantly influence operations and the primary accountability for fiscal matters. The District invests funds and receives property tax revenues through its relationship with Edgefield County.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes.

Included within the reporting entity:

***Discretely presented component unit*** - Fox Creek High School (FCHS) is a public charter school, based on the guidelines of the South Carolina Charter Schools Act of 1996. The charter school serves the community as a provider of secondary education. The charter school operates on an accrual basis of accounting and is managed by a Board of Directors of a non-profit corporation. The School is financially dependent upon the District.

Complete financial statements for FCHS can be obtained from its office at 165 Shortcut Road, North Augusta, South Carolina.

**B. Basis of Presentation**

The statements of the District are presented as follows:

***Government-wide financial statements*** - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the District, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in part by fees charged to external parties.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### B. Basis of Presentation, continued

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Depreciation expense has been allocated to individual functions in the governmental activities. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, including taxes, which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

**Fund financial statements** - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The District has no non-major funds. Fiduciary funds are reported by fund type.

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

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

Fiduciary funds are reported using the economic resources measurement focus.

#### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

### C. Measurement Focus and Basis of Accounting

#### **Fund accounting**

The accounts of the District are organized and operated on the basis of funds during the fiscal year, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The various funds are grouped into the categories governmental, proprietary, and fiduciary.



## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### C. Measurement Focus and Basis of Accounting, continued

#### Governmental Funds

Governmental funds are used to account for all or most of a District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (school building fund), and the servicing of general long-term debt (debt retirement fund).

*General Fund* - to account for all financial transactions not properly accounted for in another fund. The District uses this fund to account for expenditures principally for administration, instruction, pupil services, operation, and maintenance of plant and related fixed charges.

*Special Revenue Funds* - to account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are restricted, committed, or assigned to expenditures for specified purposes. The District has two special revenue funds:

1. The Education Improvement Act (EIA) Fund, a budgeted fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
2. Special Revenue Fund - Other, a budgeted fund used to account for financial resources provided by federal, state, and local projects and grants.

*Capital Projects (Building) Fund* - to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays.

*Debt Service Fund* - to account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest payments.

#### Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to provide sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The District has no internal service funds.

Within proprietary funds, operating revenues and expenses are presented in the Statement of Revenue, Expenses and Changes in Fund Net Assets. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Sales for food service represent the operating revenues of the District's proprietary fund. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Enterprise Funds* - to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or covered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Food Service Fund is the District's only enterprise fund and is used to account for the United States Department of Agriculture (USDA) approved school breakfast and lunch programs.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### C. Measurement Focus and Basis of Accounting, continued

#### Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The District's fiduciary funds consist of agency funds which are custodial in nature and do not involve measurement of results of operation. The agency funds are used to account for amounts held for student activity organizations and scholarships.

#### Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. On the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. Under the modified accrual basis of accounting, revenues and expenditures are recognized when they become both measurable and available.

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

The District follows GASB No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, to account for non-exchange revenues. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 2). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources associated with the current fiscal period are considered to be both measurable and available at fiscal year-end: property taxes, interest, tuition, grants, student fees and rentals.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2011, but which have not met the revenue recognition criteria, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue. On governmental fund financial statements, receivables that will not be collected within the available period (60 days) have also been reported as unearned revenue.

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as unearned revenue.

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

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### C. Measurement Focus and Basis of Accounting, continued

#### Basis of Accounting, continued

The Fox Creek High School is a nonprofit organization that reports under FASB Standards including FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. As such certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Charter School's financial statements for these differences.

### D. Assets, Liabilities, and Equity

#### Cash and Cash Equivalents and Investments

For purposes of the statement of cash flows, the proprietary fund and Fox Creek High School consider all highly liquid investments with original maturities of three months or less to be cash equivalents.

The District's investments are carried at fair value, except that repurchase agreements and U.S. Government Agencies that have a maturity at the time of purchase of one year or less are shown at amortized cost.

#### Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. On fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for net residual amounts due between governmental and business-type activities, which are presented as internal balances.

#### Inventories

Purchased school and maintenance supplies are carried at cost, determined on the first-in, first-out or average cost basis, and are subsequently charged to expense when purchased. School Food Service inventory, other than USDA commodities, is valued at the lower of cost or market on a first-in, first-out basis. USDA commodities are valued using cost data supplied by the South Carolina Department of Education. School Food Service inventory consists of supplies and purchased food and USDA commodities. USDA commodities allocated to the District are not recorded as revenue until such time as they are used; therefore, the inventory of USDA commodities is offset by a current liability for unearned revenue.

#### Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The cost and accumulated depreciation of property sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. The District maintains a capitalization threshold of \$5,000 and Fox Creek High School maintains a capitalization threshold of \$500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**D. Assets, Liabilities, and Equity, continued**

**Capital Assets, continued**

In the enterprise fund, assets acquired or constructed by grants and shared revenues externally restricted for capital acquisitions and construction are reported as revenue in the period received in accordance with GASB Statement No. 33.

With the exception of land and construction in progress, all reported capital assets are depreciated. 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:

<u>Description</u>	<u>Governmental activities estimated lives</u>	<u>Business-type activities estimated lives</u>	<u>Fox Creek High School</u>
Land improvements	15 - 40 years	N/A	N/A
Buildings and improvements	15 - 50 years	20 years	5 - 25 years
Furniture and equipment	5 - 20 years	3 - 12 years	5 - 15 years
Vehicles	5 - 10 years	6 years	5 years
Leasehold improvements	-	-	1 - 2 years

**Compensated Absences**

Compensated absences are absences for which employees will be paid, such as vacation leave. A liability for compensated absences is reported on the government-wide financial statements.

In the governmental fund financial statements, the current portion of compensated absences is the amount expected to be paid using expendable available financial resources and is reported as an expenditure and fund liability in the fund that will pay it. The remainder of the compensated absences liability is not reported. In the proprietary fund, compensated absences are recorded as an expense and liability.

**Accrued Liabilities and Long-term Obligations**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and compensated absences 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.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds, using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

For governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### D. Assets, Liabilities, and Equity, continued

#### Fund Balances and Net Assets

The District has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines five classifications of governmental funds balances: nonspendable, restricted, committed, assigned, and unassigned. Where applicable, these classifications are presented on the face of the governmental fund balance sheet.

For the government-wide financial statements the District applies restricted resources when an expenditure is incurred for the purposes for which both restricted and unrestricted net assets are available. For the governmental funds financial statements, the District applies committed, then assigned, then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

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

#### Interfund Activity

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

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

## II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The budgetary data reflected in the financial statements is prepared and adopted on a basis consistent with accounting principles generally accepted in the United States of America. The following procedures are used in establishing budgetary data:

- The Superintendent submits a proposed budget to the District Board of Education prior to May 1 each year.
- Taxpayers are given the opportunity to comment on the proposed budget in regular open Board meetings.
- The budget is legally adopted prior to June 30.
- Amendments are made during the year as approved by the Board of Education.
- Budgets for certain special revenue funds are adopted through submission and subsequent approval of a project application to the appropriate authorizing agency.
- Budgets are not adopted for the debt service fund or the building fund.

The budget is used as a management control device during the year for the general and special revenue funds.

Encumbrances represent uncompleted purchase orders, contracts and other commitments outstanding at year end. The District's encumbrances lapse at year end.

**III. DETAILED NOTES ON ALL FUNDS**

**NOTE 1 - DEPOSITS, AMOUNTS ON DEPOSIT WITH EDGEFIELD COUNTY TREASURER AND INVESTMENTS**

The District is authorized by South Carolina state law to invest in the following types of investments:

1. Obligations of the United States and agencies thereof.
2. General obligations of the State of South Carolina or any of its political units.
3. Banks and savings and loan associations to the extent they are guaranteed by the Federal Deposit Insurance Corporation.
4. Deposits in certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificate of deposit so secured, including interest.
5. The State Treasurer's Local Government Investment Pool (monitored by the State Treasurer for investments invested in government-guaranteed securities in accordance with South Carolina State laws).
6. Repurchase agreements.

**Custodial Credit Risk** - Custodial credit risk is the risk that the District's deposits will not be returned to it. The District has no formal policy regarding custodial credit risk. At June 30, 2011, the carrying amount of the District's deposits was \$2,037,304 and the bank balance was \$2,260,819. At June 30, 2011, all of the District's deposits were collateralized with securities held by the pledging financial institution's trust department or its agent, and in the District's name or insured by the Federal Deposit Insurance Corporation. Management believes there is no significant custodial risk associated with these deposits. Information was not available regarding the custodial credit risk of deposits with the Edgefield County Treasurer of \$721,400.

At June 30, 2011, the District had the following investment:

<u>Investment</u>	<u>Maturity</u>	<u>Fair value</u>
Local government investment pool	Various	\$ 4,213,219
Regions Bank - Certificates of Deposit	Various	24,623
Banc of America Investment Securities, Inc. Mutual Funds	Various	<u>256,850</u>
		<b><u>\$ 4,494,692</u></b>

**Credit Risk** - South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The District has no investment policy that would further restrict its choices.

The Local Government Investment Pool (LGIP) is not rated. The fair value of the District's position in the LGIP approximates the same value of the District's shares. Further information may be obtained from the LGIP's complete financial statements. These financial statements may be obtained by writing to the following address:

Office of the State Treasurer  
 Local Governmental Investment Pool  
 Post Office Box 11778  
 Columbia, South Carolina 29211

**III. DETAILED NOTES ON ALL FUNDS - (Continued)**

**NOTE 1 - DEPOSITS, AMOUNTS ON DEPOSIT WITH EDGEFIELD COUNTY TREASURER AND INVESTMENTS - (Continued)**

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

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer. The School District places no limit on the amount that may be invested in one issuer.

A reconciliation of cash and investments as shown on the Statement of Net Assets for the primary government and the Statement of Fiduciary Net Assets follows:

Deposits	\$ 2,037,304
Investments	<u>4,494,692</u>
	<u>\$ 6,531,996</u>
Statement of Net Assets	\$ 5,819,241
Statement of Fiduciary Net Assets	<u>712,755</u>
	<u>\$ 6,531,996</u>

**NOTE 2 - PROPERTY TAXES**

Assessed valuation of taxable property for 2010 for the District was approximately \$64,545,096. The tax rate for the District totaled 214.34 mills, of which 189.84 mills were for the general fund and 24.50 mills were for the debt service fund.

Property taxes are collected for the District by the Edgefield County Treasurer.

The School District’s property tax is levied on the assessed value listed as of January 1 for all real and business personal property located in the School District. The assessed value on the roll at January 1, 2010, upon which the levy for the 2010-2011 fiscal year was based, was \$64,545,096. Liens attach to the property at the time taxes are levied. Taxes are due without penalty, for real and personal property excluding automobiles, through January 15. After that time, penalties are added depending on the date paid as follows:

January 15 through February 1	3% of tax
February 2 through March 15	10% of tax
March 16 and thereafter	15% of tax

South Carolina Code Section 12-37-251(A) provides a property tax exemption for property classified pursuant to Section 12-43-220(C) (homestead exemption) from property taxes levied for other than bonded indebtedness and payments pursuant to lease purchase agreements for capital construction. The exemption applies against millage imposed for school operations and the amount of fair market value of the homestead that is exempt from such millage must be set by the Department of Revenue and Taxation based on the amount available in the State Property Tax Relief Fund.

**NOTE 3 - RECEIVABLES**

Intergovernmental receivables at June 30, 2011 consisted of taxes, intergovernmental grants, reimbursements and interest. All intergovernmental receivables are considered collectible in full.

### III. DETAILED NOTES ON ALL FUNDS - (Continued)

#### NOTE 3 - RECEIVABLES - (Continued)

A summary of the principal items of intergovernmental receivables follows:

Governmental activities

Due from state and/or federal government

General fund	\$ 120,650
Special Projects	
Title I	200,396
IDEA	832,388
Preschool handicapped	17,721
Occupational education	22,954
Drug free schools	6,482
Adult Education	54,911
Other restricted state grants	63,502
Other special revenue programs	1,168,565
Medicaid	89,122
Education Improvement Act	2,483
Debt service	<u>523,046</u>
Total governmental activities	<u><b>\$ 3,102,220</b></u>

Receivables for property taxes are reported net of the allowance for uncollectible accounts. Governmental funds report unearned revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At June 30, 2011, unearned revenue related to property taxes reported in the governmental funds totaled \$694,042 and \$104,026 in the general and debt service funds, respectively.



**III. DETAILED NOTES ON ALL FUNDS - (Continued)**

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Balance July 1, 2010</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2011</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 422,103	\$ -	\$ -	\$ 422,103
Total capital assets, not being depreciated	<u>422,103</u>	<u>-</u>	<u>-</u>	<u>422,103</u>
Capital assets, being depreciated				
Improvements	1,465,483	50,516	-	1,515,999
Buildings	36,690,529	-	-	36,690,529
Equipment	<u>2,038,366</u>	<u>9,731</u>	<u>43,250</u>	<u>2,004,847</u>
Total capital assets, being depreciated	<u>40,194,378</u>	<u>60,247</u>	<u>43,250</u>	<u>40,211,375</u>
Total cost	<u>40,616,481</u>	<u>60,247</u>	<u>43,250</u>	<u>40,633,478</u>
Less accumulated depreciation				
Improvements	549,795	57,995	-	607,790
Buildings	16,590,424	947,846	-	17,538,270
Equipment	<u>1,531,406</u>	<u>109,585</u>	<u>37,298</u>	<u>1,603,693</u>
Total accumulated depreciation	<u>18,671,625</u>	<u>1,115,426</u>	<u>37,298</u>	<u>19,749,753</u>
<b>Governmental activities capital assets, net</b>	<b><u>\$ 21,944,856</u></b>	<b><u>\$ (1,055,179)</u></b>	<b><u>\$ 5,952</u></b>	<b><u>\$ 20,883,725</u></b>
<b>Business-type activities</b>				
Equipment	\$ 210,217	\$ -	\$ -	\$ 210,217
Less accumulated depreciation	<u>53,506</u>	<u>19,697</u>	<u>-</u>	<u>73,203</u>
<b>Business-type activities capital assets, net</b>	<b><u>\$ 156,711</u></b>	<b><u>\$ (19,697)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 137,014</u></b>

Included in the totals above is equipment acquired under capital leases totaling \$395,239 at June 30, 2011 (see Note 5). Accumulated depreciation on this equipment totaled \$143,049 at June 30, 2011.

During the year ended June 30, 2011, the District had depreciation expense of \$1,115,426 for governmental activities. This depreciation expense has been allocated to instruction and support services activities in the amounts of \$669,256 and \$446,170, respectively.

The component unit, Fox Creek High School, had net capital assets of \$5,132,561 at June 30, 2011.

**III. DETAILED NOTES ON ALL FUNDS - (Continued)**

**NOTE 5 - LONG-TERM DEBT**

Changes in long-term obligations for the year ended June 30, 2011 were as follows:

	Principal outstanding <u>July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	Principal outstanding <u>June 30, 2011</u>	Amounts due <u>in one year</u>
<b>Governmental activities</b>					
General obligation bonds					
School District:					
February 1, 2008	\$ 10,415,000	\$ -	\$ 1,000,000	\$ 9,415,000	\$ 1,045,000
September 8, 2009	<u>1,210,000</u>	<u>-</u>	<u>300,000</u>	<u>910,000</u>	<u>295,000</u>
Total bonds payable	11,625,000	-	1,300,000	10,325,000	1,340,000
Unearned bond premiums	171,907	-	25,546	146,361	25,547
Accrued compensated absences	241,449	-	-	241,449	48,290
Capital lease obligations	<u>364,978</u>	<u>-</u>	<u>85,962</u>	<u>279,016</u>	<u>89,391</u>
Total governmental activities general long-term debt	<b><u>\$ 12,403,334</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,411,508</u></b>	<b><u>\$ 10,991,826</u></b>	<b><u>\$ 1,503,228</u></b>

General obligation bonds consist of the following at June 30, 2011:

<u>Date of Issue</u>	<u>Interest Rates</u>	<u>Payment Dates</u>	<u>Maturity</u>	<u>Original Issue</u>	<u>Outstanding at June 30, 2011</u>
February 1, 2008	4.10 - 4.75	Feb	2018	\$ 11,545,000	\$ 9,415,000
September 8, 2009	3.99	Mar	2014	<u>1,650,000</u>	<u>910,000</u>
				<b><u>\$ 13,195,000</u></b>	<b><u>\$ 10,325,000</u></b>

The District issued \$105,000 in general obligation bonds, series 2010A, on September 15, 2010, with a coupon rate of 0.92%. The bonds matured on March 1, 2011. During the year ended June 30, 2011, the District issued one short-term General Obligation Bond to fund the capital lease principal and interest payment due in December 2010.

Changes in short-term obligations for the year ended June 30, 2011 were as follows:

	Principal outstanding <u>July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	Principal outstanding <u>June 30, 2011</u>
<b>Governmental activities</b>				
General obligation bonds				
School District:				
September 15, 2010	\$ -	\$ 105,000	\$ 105,000	\$ -
Issuance premium	<u>-</u>	<u>832</u>	<u>832</u>	<u>-</u>
<b>Total</b>	<b><u>\$ -</u></b>	<b><u>\$ 105,832</u></b>	<b><u>\$ 105,832</u></b>	<b><u>\$ -</u></b>

The component unit, Fox Creek High School, had notes payable of \$5,705,172 outstanding at June 30, 2011, all of which relates to the note payable to the U.S. Department of Agriculture for the construction of the building addition.

**III. DETAILED NOTES ON ALL FUNDS - (Continued)**

NOTE 5 - LONG-TERM DEBT - (Continued)

The annual requirements to amortize all general obligation bonds outstanding at June 30, 2011, including interest payments over the life of the debt are as follows:

Year Ended June 30	Principal	Interest	Total
2012	\$ 1,340,000	\$ 331,436	\$ 1,671,436
2013	1,385,000	290,835	1,675,835
2014	1,425,000	248,458	1,673,458
2015	1,470,000	204,738	1,674,738
2016	1,515,000	156,963	1,671,963
2017-2018	3,190,000	164,425	3,354,425
	<u>\$ 10,325,000</u>	<u>\$ 1,396,855</u>	<u>\$ 11,721,855</u>

Article X, Section 15 of the Constitution of the State of South Carolina, as amended, empowers each School District of the State to incur general obligation debt in such manner and upon such terms and conditions, as the General Assembly shall prescribe by law. After November 30, 1982, each School District may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such School District.

Bonded indebtedness existing on November 30, 1982, and bonded indebtedness authorized by a majority vote of the qualified electors of the District voting in a referendum will not be considered in the computation of the 8% limitation. As of June 30, 2011, the remaining debt margin available to the District was \$5,163,600.

The District has entered into a lease agreement as lessee for technology and food service equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments. At June 30, 2011, the present value of future minimum lease payments totaled \$279,016. The annual requirements to repay this lease, including interest over the life of the leases are as follows:

2012	\$ 100,524
2013	100,524
2014	<u>100,524</u>
Total	301,572
Less amounts representing interest	<u>22,556</u>
Present value of future minimum lease payments	<u>\$ 279,016</u>

NOTE 6 - TRANSFERS IN AND OUT/INTERFUND BALANCES

During the course of normal operations, the District has transactions between funds to provide services, construct assets, service debt, etc. These transactions are generally reflected as transfers. Total transfers during the year ended June 30, 2011 consisted of the following individual fund amounts:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 628,422	\$ 816,588
Special projects	222,856	134,987
Education Improvement Act	333,376	618,776
Food service	282,096	-
Capital Projects	<u>103,601</u>	<u>-</u>
	<u>\$ 1,570,351</u>	<u>\$ 1,570,351</u>

**III. DETAILED NOTES ON ALL FUNDS - (Continued)**

**NOTE 6 - TRANSFERS IN AND OUT/INTERFUND BALANCES - (Continued)**

Inter-fund balances are comprised of expenditures paid on behalf of the special projects fund, education improvement act fund, debt service fund, capital projects fund, food service fund and the agency fund by the general fund and are to be repaid. As of June 30, 2011, amounts due from (to) other funds related to the District's pooled cash are as follows:

	General Fund	Special projects	Education Improvement Act	Capital Projects	Food service	Total
Due from general fund	\$ -	\$ -	\$ 127,893	\$ 82,170	\$ 622,851	\$ 832,914
Due from special projects	<u>2,241,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,241,115</u>
	<u>2,241,115</u>	<u>-</u>	<u>127,893</u>	<u>82,170</u>	<u>622,851</u>	<u>3,074,029</u>
Due to general fund	-	(2,241,115)	-	-	-	(2,241,115)
Due to Education Improvement Act	(127,893)	-	-	-	-	(127,893)
Due to food service	(622,851)	-	-	-	-	(622,851)
Due to capital projects	<u>(82,170)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,170)</u>
	<u>(832,914)</u>	<u>(2,241,115)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,074,029)</u>
	<u>\$ 1,408,201</u>	<u>\$(2,241,115)</u>	<u>\$ 127,893</u>	<u>\$ 82,170</u>	<u>\$ 622,851</u>	<u>\$ -</u>

**IV. OTHER INFORMATION**

**NOTE 7 - EMPLOYEE BENEFITS**

**Retirement Plan** - Substantially all District employees are members of the South Carolina Retirement System, a cost-sharing multiple-employer plan administered by the Retirement Division of the State Budget and Control Board. The System provides retirement and disability benefits, cost of living adjustments on an ad hoc basis, life insurance benefits and survivor benefits. The Plan's provisions are established under Title 9 of the South Carolina Code of Laws. The System issues a publicly available financial report that includes financial statements and required information for the South Carolina Retirement System. That report may be obtained by writing the South Carolina Retirement System, Post Office Box 11960, Columbia, South Carolina 29211-1960.

Plan members are required to contribute 6.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 13.14% of annual covered payroll. In addition, the District contributes .15% of payroll to a group life insurance benefit for their participants. The District's contributions to the System for the years ended June 30, 2011, 2010 and 2009 were \$2,642,774, \$2,583,847 and \$2,808,725, respectively. District-wide contributions as a percentage of statewide contributions were not available for June 30, 2011, 2010 and 2009.

Normal retirement age is defined as 28 years of service or age 65 with five years of earned service. Plan members who have reached age 55 and have at least 25 years of service or age 60 with 5 years of earned service may elect early retirement with reduced benefits from the retirement system.

#### **IV. OTHER INFORMATION - (Continued)**

##### **NOTE 7 - EMPLOYEE BENEFITS - (Continued)**

Employees eligible for service retirement may participate in the Teacher and Employee Retention Incentive Program (TERI). TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. Because participants are considered retired during the TERI period, they do not make SCRS contributions, do not earn service credit, and are ineligible to receive group life insurance benefits or disability retirement benefits. Effective July 1, 2006, TERI participants who entered the program July 1, 2005 or later, have to contribute to SCRS as long as they are covered under the TERI program.

**Optional Retirement Program** - Certain State employees may elect to participate in the Optional Retirement Program (ORP), a defined contribution plan. The ORP was established in 1987 under Title 9, Chapter 17, of the South Carolina Code of Laws. The ORP provides retirement and death benefits through the purchase of individual fixed or variable annuity contracts which are issued to, and become the property of, the participants. The State assumes no liability for this plan other than for payment of contributions to designated insurance companies. Employees who enroll in ORP are eligible to change their election to SCRS if done before the fifth anniversary of enrollment in ORP.

Under State law, contributions to the ORP are required at the same rates as for the SCRS, 9.24% plus the retiree surcharge of 3.90% from the employer in fiscal year 2011.

Certain of the District's employees have elected to be covered under optional retirement plans. The District's total contribution requirements to the ORP for the years ended June 30, 2011, 2010 and 2009 were \$16,302, \$10,545 and \$8,224, respectively (excluding the surcharge) from the District as employer. Amounts were remitted to the Retirement Division of the State Budget and Control Board for distribution to the respective annuity policy providers. The obligation for payment of benefits resides with the insurance companies.

**Deferred Compensation Plans** - The District employees may participate in the 457 and/or 401(k) deferred compensation plans available to state and local governmental employees through the state public employee retirement system. These programs are administered by a state approved nongovernmental third party. There are no employer contributions made by the District to these plans.

##### **NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Description** - In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents. The District contributes to the Retiree Medical Plan (RMP) and the Long-term Disability Plan (LTDP), cost-sharing multiple-employer defined benefit postemployment healthcare and long-term disability plans administered by the Employee Insurance Program (EIP), a part of the State Budget and Control Board (SBCB). Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires May 2, 2008 and after, retirees are eligible for benefits if they have established twenty-five years of service for 100% employer funding and fifteen through twenty-four years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system. Basic long-term disability benefits (BLTD) are provided to active state, public school district and participating local government employees approved for disability.

**IV. OTHER INFORMATION - (Continued)**

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS - (Continued)

**Funding Policies** - Section 1-11-710 and 1-11-720 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment healthcare and long-term disability benefits be funded through annual appropriations by the General Assembly for active employees to the EIP and participating retirees to the SBCB except the portion funded through the pension surcharge and provided from other applicable sources of the EIP for its active employees who are not funded by state general fund appropriations. Employers participating in the RMP are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget, 3.90 and 3.50% of annual covered payroll for 2011 and 2010, respectively. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The District paid approximately \$790,014 and \$709,995 applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal years ended June 30, 2011 and 2010, respectively. BLTD benefits are funded through a per person premium charged to State agencies, public school districts, and other participating local governments. The monthly premium per active employee paid to EIP was \$3.23 for the fiscal years ended June 30, 2011 and 2010.

Effective May 1, 2008, the State established two trust funds through Act 195 for the purpose of funding and accounting for the employer costs of retiree health and dental insurance benefits and long-term disability insurance benefits. The South Carolina Retiree Health Insurance Trust Fund is primarily funded through the payroll surcharge. Other sources of funding include additional State appropriated dollars, accumulated EIP reserves, and income generated from investments. The Long Term Disability Insurance Trust Fund is primarily funded through investment income and employer contributions.

One may obtain complete financial statements for the benefit plans and the trust funds from Employee Insurance program, 1201 Main Street, Suite 360, Columbia, South Carolina 29201.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The District participates in a number of federally assisted programs, which are audited in accordance with the Single Audit Act Amendments of 1996. Audits have not resulted in any material disallowed costs, however, grantor agencies may conduct further examinations based on reported questioned costs. Based on prior experience, the District believes that further examinations would not result in any material disallowed costs.

The School District is a defendant in a lawsuit arising in the normal course of business. It is the opinion of the District's management, after conferring with legal counsel, that the liability, if any, which might arise from this lawsuit would not have a material adverse effect on the District's financial position.

The District leases copiers under a non-cancelable operating lease. During the year, lease payments totaled \$136,524. The lease includes up to 7,000,000 free copies per year. After that a surcharge of \$0.006 per copy is added to the minimum lease payment. The District did not exceed the copy limit during the year. The lease which expires July 31, 2011, has remaining payments due as follows:

<u>Year</u>	<u>Lease payment</u>
2012	\$ <u>11,377</u>
	<u>\$ 11,377</u>

#### IV. OTHER INFORMATION - (Continued)

##### NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries state or commercial insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The District has had no significant reduction in coverage due to settled claims. Settled claims have not exceeded this coverage in the past three years. The District pays insurance premiums to certain State agencies and commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with insurance policy and benefit program limits. For property losses, the District's deductible is \$2,500.

The District pays premiums to the South Carolina School Board's Insurance Trust which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to the following assets, activities, and/or events:

1. Theft of, damage to, or destruction of assets;
2. Real property, its contents, and other equipment;
3. Motor vehicles;
4. Torts; and
5. Natural disasters

The South Carolina School Board's Insurance Trust is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in the areas of property, boiler and machinery, automobile liability, and School Board liability insurance. The South Carolina School Board's rates are determined actuarially.

The District obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation, up to a maximum of \$100,000. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Prior to July 1, 1978, school districts in South Carolina were exempt from unemployment tax. Legislation was enacted providing that, effective July 1, 1978, these employing units would no longer be excluded by the South Carolina Employment Security Commission. In lieu of payment of contributions, the District, as permitted by the Act, elected to be "self-insured," whereby it would reimburse the Commission's unemployment fund for any claims attributable to service in the employ of the District. Payments of claims for reimbursement to the Commission are paid out of the general operating fund. Payments of \$28,031 were made by the District for this purpose during the current year.

##### NOTE 11 - FUND BALANCE AND NET ASSETS

The fund balances/net assets and other credits have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

###### **Governmental fund financial statements**

Fund balances – Nonspendable – balances that by their nature are unable to be spent.

Fund balances - Restricted – balances that can only be spent for the specific purpose stipulated by constitution, external resources providers, or through enabling legislation.

Fund balances - Committed – balances that can only be used for the specific purpose determined by the District's Board of Education.

**IV. OTHER INFORMATION - (Continued)**

NOTE 11 - FUND BALANCE AND NET ASSETS - (Continued)

Fund balances - Assigned – balances meant to be used for a specific purpose but that do not meet the criteria as restricted or committed.

Fund balances - Unassigned – balances that are spendable amounts not contained in other classifications.

**Government-wide and proprietary fund financial statements**

Invested in capital assets - represents the net cost less accumulated depreciation and outstanding debt attributable to the organization of the capital assets.

Restricted net assets - represents net assets restricted externally by creditors, grantors, contributors or laws and regulations of other governments; or restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets - represents the remainder of the School District's net assets in the government-wide activities.

NOTE 12 - ARBITRAGE REBATE

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount of such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of June 30, 2011, the District has determined that there are no amounts outstanding for arbitrage rebates.

NOTE 13 - SUBSEQUENT EVENTS

In September of 2011, the School District issued general obligation bonds, Series 2011A, in the amount of \$104,000 for payment of the capital lease installment due December 2011.



SUPPLEMENTARY INFORMATION

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule 1**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local	\$ 8,394,276	\$ 8,394,276	\$ 8,770,995	\$ 376,719
State	15,302,884	15,302,884	15,902,853	599,969
Federal	-	-	75,498	75,498
	<u>23,697,160</u>	<u>23,697,160</u>	<u>24,749,346</u>	<u>1,052,186</u>
<b>EXPENDITURES</b>				
Instruction	13,518,159	13,518,159	12,866,426	651,733
Support services	9,254,402	9,356,246	8,921,148	435,098
Community services	2,500	2,500	947	1,553
Intergovernmental	2,436,067	2,436,067	2,292,207	143,860
Debt service	-	-	2,928	(2,928)
Capital outlay	-	-	9,338	(9,338)
	<u>25,211,128</u>	<u>25,312,972</u>	<u>24,092,994</u>	<u>1,219,978</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	1,847,688	1,847,688	628,422	(1,219,266)
Operating transfers out	(429,445)	(429,445)	(816,588)	(387,143)
	<u>1,418,243</u>	<u>1,418,243</u>	<u>(188,166)</u>	<u>(1,606,409)</u>
Net change in fund balances	(95,725)	(197,569)	468,186	665,755
<b>FUND BALANCE, beginning of year</b>	<u>3,880,999</u>	<u>3,880,999</u>	<u>3,880,999</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 3,785,274</u>	<u>\$ 3,683,430</u>	<u>\$ 4,349,185</u>	<u>\$ 665,755</u>

SCHEDULE A

GENERAL FUND

The general fund, also referred to as the "operating fund", is the basic budgetary fund of the District. It is used to record all operating revenues and expenditures for the educational and support programs of the District and for limited capital outlays. The appropriations and the anticipated revenue sources originate in the District's operating budget. Any unreserved fund balance may be appropriated to support operating expenditures in subsequent years.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>					
1000	Revenue from local sources				
1100	Taxes				
	1110 Ad valorem taxes-including delinquent	\$ 8,271,012	\$ 8,271,012	\$ 8,518,983	\$ 247,971
1300	Tuition				
	1310 From patrons for regular day school	58,000	58,000	62,573	4,573
	1330 From patrons for adult/continuing ed	-	-	1,541	1,541
1400	Transportation fees				
	1410 From patrons for regular day school	-	-	7,089	7,089
1500	Earnings on investments				
	1510 Interest on investments	-	-	1,528	1,528
1700	Pupil activities				
	1740 Student fees	12,750	12,750	40,486	27,736
1800	Contributions				
1900	Other revenue from local sources				
	1910 Rentals	-	-	2,885	2,885
	1920 Contributions and donations from private sources	-	-	2,472	2,472
	1990 Miscellaneous local revenue	123,264	123,264	3,578	(119,686)
	1999 Revenue from other local sources	6,000	6,000	233,920	227,920
	Total local sources	<u>8,471,026</u>	<u>8,471,026</u>	<u>8,875,055</u>	<u>404,029</u>
2000	Intergovernmental revenue				
	2100 Payments from other governmental units	2,030,735	2,030,735	2,117,234	86,499
	Total intergovernmental sources	<u>2,030,735</u>	<u>2,030,735</u>	<u>2,117,234</u>	<u>86,499</u>
3000	Revenue from state sources				
3100	Restricted state funding				
	3113 12-month agriculture program	15,000	15,000	14,033	(967)
3129	Consolidated funding			120,828	120,828
3130	Special programs				
	3131 Handicapped transportation	-	-	658	658
	3132 Home schooling	-	-	1,211	1,211
3160	School bus driver's salary	261,244	261,244	310,644	49,400
	3162 Transportation workers' compensation	-	-	27,980	27,980
3180	Fringe benefits employer contributions	3,739,269	3,739,269	3,272,296	(466,973)
	3181 Retiree insurance	-	-	560,413	560,413
	3197 Text book cost savings	-	-	103,084	103,084
3300	Education Finance Act				
	3310 Full-time programs				
	3311 Kindergarten	348,111	348,111	446,759	98,648
	3312 Primary	1,175,404	1,175,404	1,104,780	(70,624)
	3313 Elementary	1,632,970	1,632,970	1,650,154	17,184
	3314 High school	751,610	751,610	750,597	(1,013)
	3315 Trainable mentally handicapped	20,632	20,632	27,703	7,071
	3316 Speech handicapped	441,508	441,508	417,858	(23,650)
	3317 Homebound	11,389	11,389	28,406	17,017
	3320 Part-time programs				
	3321 Emotionally handicapped	47,294	47,294	57,361	10,067
	3322 Educable mentally handicapped	98,365	98,365	119,557	21,192
	3323 Learning disabilities	777,105	777,105	825,362	48,257
	3324 Hearing handicapped	9,380	9,380	11,565	2,185
	3325 Visually handicapped	6,605	6,605	2,882	(3,723)
	3326 Orthopedically handicapped	2,622	2,622	5,432	2,810
	3327 Vocational	921,497	921,497	941,844	20,347

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>REVENUES, Continued</b>					
3000	Revenue from state sources, continued				
3300	Education Finance Act, continued				
	3330 Other EFA programs				
	3331 Autism	25,860	25,860	27,373	1,513
3800	State revenue in lieu of taxes				
	3810 Reimbursement for local property tax relief	1,553,034	1,553,034	1,553,034	-
	3820 Homestead exemption	532,741	532,741	532,741	-
	3825 Reimbursement for property tax relief	2,656,244	2,656,244	2,661,832	5,588
	3830 Merchants inventory tax	50,000	50,000	49,590	(410)
	3840 Manufacturers depreciation reimbursement	120,000	120,000	140,184	20,184
	3890 Other state property tax revenues	105,000	105,000	115,423	10,423
3900	Other state revenue	-	-		
	3999 Revenue from other state sources	-	-	21,269	21,269
	Total state sources	<u>15,302,884</u>	<u>15,302,884</u>	<u>15,902,853</u>	<u>599,969</u>
4000	Revenues from federal sources				
4900	Other federal sources				
	4992 U.S. Forest Commission revenues	-	-	75,498	75,498
	Total federal sources	<u>-</u>	<u>-</u>	<u>75,498</u>	<u>75,498</u>
	<b>Total revenue all sources</b>	<b><u>\$ 25,804,645</u></b>	<b><u>\$ 25,804,645</u></b>	<b><u>\$ 26,970,640</u></b>	<b><u>\$ 1,165,995</u></b>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES</b>					
<b>100</b>	<b>INSTRUCTION</b>				
110	General instruction				
111	Kindergarten programs				
100	Salaries	\$ 946,099	\$ 946,099	\$ 700,825	\$ 245,274
200	Employee benefits	327,228	327,228	217,251	109,977
400	Supplies and materials	7,568	7,568	5,096	2,472
		<u>1,280,895</u>	<u>1,280,895</u>	<u>923,172</u>	<u>357,723</u>
112	Primary programs				
100	Salaries	1,945,771	1,945,771	1,925,671	20,100
200	Employee benefits	746,280	746,280	594,947	151,333
400	Supplies and materials	37,989	37,989	1,552	36,437
		<u>2,730,040</u>	<u>2,730,040</u>	<u>2,522,170</u>	<u>207,870</u>
113	Elementary programs				
100	Salaries	3,030,005	3,030,005	3,187,217	(157,212)
200	Employee benefits	1,093,436	1,093,436	964,383	129,053
300	Purchased services	17,612	17,612	23,501	(5,889)
400	Supplies and materials	49,567	49,567	111,219	(61,652)
600	Other objects	805	805	150	655
		<u>4,191,425</u>	<u>4,191,425</u>	<u>4,286,470</u>	<u>(95,045)</u>
114	High school programs				
100	Salaries	2,510,556	2,510,556	2,556,078	(45,522)
200	Employee benefits	560,382	560,382	781,175	(220,793)
300	Purchased services	15,920	15,920	9,710	6,210
400	Supplies and materials	46,749	46,749	41,993	4,756
500	Capital outlay	-	-	11,720	(11,720)
		<u>3,133,607</u>	<u>3,133,607</u>	<u>3,400,676</u>	<u>(267,069)</u>
115	Vocational programs				
100	Salaries	626,159	626,159	585,975	40,184
200	Employee benefits	191,448	191,448	184,132	7,316
300	Purchased services	815	815	461	354
400	Supplies and materials	12,809	12,809	27,321	(14,512)
500	Capital outlay	1,864	1,864	1,864	-
		<u>833,095</u>	<u>833,095</u>	<u>799,753</u>	<u>33,342</u>
118	Montessori programs				
200	Employee benefits	-	-	3,015	(3,015)
		<u>-</u>	<u>-</u>	<u>3,015</u>	<u>(3,015)</u>
	Total general instruction	<u>12,169,062</u>	<u>12,169,062</u>	<u>11,935,256</u>	<u>233,806</u>
120	Exceptional programs				
121	Educable mentally handicapped				
100	Salaries	231,731	231,731	206,374	25,357
200	Employee benefits	80,635	80,635	56,279	24,356
400	Supplies and materials	-	-	164	(164)
		<u>312,366</u>	<u>312,366</u>	<u>262,817</u>	<u>49,549</u>
122	Trainable mentally handicapped				
100	Salaries	44,138	44,138	33,869	10,269
200	Employee benefits	16,933	16,933	15,728	1,205
		<u>61,071</u>	<u>61,071</u>	<u>49,597</u>	<u>11,474</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>100</b>	<b>INSTRUCTION, Continued</b>				
120	Exceptional programs, continued				
126	Speech handicapped				
100	Salaries	171,635	171,635	136,031	35,604
200	Employee benefits	55,999	55,999	36,598	19,401
300	Purchased services	86,594	86,594	147,377	(60,783)
		<u>314,228</u>	<u>314,228</u>	<u>320,006</u>	<u>(5,778)</u>
127	Learning disabilities				
100	Salaries	920,583	920,583	886,621	33,962
200	Employee benefits	276,761	276,761	275,304	1,457
400	Supplies and materials	-	-	(20)	20
		<u>1,197,344</u>	<u>1,197,344</u>	<u>1,161,905</u>	<u>35,439</u>
128	Emotionally handicapped				
100	Salaries	98,644	98,644	86,209	12,435
200	Employee benefits	34,192	34,192	26,591	7,601
		<u>132,836</u>	<u>132,836</u>	<u>112,800</u>	<u>20,036</u>
	Total exceptional programs	<u>2,017,845</u>	<u>2,017,845</u>	<u>1,907,125</u>	<u>110,720</u>
130	Preschool programs				
137	Pre-school handicapped - self contained				
100	Salaries	63,671	63,671	44,255	19,416
200	Employee benefits	26,009	26,009	13,617	12,392
		<u>89,680</u>	<u>89,680</u>	<u>57,872</u>	<u>31,808</u>
139	Early childhood programs				
100	Salaries	-	-	107	(107)
200	Employee benefits	-	-	8	(8)
300	Purchased services	-	-	(11,350)	11,350
		<u>-</u>	<u>-</u>	<u>(11,235)</u>	<u>11,235</u>
	Total preschool programs	<u>89,680</u>	<u>89,680</u>	<u>46,637</u>	<u>43,043</u>
140	Special programs				
141	Gifted and talented - academic				
600	Other objects	257	257	-	257
		<u>257</u>	<u>257</u>	<u>-</u>	<u>257</u>
145	Homebound				
100	Salaries	16,000	16,000	49,653	(33,653)
200	Employee benefits	3,026	3,026	8,195	(5,169)
		<u>19,026</u>	<u>19,026</u>	<u>57,848</u>	<u>(38,822)</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>100</b>	<b>INSTRUCTION, Continued</b>				
140	Special programs, Continued				
149	Other special programs				
100	Salaries	25,448	25,448	17,305	8,143
200	Employee benefits	14,776	14,776	4,966	9,810
		<u>40,224</u>	<u>40,224</u>	<u>22,271</u>	<u>17,953</u>
	Total special programs	<u>59,507</u>	<u>59,507</u>	<u>80,119</u>	<u>(20,612)</u>
170	Summer school program				
175	Instruction programs beyond regular school day				
100	Salaries	-	-	13,465	(13,465)
200	Employee benefits	-	-	2,892	(2,892)
400	Supplies and materials	-	-	180	(180)
		<u>-</u>	<u>-</u>	<u>16,537</u>	<u>(16,537)</u>
	Total summer school programs	<u>-</u>	<u>-</u>	<u>16,537</u>	<u>(16,537)</u>
180	Adult/continuing educational programs				
181	Adult basic education programs				
400	Supplies and materials	2,300	2,300	2,300	-
		<u>2,300</u>	<u>2,300</u>	<u>2,300</u>	<u>-</u>
182	Adult secondary education programs				
100	Salaries	226	226	226	-
200	Employee benefits	49	49	49	-
400	Supplies and materials	69	69	69	-
		<u>344</u>	<u>344</u>	<u>344</u>	<u>-</u>
188	Parenting/family literacy				
100	Salaries	-	-	4,159	(4,159)
200	Employee benefits	-	-	1,045	(1,045)
		<u>-</u>	<u>-</u>	<u>5,204</u>	<u>(5,204)</u>
	Total adult/continuing educational programs	<u>2,644</u>	<u>2,644</u>	<u>7,848</u>	<u>(5,204)</u>
190	Instructional pupil activity				
600	Other objects	-	-	1,793	(1,793)
		<u>-</u>	<u>-</u>	<u>1,793</u>	<u>(1,793)</u>
	Total instruction	<u>14,338,738</u>	<u>14,338,738</u>	<u>13,995,315</u>	<u>343,423</u>
<b>200</b>	<b>SUPPORT SERVICES</b>				
210	Pupil services				
211	Attendance and social work services				
100	Salaries	107,221	107,221	18,065	89,156
200	Employee benefits	5,213	5,213	5,151	62
300	Purchased services	9,443	9,443	(65,349)	74,792
400	Supplies and materials	1,308	1,308	-	1,308
600	Other objects	65	65	-	65
		<u>123,250</u>	<u>123,250</u>	<u>(42,133)</u>	<u>165,383</u>
212	Guidance services				
100	Salaries	370,337	370,337	478,893	(108,556)
200	Employee benefits	114,442	114,442	111,194	3,248
300	Purchased services	1,457	1,457	1,850	(393)
400	Supplies and materials	2,383	2,383	2,976	(593)
		<u>488,619</u>	<u>488,619</u>	<u>594,913</u>	<u>(106,294)</u>



**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
210	Pupil services, continued				
213	Health services				
100	Salaries	205,448	205,448	188,345	17,103
200	Employee benefits	65,871	65,871	62,340	3,531
300	Purchased services	5,812	5,812	1,706	4,106
400	Supplies and materials	11,757	11,757	12,649	(892)
600	Other objects	252	252	-	252
		<u>289,140</u>	<u>289,140</u>	<u>265,040</u>	<u>24,100</u>
214	Psychological services				
100	Salaries	62,616	62,616	60,827	1,789
200	Employee benefits	18,144	18,144	18,203	(59)
400	Supplies and materials	58	58	-	58
600	Other objects	357	357	-	357
		<u>81,175</u>	<u>81,175</u>	<u>79,030</u>	<u>2,145</u>
	Total pupil services	<u>982,184</u>	<u>982,184</u>	<u>896,850</u>	<u>85,334</u>
220	Instructional staff services				
221	Improvement of instruction - Curriculum development				
100	Salaries	65,370	65,370	98,000	(32,630)
200	Employee benefits	26,085	26,085	19,886	6,199
300	Purchased services	21,889	21,889	15,400	6,489
400	Supplies and materials	53,520	53,520	2,564	50,956
600	Other objects	1,565	1,565	514	1,051
		<u>168,429</u>	<u>168,429</u>	<u>136,364</u>	<u>32,065</u>
222	Library and media services				
100	Salaries	369,507	369,507	363,907	5,600
200	Employee benefits	127,944	127,944	125,582	2,362
400	Supplies and materials	24,584	24,584	23,705	879
		<u>522,035</u>	<u>522,035</u>	<u>513,194</u>	<u>8,841</u>
223	Supervision of special programs				
100	Salaries	-	-	13,607	(13,607)
200	Employee benefits	-	-	2,770	(2,770)
400	Supplies	-	-	931	(931)
		<u>-</u>	<u>-</u>	<u>17,308</u>	<u>(17,308)</u>
224	Improvement of instruction - Inservice and staff training				
300	Purchased services	7,252	7,252	5,320	1,932
400	Supplies and materials	1,339	1,339	3,473	(2,134)
		<u>8,591</u>	<u>8,591</u>	<u>8,793</u>	<u>(202)</u>
	Total instructional staff services	<u>699,055</u>	<u>699,055</u>	<u>675,660</u>	<u>23,395</u>
230	General administration services				
231	Board of education				
100	Salaries	31,410	31,410	25,634	5,776
200	Employee benefits	18,132	18,132	38,443	(20,311)
300	Purchased services	40,797	40,797	30,149	10,648
318	Audit services	28,500	28,500	25,350	3,150
400	Supplies and materials	580	580	274	306
600	Other objects	138,911	138,911	86,861	52,050
		<u>258,330</u>	<u>258,330</u>	<u>206,711</u>	<u>51,619</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
230	General administration services, continued				
232	Office of the superintendent				
100	Salaries	185,381	185,381	187,742	(2,361)
200	Employee benefits	52,808	52,808	52,324	484
300	Purchased services	2,467	2,467	8,156	(5,689)
400	Supplies and materials	15,839	15,839	11,577	4,262
600	Other objects	1,140	1,140	720	420
		<u>257,635</u>	<u>257,635</u>	<u>260,519</u>	<u>(2,884)</u>
233	School administration				
100	Salaries	1,963,372	1,963,372	1,924,825	38,547
200	Employee benefits	962,500	962,500	673,335	289,165
300	Purchased services	54,034	54,034	53,610	424
400	Supplies and materials	37,395	37,395	42,506	(5,111)
500	Capital outlay	-	-	20	(20)
600	Other objects	22,914	22,914	6,687	16,227
		<u>3,040,215</u>	<u>3,040,215</u>	<u>2,700,983</u>	<u>339,232</u>
	Total general administration services	<u>3,556,180</u>	<u>3,556,180</u>	<u>3,168,213</u>	<u>387,967</u>
250	Finance and operations services				
252	Fiscal services				
100	Salaries	191,429	191,429	139,338	52,091
200	Employee benefits	57,272	57,272	39,972	17,300
300	Purchased services	13,578	13,578	31,409	(17,831)
400	Supplies and materials	10,701	10,701	11,071	(370)
600	Other objects	1,403	1,403	363	1,040
		<u>274,383</u>	<u>274,383</u>	<u>222,153</u>	<u>52,230</u>
254	Operation and maintenance of plant				
100	Salaries	1,056,891	1,056,891	1,016,783	40,108
200	Employee benefits	377,359	377,359	344,844	32,515
300	Purchased services	671,865	766,144	868,367	(102,223)
321	Public utilities	60,522	60,522	66,504	(5,982)
400	Supplies and materials	236,105	241,105	238,849	2,256
470	Energy	763,703	763,703	404,435	359,268
500	Capital outlay	8,275	8,275	19,320	(11,045)
570	Depreciation	155,880	155,880	-	155,880
600	Other objects	504	504	-	504
		<u>3,331,104</u>	<u>3,430,383</u>	<u>2,959,102</u>	<u>471,281</u>
255	Student transportation				
100	Salaries	593,378	593,378	717,679	(124,301)
200	Employee benefits	126,612	126,612	155,529	(28,917)
300	Purchased services	8,034	10,599	5,618	4,981
400	Supplies and materials	807	807	2,910	(2,103)
500	Capital outlay	2,784	2,784	-	2,784
600	Other objects	27,408	27,408	28,148	(740)
		<u>759,023</u>	<u>761,588</u>	<u>909,884</u>	<u>(148,296)</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
250	Finance and operations services				
258	Security				
300	Purchased services	63,593	63,593	117,776	(54,183)
400	Supplies and materials	4,930	4,930	2,329	2,601
		<u>68,523</u>	<u>68,523</u>	<u>120,105</u>	<u>(51,582)</u>
	Total finance and operation services	<u>4,433,033</u>	<u>4,534,877</u>	<u>4,211,244</u>	<u>323,633</u>
260	Central support services				
263	Information services				
100	Salaries	31,864	31,864	13,653	18,211
200	Employee benefits	4,558	4,558	4,519	39
		<u>36,422</u>	<u>36,422</u>	<u>18,172</u>	<u>18,250</u>
264	Staff services				
100	Salaries	62,942	62,942	98,535	(35,593)
200	Employee benefits	17,691	17,691	31,436	(13,745)
300	Purchased services	4,339	4,339	16,106	(11,767)
400	Supplies and materials	4,909	4,909	3,882	1,027
600	Other objects	1,124	1,124	1,198	(74)
		<u>91,005</u>	<u>91,005</u>	<u>151,157</u>	<u>(60,152)</u>
266	Technology and data processing services				
100	Salaries	350,542	350,542	277,741	72,801
200	Employee benefits	87,955	87,955	69,864	18,091
300	Purchased services	43,224	43,224	32,982	10,242
400	Supplies and materials	54,010	54,010	113,216	(59,206)
600	Other objects	-	-	110	(110)
		<u>535,731</u>	<u>535,731</u>	<u>493,913</u>	<u>41,818</u>
	Total central support services	<u>663,158</u>	<u>663,158</u>	<u>663,242</u>	<u>(84)</u>
270	Support services pupil activity				
271	Pupil services activities				
100	Salaries	145,096	145,096	136,585	8,511
200	Employee benefits	23,761	23,761	27,587	(3,826)
300	Purchased services	-	-	3,280	(3,280)
600	Other objects	13,388	13,388	36,767	(23,379)
		<u>182,245</u>	<u>182,245</u>	<u>204,219</u>	<u>(21,974)</u>
	Total support services pupil activity	<u>182,245</u>	<u>182,245</u>	<u>204,219</u>	<u>(21,974)</u>
	Total support services	<u>10,515,855</u>	<u>10,617,699</u>	<u>9,819,428</u>	<u>798,271</u>
<b>300</b>	<b>COMMUNITY SERVICES</b>				
390	Other community services				
200	Employee benefits	1,000	1,000	947	53
400	Supplies and materials	1,500	1,500	-	1,500
		<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>
	Total other community services	<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>
	Total community services	<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule A-1**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>410</b>	<b>INTERGOVERNMENTAL EXPENDITURES</b>				
411	Payments to the State Department of Education				
	720 Transits	70,000	70,000	34,614	35,386
412	Payments to the Other Governmental Units				
	720 Transits	118,053	118,053	130,776	(12,723)
416	Payments to public charter school				
	720 Transits	<u>2,248,014</u>	<u>2,248,014</u>	<u>2,126,817</u>	<u>121,197</u>
	Total intergovernmental expenditures	<u>2,436,067</u>	<u>2,436,067</u>	<u>2,292,207</u>	<u>143,860</u>
<b>500</b>	<b>DEBT SERVICE</b>				
500	Debt Service				
	610 Redemption of principal	-	-	171,249	(171,249)
	620 Interest	-	-	<u>236,228</u>	<u>(236,228)</u>
	Total debt service expenditures	<u>-</u>	<u>-</u>	<u>407,477</u>	<u>(407,477)</u>
	Total expenditures	<u>27,293,160</u>	<u>27,395,004</u>	<u>26,515,374</u>	<u>879,630</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
5220	Transfer from special revenue fund	1,100,000	1,100,000	-	1,100,000
5230	Transfer from special revenue EIA fund	667,688	667,688	493,435	174,253
5280	Transfer from other funds indirect cost	80,000	80,000	134,987	(54,987)
5300	Loss on disposal of fixed assets	-	-	(2,131)	2,131
5400	Proceeds from notes	-	-	251,734	(251,734)
421-710	Transfer to special revenue fund	(75,000)	(75,000)	(97,515)	22,515
422-710	Transfer to special revenue EIA fund	(124,445)	(124,445)	(333,376)	208,931
424-710	Transfer to school building fund	-	-	(103,601)	103,601
425-710	Transfer to food service fund	<u>(230,000)</u>	<u>(230,000)</u>	<u>(282,096)</u>	<u>52,096</u>
	Total other financing sources	<u>1,418,243</u>	<u>1,418,243</u>	<u>61,437</u>	<u>1,356,806</u>
	Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (70,272)</u>	<u>\$ (172,116)</u>	<u>516,703</u>	<u>\$ (688,819)</u>
<b>FUND BALANCE, beginning of year</b>				<u>3,903,309</u>	
<b>FUND BALANCE, end of year</b>				<u><u>\$ 4,420,012</u></u>	

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>					
1000	Revenue from local sources				
1100	Taxes				
	1110 Ad valorem taxes-including delinquent	\$ 8,271,012	\$ 8,271,012	\$ 8,518,983	\$ 247,971
1300	Tuition				
	1310 From patrons for regular day school	-	-	5,100	5,100
	1330 From patrons for adult/continuing ed	-	-	1,541	1,541
1400	Transportation fees				
	1410 From patrons for regular day school	-	-	7,089	7,089
1500	Earnings on investments				
	1510 Interest on investments	-	-	1,528	1,528
1900	Other revenue from local sources				
	1910 Rentals	-	-	2,885	2,885
	1990 Miscellaneous local revenue	123,264	123,264	3,578	(119,686)
	1999 Revenue from other local sources	-	-	230,291	230,291
	Total local sources	<u>8,394,276</u>	<u>8,394,276</u>	<u>8,770,995</u>	<u>376,719</u>
3000	Revenue from state sources				
3100	Restricted state funding				
	3113 12-month agriculture program	15,000	15,000	14,033	(967)
3129	Consolidated funding	-	-	120,828	120,828
3130	Special programs				
	3131 Handicapped transportation	-	-	658	658
	3132 Home schooling	-	-	1,211	1,211
3160	School bus driver's salary	261,244	261,244	310,644	49,400
	3162 Transportation workers' compensation	-	-	27,980	27,980
3180	Fringe benefits employer contributions	3,739,269	3,739,269	3,272,296	(466,973)
	3181 Retiree insurance	-	-	560,413	560,413
3197	Text book cost savings	-	-	103,084	103,084
3300	Education Finance Act				
	3310 Full-time programs				
	3311 Kindergarten	348,111	348,111	446,759	98,648
	3312 Primary	1,175,404	1,175,404	1,104,780	(70,624)
	3313 Elementary	1,632,970	1,632,970	1,650,154	17,184
	3314 High school	751,610	751,610	750,597	(1,013)
	3315 Trainable mentally handicapped	20,632	20,632	27,703	7,071
	3316 Speech handicapped	441,508	441,508	417,858	(23,650)
	3317 Homebound	11,389	11,389	28,406	17,017
	3320 Part-time programs				
	3321 Emotionally handicapped	47,294	47,294	57,361	10,067
	3322 Educable mentally handicapped	98,365	98,365	119,557	21,192
	3323 Learning disabilities	777,105	777,105	825,362	48,257
	3324 Hearing handicapped	9,380	9,380	11,565	2,185
	3325 Visually handicapped	6,605	6,605	2,882	(3,723)
	3326 Orthopedically handicapped	2,622	2,622	5,432	2,810
	3327 Vocational	921,497	921,497	941,844	20,347

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>REVENUES, Continued</b>					
3000	Revenue from state sources, continued				
3300	Education Finance Act, continued				
	3330 Other EFA programs				
	3331 Autism	25,860	25,860	27,373	1,513
3800	State revenue in lieu of taxes				
	3810 Reimbursement for local property tax relief	1,553,034	1,553,034	1,553,034	-
	3820 Homestead exemption	532,741	532,741	532,741	-
	3825 Reimbursement for property tax relief	2,656,244	2,656,244	2,661,832	5,588
	3830 Merchants inventory tax	50,000	50,000	49,590	(410)
	3840 Manufacturers depreciation reimbursement	120,000	120,000	140,184	20,184
	3890 Other state property tax revenues	105,000	105,000	115,423	10,423
3900	Other state revenue				
	3999 Revenue from other state sources	-	-	21,269	21,269
	Total state sources	<u>15,302,884</u>	<u>15,302,884</u>	<u>15,902,853</u>	<u>599,969</u>
4000	Revenues from federal sources				
4900	Other federal sources				
	4992 U.S. Forest Commission revenues	-	-	75,498	75,498
	Total federal sources	<u>-</u>	<u>-</u>	<u>75,498</u>	<u>75,498</u>
	<b>Total revenue all sources</b>	<b><u>\$ 23,697,160</u></b>	<b><u>\$ 23,697,160</u></b>	<b><u>\$ 24,749,346</u></b>	<b><u>\$ 1,052,186</u></b>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES</b>				
<b>100 INSTRUCTION</b>				
110 General instruction				
111 Kindergarten programs				
100 Salaries	\$ 946,099	\$ 946,099	\$ 700,825	\$ 245,274
200	327,228	327,228	217,251	109,977
400 Supplies and materials	7,568	7,568	5,096	2,472
	<u>1,280,895</u>	<u>1,280,895</u>	<u>923,172</u>	<u>357,723</u>
112 Primary programs				
100 Salaries	1,945,771	1,945,771	1,925,671	20,100
200 Employee benefits	746,280	746,280	594,947	151,333
400 Supplies and materials	37,989	37,989	1,552	36,437
	<u>2,730,040</u>	<u>2,730,040</u>	<u>2,522,170</u>	<u>207,870</u>
113 Elementary programs				
100 Salaries	3,030,005	3,030,005	3,187,217	(157,212)
200 Employee benefits	1,093,436	1,093,436	964,383	129,053
300 Purchased services	17,612	17,612	23,501	(5,889)
400 Supplies and materials	49,567	49,567	111,219	(61,652)
600 Other objects	805	805	150	655
	<u>4,191,425</u>	<u>4,191,425</u>	<u>4,286,470</u>	<u>(95,045)</u>
114 High school programs				
100 Salaries	1,763,311	1,763,311	1,751,123	12,188
200 Employee benefits	560,382	560,382	533,843	26,539
300 Purchased services	11,536	11,536	6,590	4,946
400 Supplies and materials	34,799	34,799	21,299	13,500
	<u>2,370,028</u>	<u>2,370,028</u>	<u>2,312,855</u>	<u>57,173</u>
115 Vocational programs				
100 Salaries	626,159	626,159	585,975	40,184
200 Employee benefits	191,448	191,448	184,132	7,316
300 Purchased services	815	815	461	354
400 Supplies and materials	12,809	12,809	27,321	(14,512)
500 Capital outlay	1,864	1,864	1,864	-
	<u>833,095</u>	<u>833,095</u>	<u>799,753</u>	<u>33,342</u>
118 Montessori programs				
200 Employee benefits	-	-	3,015	(3,015)
	<u>-</u>	<u>-</u>	<u>3,015</u>	<u>(3,015)</u>
Total general instruction	<u>11,405,483</u>	<u>11,405,483</u>	<u>10,847,435</u>	<u>558,048</u>
120 Exceptional programs				
121 Educable mentally handicapped				
100 Salaries	176,619	176,619	167,334	9,285
200 Employee benefits	78,747	78,747	56,279	22,468
	<u>255,366</u>	<u>255,366</u>	<u>223,613</u>	<u>31,753</u>
122 Trainable mentally handicapped				
100 Salaries	44,138	44,138	33,869	10,269
200 Employee benefits	16,933	16,933	15,728	1,205
	<u>61,071</u>	<u>61,071</u>	<u>49,597</u>	<u>11,474</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>100</b>	<b>INSTRUCTION, Continued</b>				
120	Exceptional programs				
126	Speech handicapped				
100	Salaries	171,635	171,635	136,031	35,604
200	Employee benefits	55,999	55,999	36,598	19,401
300	Purchased services	86,594	86,594	147,377	(60,783)
		<u>314,228</u>	<u>314,228</u>	<u>320,006</u>	<u>(5,778)</u>
127	Learning disabilities				
100	Salaries	920,583	920,583	886,621	33,962
200	Employee benefits	276,761	276,761	275,304	1,457
		<u>1,197,344</u>	<u>1,197,344</u>	<u>1,161,905</u>	<u>35,439</u>
128	Emotionally handicapped				
100	Salaries	98,644	98,644	86,209	12,435
200	Employee benefits	34,192	34,192	26,591	7,601
		<u>132,836</u>	<u>132,836</u>	<u>112,800</u>	<u>20,036</u>
	Total exceptional programs	<u>1,960,845</u>	<u>1,960,845</u>	<u>1,867,921</u>	<u>92,924</u>
130	Preschool programs				
137	Pre-school handicapped - self contained				
100	Salaries	63,671	63,671	44,255	19,416
200	Employee benefits	26,009	26,009	13,617	12,392
		<u>89,680</u>	<u>89,680</u>	<u>57,872</u>	<u>31,808</u>
139	Early childhood programs				
100	Salaries	-	-	107	(107)
200	Employee benefits	-	-	8	(8)
300	Purchased services	-	-	(11,350)	11,350
		<u>-</u>	<u>-</u>	<u>(11,235)</u>	<u>11,235</u>
	Total preschool programs	<u>89,680</u>	<u>89,680</u>	<u>46,637</u>	<u>43,043</u>
140	Special programs				
141	Gifted and talented - academic				
600	Other objects	257	257	-	257
		<u>257</u>	<u>257</u>	<u>-</u>	<u>257</u>
145	Homebound				
100	Salaries	16,000	16,000	49,653	(33,653)
200	Employee benefits	3,026	3,026	8,195	(5,169)
		<u>19,026</u>	<u>19,026</u>	<u>57,848</u>	<u>(38,822)</u>
149	Other special programs				
100	Salaries	25,448	25,448	17,305	8,143
200	Employee benefits	14,776	14,776	4,966	9,810
		<u>40,224</u>	<u>40,224</u>	<u>22,271</u>	<u>17,953</u>
	Total special programs	<u>59,507</u>	<u>59,507</u>	<u>80,119</u>	<u>(20,612)</u>



**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES, Continued</b>				
<b>100 INSTRUCTION, Continued</b>				
170 Summer school program				
175 Instruction programs beyond regular school day				
100 Salaries	-	-	13,465	(13,465)
200 Employee benefits	-	-	2,892	(2,892)
400 Supplies and materials	-	-	180	(180)
	-	-	16,537	(16,537)
Total summer school programs	-	-	16,537	(16,537)
180 Adult/continuing educational programs				
181 Adult basic education programs				
400 Supplies and materials	2,300	2,300	2,300	-
	2,300	2,300	2,300	-
182 Adult secondary education programs				
100 Salaries	226	226	226	-
200 Employee benefits	49	49	49	-
400 Supplies and materials	69	69	69	-
	344	344	344	-
188 Parenting/family literacy				
100 Salaries	-	-	4,159	(4,159)
200 Employee benefits	-	-	1,045	(1,045)
	-	-	5,204	(5,204)
Total adult/continuing educational programs	2,644	2,644	7,848	(5,204)
190 Instructional pupil activity				
600 Other objects	-	-	1,793	(1,793)
	-	-	1,793	(1,793)
Total instruction	13,518,159	13,518,159	12,868,290	649,869
<b>200 SUPPORT SERVICES</b>				
210 Pupil services				
211 Attendance and social work services				
100 Salaries	13,272	13,272	18,065	(4,793)
200 Employee benefits	5,213	5,213	5,151	62
300 Purchased services	9,383	9,383	(65,349)	74,732
400 Supplies and materials	58	58	-	58
600 Other objects	65	65	-	65
	27,991	27,991	(42,133)	70,124
212 Guidance services				
100 Salaries	370,337	370,337	374,087	(3,750)
200 Employee benefits	114,442	114,442	111,194	3,248
300 Purchased services	1,457	1,457	1,330	127
400 Supplies and materials	2,383	2,383	2,487	(104)
	488,619	488,619	489,098	(479)
213 Health services				
100 Salaries	205,448	205,448	188,345	17,103
200 Employee benefits	65,871	65,871	62,340	3,531
300 Purchased services	5,812	5,812	1,706	4,106
400 Supplies and materials	11,657	11,657	12,619	(962)
600 Other objects	252	252	-	252
	289,040	289,040	265,010	24,030

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
214	Psychological services				
100	Salaries	62,616	62,616	60,827	1,789
200	Employee benefits	18,144	18,144	18,203	(59)
400	Supplies and materials	58	58	-	58
600	Other objects	357	357	-	357
		<u>81,175</u>	<u>81,175</u>	<u>79,030</u>	<u>2,145</u>
	Total pupil services	<u>886,825</u>	<u>886,825</u>	<u>791,005</u>	<u>95,820</u>
220	Instructional staff services				
221	Improvement of instruction - Curriculum development				
100	Salaries	65,370	65,370	98,000	(32,630)
200	Employee benefits	26,085	26,085	19,886	6,199
300	Purchased services	21,889	21,889	15,400	6,489
400	Supplies and materials	53,520	53,520	2,564	50,956
600	Other objects	1,565	1,565	514	1,051
		<u>168,429</u>	<u>168,429</u>	<u>136,364</u>	<u>32,065</u>
222	Library and media services				
100	Salaries	369,507	369,507	363,907	5,600
200	Employee benefits	127,944	127,944	125,582	2,362
400	Supplies and materials	24,584	24,584	23,705	879
		<u>522,035</u>	<u>522,035</u>	<u>513,194</u>	<u>8,841</u>
223	Supervision of special programs				
100	Salaries	-	-	13,607	(13,607)
200	Employee benefits	-	-	2,770	(2,770)
400	Employee benefits	-	-	931	(931)
		<u>-</u>	<u>-</u>	<u>17,308</u>	<u>(17,308)</u>
224	Improvement of instruction - Inservice and staff training				
300	Purchased services	7,252	7,252	5,320	1,932
400	Supplies and materials	1,339	1,339	3,473	(2,134)
		<u>8,591</u>	<u>8,591</u>	<u>8,793</u>	<u>(202)</u>
	Total instructional staff services	<u>699,055</u>	<u>699,055</u>	<u>675,659</u>	<u>23,396</u>
230	General administration services				
231	Board of education				
100	Salaries	31,410	31,410	25,634	5,776
200	Employee benefits	18,132	18,132	38,443	(20,311)
300	Purchased services	40,797	40,797	30,149	10,648
318	Audit services	28,500	28,500	25,350	3,150
400	Supplies and materials	580	580	274	306
600	Other objects	138,911	138,911	86,861	52,050
		<u>258,330</u>	<u>258,330</u>	<u>206,711</u>	<u>51,619</u>
232	Office of the superintendent				
100	Salaries	185,381	185,381	187,742	(2,361)
200	Employee benefits	52,808	52,808	52,324	484
300	Purchased services	2,467	2,467	8,156	(5,689)
400	Supplies and materials	15,839	15,839	11,577	4,262
600	Other objects	1,140	1,140	720	420
		<u>257,635</u>	<u>257,635</u>	<u>260,519</u>	<u>(2,884)</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES, Continued</b>				
<b>200 SUPPORT SERVICES, Continued</b>				
230 General administration services				
233 School administration				
100 Salaries	1,666,204	1,666,204	1,637,358	28,846
200 Employee benefits	533,007	533,007	498,848	34,159
300 Purchased services	14,654	14,654	6,249	8,405
400 Supplies and materials	21,395	21,395	22,306	(911)
600 Other objects	8,657	8,657	3,137	5,520
	<u>2,243,917</u>	<u>2,243,917</u>	<u>2,167,898</u>	<u>76,019</u>
Total general administration services	<u>2,759,882</u>	<u>2,759,882</u>	<u>2,635,128</u>	<u>124,754</u>
250 Finance and operations services				
252 Fiscal services				
100 Salaries	191,429	191,429	139,338	52,091
200 Employee benefits	57,272	57,272	39,972	17,300
300 Purchased services	13,578	13,578	31,409	(17,831)
400 Supplies and materials	10,701	10,701	11,071	(370)
600 Other objects	1,403	1,403	363	1,040
	<u>274,383</u>	<u>274,383</u>	<u>222,153</u>	<u>52,230</u>
254 Operation and maintenance of plant				
100 Salaries	1,030,369	1,030,369	990,260	40,109
200 Employee benefits	377,359	377,359	344,539	32,820
300 Purchased services	608,365	702,644	799,492	(96,848)
321 Public utilities	60,522	60,522	66,504	(5,982)
400 Supplies and materials	228,105	233,105	231,547	1,558
470 Energy	697,703	697,703	338,824	358,879
500 Capital outlay	5,000	5,000	7,474	(2,474)
600 Other objects	504	504	-	504
	<u>3,007,927</u>	<u>3,107,206</u>	<u>2,778,640</u>	<u>328,566</u>
255 Student transportation				
100 Salaries	593,378	593,378	717,679	(124,301)
200 Employee benefits	126,612	126,612	155,529	(28,917)
300 Purchased services	7,034	9,599	3,229	6,370
400 Supplies and materials	807	807	2,910	(2,103)
500 Capital outlay	2,784	2,784	-	2,784
600 Other objects	27,408	27,408	28,148	(740)
	<u>758,023</u>	<u>760,588</u>	<u>907,495</u>	<u>(146,907)</u>
258 Security				
300 Purchased services	63,593	63,593	117,776	(54,183)
400 Supplies and materials	4,930	4,930	2,329	2,601
	<u>68,523</u>	<u>68,523</u>	<u>120,105</u>	<u>(51,582)</u>
Total finance and operation services	<u>4,108,856</u>	<u>4,210,700</u>	<u>4,028,393</u>	<u>182,307</u>
260 Central support services				
263 Information services				
100 Purchased services	31,864	31,864	13,653	18,211
200 Supplies and materials	4,558	4,558	4,519	39
	<u>36,422</u>	<u>36,422</u>	<u>18,172</u>	<u>18,250</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
260	Central support services, Continued				
264	Staff services				
100	Salaries	62,942	62,942	98,535	(35,593)
200	Employee benefits	17,691	17,691	31,436	(13,745)
300	Purchased services	4,339	4,339	16,106	(11,767)
400	Supplies and materials	4,909	4,909	3,882	1,027
600	Other objects	1,124	1,124	1,198	(74)
		<u>91,005</u>	<u>91,005</u>	<u>151,157</u>	<u>(60,152)</u>
266	Technology and data processing services				
100	Salaries	304,923	304,923	232,122	72,801
200	Employee benefits	87,955	87,955	69,864	18,091
300	Purchased services	43,224	43,224	32,982	10,242
400	Supplies and materials	54,010	54,010	113,216	(59,206)
600	Other objects	-	-	110	(110)
		<u>490,112</u>	<u>490,112</u>	<u>448,294</u>	<u>41,818</u>
	Total central support services	<u>617,539</u>	<u>617,539</u>	<u>617,623</u>	<u>(84)</u>
270	Support services pupil activity				
271	Pupil services activities				
100	Salaries	145,096	145,096	136,585	8,511
200	Employee benefits	23,761	23,761	27,587	(3,826)
600	Other objects	13,388	13,388	16,642	(3,254)
		<u>182,245</u>	<u>182,245</u>	<u>180,814</u>	<u>1,431</u>
	Total support services pupil activity	<u>182,245</u>	<u>182,245</u>	<u>180,814</u>	<u>1,431</u>
	Total support services	<u>9,254,402</u>	<u>9,356,246</u>	<u>8,928,622</u>	<u>427,624</u>
<b>300</b>	<b>COMMUNITY SERVICES</b>				
390	Other community services				
200	Employee benefits	2,500	2,500	947	1,553
		<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>
	Total other community services	<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>
	Total community services	<u>2,500</u>	<u>2,500</u>	<u>947</u>	<u>1,553</u>
<b>410</b>	<b>INTERGOVERNMENTAL EXPENDITURES</b>				
411	Payments to the State Department of Education				
720	Transits	70,000	70,000	34,614	35,386
412	Payments to the State Department of Education				
720	Transits	118,053	118,053	130,776	(12,723)
416	Payments to public charter school				
720	Transits	2,248,014	2,248,014	2,126,817	121,197
		<u>2,248,014</u>	<u>2,248,014</u>	<u>2,126,817</u>	<u>121,197</u>
	Total intergovernmental expenditures	<u>2,436,067</u>	<u>2,436,067</u>	<u>2,292,207</u>	<u>143,860</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-2**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>500</b>	<b>DEBT SERVICE</b>				
500	Debt Service				
620	Interest	-	-	2,928	(2,928)
	Total debt service expenditures	-	-	2,928	(2,928)
	Total expenditures	25,211,128	25,312,972	24,092,994	1,219,978
<b>OTHER FINANCING SOURCES (USES)</b>					
5220	Transfer from special revenue fund	1,100,000	1,100,000	-	(1,100,000)
5230	Transfer from special revenue EIA fund	667,688	667,688	493,435	(174,253)
5280	Transfer from other funds indirect cost	80,000	80,000	134,987	54,987
421-710	Transfer to special revenue fund	(75,000)	(75,000)	(97,515)	(22,515)
422-710	Transfer to special revenue EIA fund	(124,445)	(124,445)	(333,376)	(208,931)
424-710	Transfer to school building fund	-	-	(103,601)	(103,601)
425-710	Transfer to food service fund	(230,000)	(230,000)	(282,096)	(52,096)
	Total other financing sources (uses)	1,418,243	1,418,243	(188,166)	(1,606,409)
	Excess of revenues and other financing sources under expenditures and other financing uses	<b>\$ (95,725)</b>	<b>\$ (197,569)</b>	468,186	<b>\$ 665,755</b>
<b>FUND BALANCE, beginning of year</b>				3,880,999	
<b>FUND BALANCE, end of year</b>				<b>\$ 4,349,185</b>	

**FOX CREEK HIGH SCHOOL**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-3**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>					
1000	Revenue from local sources				
1300	Tuition				
1310	From patrons for regular day school	\$ 58,000	\$ 58,000	\$ 57,473	\$ (527)
1700	Pupil activities				
1740	Student fees	12,750	12,750	40,486	27,736
1900	Other revenue from local sources				
1920	Contributions and donations from private sources	-	-	2,472	2,472
1999	Revenue from other local sources	6,000	6,000	3,629	(2,371)
	Total local sources	<u>76,750</u>	<u>76,750</u>	<u>104,060</u>	<u>27,310</u>
2000	Intergovernmental revenue				
2100	Payments from other governmental units	<u>2,030,735</u>	<u>2,030,735</u>	<u>2,117,234</u>	<u>86,499</u>
	Total local sources	<u>2,030,735</u>	<u>2,030,735</u>	<u>2,117,234</u>	<u>86,499</u>
	Total revenue all sources	<u>2,107,485</u>	<u>2,107,485</u>	<u>2,221,294</u>	<u>113,809</u>
<b>EXPENDITURES</b>					
100	<b>INSTRUCTION</b>				
110	General instruction				
114	High school programs				
100	Salaries	747,245	747,245	804,955	(57,710)
200	Employee benefits	-	-	247,332	(247,332)
300	Purchased services	4,384	4,384	3,120	1,264
400	Supplies and materials	11,950	11,950	20,694	(8,744)
500	Capital outlay	-	-	11,720	(11,720)
		<u>763,579</u>	<u>763,579</u>	<u>1,087,821</u>	<u>(324,242)</u>
	Total general instruction	<u>763,579</u>	<u>763,579</u>	<u>1,087,821</u>	<u>(324,242)</u>
120	Exceptional programs				
121	Educable mentally handicapped				
100	Salaries	55,112	55,112	39,040	16,072
200	Employee benefits	1,888	1,888	-	1,888
400	Supplies and materials	-	-	164	(164)
		<u>57,000</u>	<u>57,000</u>	<u>39,204</u>	<u>17,796</u>
	Total exceptional programs	<u>57,000</u>	<u>57,000</u>	<u>39,204</u>	<u>17,796</u>
	Total instruction	<u>820,579</u>	<u>820,579</u>	<u>1,127,025</u>	<u>(306,446)</u>
200	<b>SUPPORT SERVICES</b>				
210	Pupil services				
211	Attendance and social work services				
100	Salaries	93,949	93,949	-	93,949
300	Purchased services	60	60	-	60
400	Supplies and materials	1,250	1,250	-	1,250
		<u>95,259</u>	<u>95,259</u>	<u>-</u>	<u>95,259</u>
212	Guidance services				
100	Salaries	-	-	104,806	(104,806)
300	Purchased services	-	-	520	(520)
400	Supplies and materials	-	-	489	(489)
		<u>-</u>	<u>-</u>	<u>105,815</u>	<u>(105,815)</u>
213	Health services				
400	Supplies and materials	100	100	30	70
		<u>100</u>	<u>100</u>	<u>30</u>	<u>70</u>
	Total pupil services	<u>95,359</u>	<u>95,359</u>	<u>105,845</u>	<u>(10,486)</u>

**FOX CREEK HIGH SCHOOL**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-3**

		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES, Continued</b>					
<b>200</b>	<b>SUPPORT SERVICES, Continued</b>				
230	General administration services				
233	School administration				
100	Salaries	297,168	297,168	287,467	9,701
200	Employee benefits	429,493	429,493	174,487	255,006
300	Purchased services	39,380	39,380	47,361	(7,981)
400	Supplies and materials	16,000	16,000	20,200	(4,200)
500	Capital outlay	-	-	20	(20)
600	Other objects	14,257	14,257	3,550	10,707
		<u>796,298</u>	<u>796,298</u>	<u>533,085</u>	<u>263,213</u>
	Total general administration services	<u>796,298</u>	<u>796,298</u>	<u>533,085</u>	<u>263,213</u>
250	Finance and operations services				
254	Operation and maintenance of plant				
100	Salaries	26,522	26,522	26,523	(1)
200	Employee benefits			305	(305)
300	Purchased services	63,500	63,500	68,875	(5,375)
400	Supplies and materials	8,000	8,000	7,302	698
470	Energy	66,000	66,000	65,611	389
570	Depreciation	155,880	155,880	-	155,880
500	Capital outlay	3,275	3,275	11,846	(8,571)
		<u>323,177</u>	<u>323,177</u>	<u>180,462</u>	<u>142,715</u>
255	Student transportation				
300	Purchased services	1,000	1,000	2,389	(1,389)
		<u>1,000</u>	<u>1,000</u>	<u>2,389</u>	<u>(1,389)</u>
	Total finance and operation services	<u>324,177</u>	<u>324,177</u>	<u>182,851</u>	<u>141,326</u>
260	Central support services				
266	Technology and data processing services				
100	Salaries	45,619	45,619	45,619	-
		<u>45,619</u>	<u>45,619</u>	<u>45,619</u>	<u>-</u>
	Total central support services	<u>45,619</u>	<u>45,619</u>	<u>45,619</u>	<u>-</u>
270	Support services pupil activity				
271	Pupil services activities				
300	Purchased services	-	-	3,280	(3,280)
600	Other objects	-	-	20,125	(20,125)
		<u>-</u>	<u>-</u>	<u>23,405</u>	<u>(23,405)</u>
	Total support services pupil activity	<u>-</u>	<u>-</u>	<u>23,405</u>	<u>(23,405)</u>
	Total support services	<u>1,261,453</u>	<u>1,261,453</u>	<u>890,805</u>	<u>370,648</u>

**FOX CREEK HIGH SCHOOL**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the fiscal year ended June 30, 2011**

**Schedule A-3**

		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
<b>EXPENDITURES, Continued</b>					
<b>500</b>	<b>DEBT SERVICE</b>				
500	Debt Service				
610	Redemption of principal	-	-	171,249	(171,249)
620	Interest	-	-	233,300	(233,300)
	Total debt service	-	-	404,549	(404,549)
	Total expenditures	2,082,032	2,082,032	2,422,379	(340,347)
<b>OTHER FINANCING SOURCES</b>					
5300	Loss on disposal of capital assets			(2,131)	2,131
5400	Proceeds from long-term notes	-	-	251,734	(251,734)
	Total other financing sources	-	-	249,603	(249,603)
	Excess of revenues and other financing sources under expenditures and other financing uses	\$ 25,453	\$ 25,453	48,518	\$ 23,065
<b>FUND BALANCE, beginning of year</b>				22,310	
<b>FUND BALANCE, end of year</b>				<b>\$ 70,828</b>	



## SCHEDULE B

### SPECIAL REVENUE FUNDS

The special revenue funds are used to record revenues derived from the State of South Carolina and the federal government, certain of which require matching revenues from local sources, which are required to finance particular activities. Separate revenues, expenditures and changes in fund balances are set forth for various reporting requirements.

During 1984, the state legislature passed the Education Improvement Act (EIA) to upgrade the quality of education in South Carolina. Because of the categorical nature of the revenues, the state requires that revenues and expenditures be accounted for in a separate fund. Accordingly, the EIA Fund is reported as a special revenue fund.

The Special Projects Fund is used to account for all federal, state and local projects except for those subject to the Education Improvement Act.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>REVENUES</b>										
1000	Revenues from local sources									
1920	Contributions and donations private sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,550	\$ 6,550
1930	Medicaid	-	-	-	-	-	-	-	276,158	276,158
	Total local sources	-	-	-	-	-	-	-	282,708	282,708
2000	Intergovernmental revenue									
2100	Payments from other government units	-	-	-	-	-	-	46,023	-	46,023
	Total intergovernmental revenue	-	-	-	-	-	-	46,023	-	46,023
3000	Revenue from state sources									
3100	Restricted state funding									
3110	Occupational education									
3116	EEDA - misc.	-	-	-	-	-	-	19,063	-	19,063
3117	EEDA 8th grade awareness	-	-	-	-	-	-	3,566	-	3,566
3118	EEDA Career specialists	-	-	-	-	-	-	126,227	-	126,227
3120	General education									
3125	Career and technology education equipment	-	-	-	-	-	-	91,788	-	91,788
3127	Student health and fitness	-	-	-	-	-	-	41,835	-	41,835
3128	High schools that work/Making middle grades work	-	-	-	-	-	-	2,817	-	2,817
3130	Special programs									
3136	Student health and fitness	-	-	-	-	-	-	117,870	-	117,870
3150	Young adult education									
3152										
3190	Miscellaneous restricted state grants									
3199	Other restricted state grants	-	-	-	-	-	-	-	190	190
3600	Education lottery act revenue									
3607	6-8 enhancement	-	-	-	-	-	-	18,666	-	18,666
3610	K-5 enhancement	-	-	-	-	-	-	338,136	-	338,136
3990	Other state revenue									
3991	ADEPT	-	-	-	-	-	-	11,544	-	11,544
	Total state sources	-	-	-	-	-	-	771,512	190	771,702

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

	Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>REVENUES, Continued</b>									
4000 Revenues from federal sources									
4200 Occupational education									
4210 Vocational aid, Title I	-	-	-	68,688	-	-	-	-	68,688
4300 Elementary and Secondary Education Act of 1965									
4310 Title I	945,004	-	-	-	-	-	-	46,648	991,652
4312 Rural and low-income school Title I basic state grant programs	-	-	-	-	-	-	-	53,823	53,823
4316 School improvement discretionary (ARRA)	-	-	-	-	-	-	-	29,086	29,086
4331 Enhancing education through technology, Title II	-	-	-	-	-	-	-	990	990
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	-	1,832	1,832
4348 TAP Grant	-	-	-	-	-	-	-	355,079	355,079
4350 State fiscal stabilization fund (ARRA)	-	-	-	-	-	-	-	1,306,112	1,306,112
4351 Improving teacher quality	-	-	-	-	-	-	-	196,170	196,170
4400 Adult education									
4410 Basic adult education	-	-	-	-	-	120,129	-	-	120,129
4430 State literacy resource	-	-	-	-	-	5,000	-	-	5,000
4500 Programs for children with disabilities									
4510 IDEA	-	861,092	-	-	-	-	-	-	861,092
4520 Pre-School Grants	-	-	46,394	-	-	-	-	-	46,394
4540 IDEA (ARRA 611)	-	-	-	-	-	-	-	468,243	468,243
4550 IDEA preschool (ARRA 619)	-	-	-	-	-	-	-	37,860	37,860
4900 Other federal sources									
4920 Drug and violence prevention, Title IV	-	-	-	-	11,881	-	-	-	11,881
4999 Revenue from other federal sources	-	-	-	-	-	-	-	1,395,181	1,395,181
Total federal sources	945,004	861,092	46,394	68,688	11,881	125,129	-	3,891,024	5,949,212
Total revenue all sources	945,004	861,092	46,394	68,688	11,881	125,129	817,535	4,173,922	7,049,645

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>100</b>	<b>EXPENDITURES</b>									
	<b>INSTRUCTION</b>									
	110 General instruction									
	111 Kindergarten programs									
	100 Salaries	-	-	-	-	-	-	-	233,771	233,771
	200 Employee benefits	-	-	-	-	-	-	-	82,551	82,551
	112 Primary programs									
	100 Salaries	63,508	-	-	-	-	-	157,641	142,492	363,641
	200 Employee benefits	19,310	-	-	-	-	-	56,434	46,758	122,502
	300 Purchased services	-	-	-	-	-	-	-	1,683	1,683
	400 Supplies and materials	-	-	-	-	-	-	55,338	11,300	66,638
	113 Elementary programs									
	100 Salaries	126,843	20,208	-	-	-	-	101,900	98,262	347,213
	200 Employee benefits	48,900	8,170	-	-	-	-	40,627	47,351	145,048
	300 Purchased services	37,349	-	-	-	-	-	-	2,515	39,864
	400 Supplies and materials	58,963	-	-	-	-	-	17,872	57,856	134,691
	114 High school programs									
	100 Salaries	-	36,147	-	-	-	-	-	243,250	279,397
	200 Employee benefits	-	10,117	-	-	-	-	-	70,291	80,408
	300 Purchased services	-	-	-	-	-	-	-	4,500	4,500
	115 Vocational programs									
	100 Salaries	-	37,244	-	23,156	-	-	-	-	60,400
	200 Employee benefits	-	11,013	-	686	-	-	-	-	11,699
	400 Supplies and materials	-	-	-	-	-	-	37,260	-	37,260
	500 Capital outlay	-	-	-	-	-	-	54,528	-	54,528
	118 Montessori programs									
	100 Salaries	-	-	-	-	-	-	-	45,740	45,740
	200 Employee benefits	-	-	-	-	-	-	-	16,557	16,557
	120 Exceptional programs									
	121 Educable mentally handicapped									
	100 Salaries	-	108,252	-	-	-	-	-	15,309	123,561
	200 Employee benefits	-	55,296	-	-	-	-	-	6,201	61,497
	122 Trainable mentally handicapped									
	100 Salaries	-	37,706	-	-	-	-	-	-	37,706
	200 Employee benefits	-	15,865	-	-	-	-	-	-	15,865

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>100</b>	<b>EXPENDITURES, Continued</b>									
	<b>INSTRUCTION, Continued</b>									
	120 Exceptional programs, continued									
	123 Orthopedically handicapped									
	100 Salaries	-	29,484	-	-	-	-	-	-	29,484
	200 Employee benefits	-	9,674	-	-	-	-	-	-	9,674
	124 Visually handicapped									
	300 Purchased services	-	-	-	-	-	-	-	5,660	5,660
	126 Speech handicapped									
	100 Salaries	-	5,807	-	-	-	-	-	945	6,752
	200 Employee benefits	-	1,298	-	-	-	-	-	271	1,569
	300 Purchased services	-	-	-	-	-	-	-	2,793	2,793
	400 Supplies and materials	-	-	-	-	-	-	-	4,898	4,898
	127 Learning disabilities									
	100 Salaries	-	145,899	-	-	-	-	-	7,551	153,450
	200 Employee benefits	-	48,817	-	-	-	-	-	6	48,823
	300 Purchased services	-	-	-	-	-	-	-	2,496	2,496
	400 Supplies and materials	-	-	-	-	-	-	-	127,717	127,717
	128 Emotionally handicapped									
	100 Salaries	-	33,912	-	-	-	-	-	-	33,912
	200 Employee benefits	-	13,064	-	-	-	-	-	-	13,064
	129 Coordinated early intervening services (CEIS)									
	100 Salaries	-	-	-	-	-	-	-	104,389	104,389
	200 Employee benefits	-	-	-	-	-	-	-	35,090	35,090
	400 Supplies and materials	-	-	-	-	-	-	-	1,289	1,289
	130 Pre-school programs									
	137 Pre-school handicapped - Self-contained									
	100 Salaries	-	(12,198)	34,171	-	-	-	-	48,576	70,549
	200 Employee benefits	-	4,905	10,942	-	-	-	-	12,912	28,759
	400 Supplies and materials	-	-	-	-	-	-	-	4,986	4,986
	139 Early childhood programs									
	100 Salaries	156,870	-	-	-	-	-	3,555	224,866	385,291
	200 Employee benefits	57,023	-	-	-	-	-	717	56,075	113,815
	300 Purchased services	-	-	-	-	-	-	-	116,997	116,997
	400 Supplies and materials	-	-	-	-	-	-	47	40,741	40,788

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>100</b>	<b>EXPENDITURES, Continued</b>									
	<b>INSTRUCTION, Continued</b>									
	140 Special programs									
	149 Other special programs									
	100 Salaries	34,119	-	-	-	-	-	-	132,514	166,633
	200 Employee benefits	13,342	-	-	-	-	-	-	39,896	53,238
	300 Purchased services	-	-	-	-	-	-	-	13,072	13,072
	400 Supplies and materials	-	-	-	-	-	-	-	273	273
	170 Summer school programs									
	171 Primary summer school									
	400 Supplies and materials	-	-	-	-	-	-	-	5,920	5,920
	180 Adult continuing education programs									
	181 Adult basic education programs									
	100 Salaries	-	-	-	-	-	42,902	4,002	-	46,904
	200 Employee benefits	-	-	-	-	-	17,025	838	-	17,863
	400 Supplies and materials	-	-	-	-	-	246	2,207	-	2,453
	182 Adult secondary education programs									
	100 Salaries	-	-	-	-	-	42,369	-	-	42,369
	200 Employee benefits	-	-	-	-	-	11,462	-	-	11,462
	183 Adult english literacy (ESL)									
	100 Salaries	-	-	-	-	-	6,300	-	-	6,300
	200 Employee benefits	-	-	-	-	-	1,508	-	-	1,508
	400 Supplies and materials	-	-	-	-	-	-	-	117	117
	188 Parenting/family literacy									
	100 Salaries	20,794	-	-	-	-	-	-	80,452	101,246
	200 Employee benefits	4,864	-	-	-	-	-	-	31,251	36,115
	400 Supplies and materials	3,549	-	-	-	-	-	-	-	3,549
	<b>Total instruction</b>	<b>645,434</b>	<b>620,680</b>	<b>45,113</b>	<b>23,842</b>	<b>-</b>	<b>121,812</b>	<b>532,966</b>	<b>2,228,140</b>	<b>4,217,987</b>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>200</b>	<b>EXPENDITURES, Continued</b>									
	<b>SUPPORT SERVICES</b>									
	210 Pupil services									
	211 Attendance and social work services									
	100 Salaries	-	-	-	-	3,500	-	-	-	3,500
	300 Purchased services	94,252	-	-	-	1,650	-	-	-	95,902
	400 Supplies and materials	-	-	-	-	3,231	-	-	-	3,231
	500 Capital outlay	-	-	-	-	3,500	-	-	-	3,500
	212 Guidance services									
	100 Salaries	-	-	-	22,561	-	-	-	-	22,561
	200 Employee benefits	-	-	-	6,710	-	-	-	-	6,710
	400 Supplies and materials	-	-	-	-	-	-	3,625	-	3,625
	213 Health services									
	100 Salaries	-	-	-	-	-	-	96,214	11,487	107,701
	200 Employee benefits	-	-	-	-	-	-	24,136	2,413	26,549
	300 Purchased services	-	19,000	-	-	-	-	-	20,680	39,680
	400 Supplies and materials	-	-	-	-	-	-	-	3,262	3,262
	214 Psychological services									
	300 Purchased services	-	-	-	-	-	-	-	20,482	20,482
	400 Supplies and materials	-	-	-	-	-	-	-	16,355	16,355
	217 Career specialists									
	100 Salaries	-	-	-	-	-	-	96,008	-	96,008
	200 Employee benefits	-	-	-	-	-	-	30,220	-	30,220

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>EXPENDITURES, Continued</b>										
<b>200 SUPPORT SERVICES, Continued</b>										
220	Instructional staff services									
221	Improvement of instruction - curriculum development									
100	Salaries	58,062	-	-	-	-	-	61,528	533,812	653,402
200	Employee benefits	16,629	-	-	-	-	-	18,817	147,791	183,237
300	Purchased services	5,066	-	-	-	-	-	1,030	30,938	37,034
400	Supplies and materials	-	-	-	-	-	-	186	5,301	5,487
223	Supervision of special programs									
100	Salaries	37,095	93,252	-	-	-	-	-	130,231	260,578
200	Employee benefits	18,774	25,467	-	-	-	-	-	38,785	83,026
300	Purchased services	8,004	-	-	10,188	-	-	-	39,115	57,307
400	Supplies and materials	3,282	-	-	-	-	-	916	15,073	19,271
500	Capital outlay	-	-	-	-	-	-	-	772	772
224	Improvement of instruction - inservice and staff training									
100	Salaries	-	-	-	-	-	-	21,177	40,545	61,722
200	Employee benefits	-	-	-	-	-	-	4,552	10,274	14,826
300	Purchased services	1,492	-	-	5,387	-	-	1,944	3,888	12,711
400	Supplies and materials	-	-	-	-	-	-	21,673	234	21,907
250	Finance and operations services									
251	Student transportation									
100	Salaries	9,156	15,039	-	-	-	-	-	482	24,677
200	Employee benefits	1,460	1,879	-	-	-	-	-	101	3,440
300	Purchased services	20,047	10,645	-	-	-	-	4,664	-	35,356
252	Fiscal services									
100	Salaries	-	-	-	-	-	-	-	26,323	26,323
200	Employee benefits	-	-	-	-	-	-	-	8,777	8,777
254	Operation and maintenance of plant									
300	Purchased services	-	-	-	-	-	-	-	94,701	94,701
400	Supplies and materials	-	-	-	-	-	-	-	458,800	458,800
255	Student transportation									
100	Salaries	-	1,797	-	-	-	-	1,229	50,030	53,056
200	Employee benefits	-	415	-	-	-	-	262	6,741	7,418
300	Purchased services	-	-	-	-	-	-	2,724	13,887	16,611
258	Security									
300	Purchased services	-	-	-	-	-	-	-	3,053	3,053



**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
SPECIAL REVENUE FUND**

**Schedule B -1**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(INCLUDING CHARTER SCHOOL)  
For the fiscal year ended June 30, 2011**

		Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
<b>200</b>	<b>EXPENDITURES, Continued</b>									
	<b>SUPPORT SERVICES, Continued</b>									
270	Support services - pupil activity									
271	Pupil service activities									
300	Purchased services	-	-	-	-	-	-	-	34,076	34,076
	Total support services	273,319	167,494	-	44,846	11,881	-	390,905	1,768,409	2,656,854
<b>300</b>	<b>COMMUNITY SERVICES</b>									
390	Other community services									
100	Salaries	-	-	-	-	-	-	15,000	78,600	93,600
200	Employee benefits	-	-	-	-	-	-	3,422	5,383	8,805
300	Purchased services	-	-	-	-	-	-	62	11,657	11,719
400	Supplies and materials	-	-	-	-	-	-	521	21,976	22,497
	Total community services	-	-	-	-	-	-	19,005	117,616	136,621
<b>410</b>	<b>INTERGOVERNMENTAL EXPENDITURES</b>									
416	LEA payments to public charter schools									
720	Transits	-	49,931	-	-	-	-	-	76,121	126,052
	Total intergovernmental expenditures	-	49,931	-	-	-	-	-	76,121	126,052
	Total expenditures	918,753	838,105	45,113	68,688	11,881	121,812	942,876	4,190,286	7,137,514
	<b>OTHER FINANCING SOURCES (USES)</b>									
	Interfund transfers from (to) other funds									
5210	Transfer from general fund	-	-	-	-	-	-	-	97,515	97,515
5230	Transfer from special revenue EIA fund	-	-	-	-	-	125,341	-	-	125,341
431-791	Special revenue indirect costs	(26,251)	(22,987)	(1,281)	-	-	(3,317)	-	(81,151)	(134,987)
	Total other financing sources (uses)	(26,251)	(22,987)	(1,281)	-	-	(3,317)	125,341	16,364	87,869
	Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	-	-	-	-	-
	<b>FUND BALANCE, beginning of year</b>	-	-	-	-	-	-	-	81,529	81,529
	<b>FUND BALANCE, end of year</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,529	\$ 81,529

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
*For the fiscal year ended June 30, 2011*

**Schedule B -1**

Title I BA041 (201/202)	IDEA CA041 (203)	Preschool Handi- capped CG041 (205)	Occupational Education VA (207)	Drug Free Schools and Communities FQ041 (209)	Adult Education (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Total
-------------------------------	------------------------	---	--	---	-----------------------------	---	---	-------

\* Listing of LEA subfund codes and titles included in these columns are as follows:

<u>Adult Education</u>	<u>Other Special Revenue Grants</u>
243      Adult education - Federal	
	215      IDEA ARRA
	216      IDEA Preschool ARRA
	220      Team grant
	223      Title I program improvement ARRA
	237      Title I program improvement
	250      State fiscal stabilization fund (ARRA)
	251      Rural and low-income school program, Title VI (84.358B)
	253      Title II
	264      Title III ESL
	267      Improving teacher quality
	268      TAP Grant
	272      Navy Junior ROTC
	281      Peach grant
	295      State Energy Program (ARRA)
	299      Medicaid
<u>Other Restricted State Grants</u>	
905      Career and technology education equipment	800      Gateway academy
916      ADEPT	802      Migrant program
919      Education license plates	809      Pupil with disabilities
926      EEDA miscellaneous	890      Americorp
927      EEDA 8th grade awareness	
928      EEDA Career specialists	
936      Student health and fitness - nurses	
937      Student health and fitness	
938      High schools that work	
960      K-5 enhancement	
967      6-8 enhancement	
980      First steps family literacy program	

**FOX CREEK HIGH SCHOOL  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
For the fiscal year ended June 30, 2011**

**Schedule B-2**

**REVENUES**

4000	Revenues from federal sources		
	4500 Programs for children with disabilities		
	4350 State fiscal stabilization fund ARRA	\$	76,120
	4510 IDEA		28,704
	4540 IDEA ARRA		<u>39,164</u>
	Total revenue from federal sources		<u>143,988</u>
	Total revenue		<u>143,988</u>

**EXPENDITURES**

100	INSTRUCTION		
	110 General instruction		
	114 High school programs		
	100 Salaries		109,431
	200 Employee benefits		<u>34,557</u>
	Total instruction		<u>143,988</u>
	Total expenditures		<u>143,988</u>
	Excess of revenues over expenditures		-
	<b>FUND BALANCE, beginning of year</b>		<u>-</u>
	<b>FUND BALANCE, end of year</b>	<b>\$</b>	<u><u>-</u></u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SPECIAL REVENUE FUND**  
**SUMMARY SCHEDULE FOR DESIGNATED RESTRICTED STATE GRANTS**  
**For the fiscal year ended June 30, 2011**

**Schedule B-3**

<u>Subfund</u>	<u>Revenue</u>	<u>Programs</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Transfers In (Out)</u>	<u>Deferred Revenue</u>
905	3125	Career and technology education equipment	\$ 91,788	\$ 91,788	\$ -	\$ 755
916	3991	ADEPT	11,544	4,044	(7,500)	-
919	3193	Education license plates	-	-	-	1,079
926	3116	EEDA - misc.	19,004	19,004	-	19,689
927	3117	EEDA 8th grade awareness	3,625	3,625	-	5,941
928	3118	EEDA Career specialists	126,227	126,227	-	5,611
936	3136	Student health and fitness	117,870	117,870	-	-
937	3127	Student health and fitness	41,835	41,835	-	-
938	3128	High schools that work/Making middle grades work	2,817	2,817	-	24
960	3610	K-5 enhancement	338,136	470,977	132,841	12
967	3607	6-8 enhancement	18,666	18,666	-	-
980	2100	First steps family literacy program	46,023	46,023	-	-
			<u>\$ 817,535</u>	<u>\$ 942,876</u>	<u>\$ 125,341</u>	<u>\$ 33,111</u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule B-4**

	<b>Total</b>
<b>REVENUES</b>	
3000 Revenue from state Sources	
3500 Education Improvement Act:	
3511 Professional development	\$ 89,696
3515 Advanced placement courses	13,707
3526 EIA Science Kit Refurbishment	21,769
3530 Trainable and profoundly mentally disabled student services	8,949
3532 National Board Certification (NBC) Salary Supplement	226,752
3533 Teacher of the year awards	1,077
3538 Students at risk of school failure	772,318
3540 Early childhood program	101,226
3542 Preschool programs for children with disabilities	19,476
3544 High achieving students	83,598
3550 Teacher salary increase	493,435
3556 Adult education	197,164
3558 Reading	38,574
3568 EAA technical assistance	354,053
3577 Teacher supplies	83,875
3578 High schools that work	6,300
3582 Principal salary/fringe increase	9,582
3583 EAA summer school/comprehensive remediation	49,028
3590 Reallocation of EIA funds	19,652
3592 School to work transition act	16,931
Total revenue from state sources	2,607,162
<b>Total revenue</b>	<b>\$ 2,607,162</b>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

Schedule B-4

		Total
<b>EXPENDITURES</b>		
<b>100</b>	<b>INSTRUCTION</b>	
110	General instruction	
111	Kindergarten programs	
100	Salaries	\$ 56,748
200	Employee benefits	18,281
		75,029
112	Primary programs	
100	Salaries	149,874
200	Employee benefits	41,791
300	Purchased services	1,119
400	Supplies and materials	35,425
		228,209
113	Elementary programs	
100	Salaries	417,138
200	Employee benefits	115,834
300	Purchased services	7,075
400	Supplies and materials	61,788
		601,835
114	High school programs	
100	Salaries	270,124
200	Employee benefits	84,639
300	Purchased services	15,423
400	Supplies and materials	51,568
		421,754
115	Vocational programs	
100	Salaries	7,382
200	Employee benefits	1,570
400	Supplies and materials	4,675
		13,627
120	Exceptional programs	
122	Trainable mentally handicapped	
100	Salaries	8,949
		8,949
130	Pre-school programs	
137	Preschool handicapped self-contained	
100	Salaries	18,171
200	Employee benefits	7,310
		25,481
139	Early childhood programs	
100	Salaries	199,007
200	Employee benefits	78,796
300	Purchased services	1,011
		278,814
140	Special programs	
141	Gifted and talented - academic	
100	Salaries	101,822
200	Employee benefits	30,622
300	Purchased services	637
400	Supplies and materials	375
		133,456

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule B-4**

	<b>Total</b>
<b>EXPENDITURES, Continued</b>	
<b>100 INSTRUCTION, Continued</b>	
140 Special programs, Continued	
143 Advanced placement	
400 Supplies and materials	1,588
	1,588
148 Gifted and talented - artistic	
100 Salaries	17,955
200 Employee benefits	3,849
	21,804
180 Adult/ continuing educational programs	
181 Adult basic education programs	
100 Salaries	12,256
200 Employee benefits	1,768
300 Purchased services	570
400 Supplies and materials	1,398
	15,992
182 Adult secondary education programs	
100 Salaries	14,975
200 Employee benefits	2,113
300 Purchased services	1,077
400 Supplies and materials	9,283
	27,448
183 Adult english literacy	
100 Salaries	2,044
200 Employee benefits	240
	2,284
188 Parenting/family literacy	
300 Purchased services	828
400 Supplies and materials	690
	1,518
Total instruction	1,857,788

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule B-4**

	<b>Total</b>
<b>EXPENDITURES, Continued</b>	
<b>200 SUPPORT SERVICES</b>	
210 Pupil Services	
212 Guidance services	
100 Salaries	24,263
200 Employee benefits	5,129
	29,392
220 Instructional staff services	
221 Improvement of instruction - curriculum development	
100 Salaries	31,145
200 Employee benefits	10,083
300 Purchased services	20,118
400 Supplies and materials	5,832
	67,178
223 Supervision of special programs	
100 Salaries	216,811
200 Employee benefits	59,680
300 Purchased services	3,005
400 Supplies and materials	6,230
	285,726
224 Improvement of instruction - inservice and staff training	
100 Salaries	500
200 Employee benefits	66
300 Purchased services	10,745
400 Supplies and materials	2,624
	13,935
230 General administrative services	
233 School administration	
100 Salaries	9,582
400 Supplies and materials	2,184
600 Other objects	4,400
	16,166
250 Finance and operation services	
251 Student transportation	
300 Purchased services	102
	102
253 Facilities acquisition and construction	
500 Capital outlay	10,242
	10,242
254 Operation and maintenance of plant	
500 Capital outlay	9,410
	9,410
255 Transportation	
100 Salaries	2,178
200 Employee benefits	497
300 Purchased services	678
	3,353
Total support services	435,504



**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(INCLUDING CHARTER SCHOOL)**  
**For the fiscal year ended June 30, 2011**

**Schedule B-4**

	<b>Total</b>
<b>EXPENDITURES, Continued</b>	
<b>400 INTERGOVERNMENTAL</b>	
416-720    Payments to public charter school	28,470
Total intergovernmental	28,470
Total expenditures	2,321,762
 <b>OTHER FINANCING SOURCES (USES)</b>	
Interfund transfers from (to) other funds	
5210    Transfer from general fund	333,376
420-710    Transfer to general fund	(493,435)
422-710    Transfer to special revenue fund	(125,341)
Total other financing uses	(285,400)
Excess of revenues over expenditures and other financing uses	-
<b>FUND BALANCE, beginning of year</b>	-
<b>FUND BALANCE, end of year</b>	\$ -

**FOX CREEK HIGH SCHOOL**  
**EIA SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the fiscal year ended June 30, 2011**

**Schedule B-5**

<b>REVENUES</b>			
3000	Revenue from state sources		
	3500 Education Improvement Act:		
	3515 Advanced placement courses	\$	13,707
	3532 National Board Certification (NBC) Salary Supplement		14,763
	3577 Teacher supplies		5,775
	3582 Principal salary/fringe increase		9,582
			<u>43,827</u>
	Total revenue		<u>43,827</u>
<b>EXPENDITURES</b>			
100	INSTRUCTION		
	110 General instruction		
	114 High school programs		
	100 Salaries		14,763
	300 Purchased services		13,707
	400 Supplies and materials		5,775
			<u>34,245</u>
	Total instruction		<u>34,245</u>
200	SUPPORT SERVICES		
	230 General administrative services		
	233 School administration		
	100 Salaries		9,582
			<u>9,582</u>
	Total support services		<u>9,582</u>
	Total expenditures		<u>43,827</u>
	Excess of revenues over expenditures		-
	<b>FUND BALANCE, beginning of year</b>		<u>-</u>
	<b>FUND BALANCE, end of year</b>	<b>\$</b>	<u><u>-</u></u>

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**EIA SUMMARY SCHEDULE BY PROGRAM**  
**For the fiscal year ended June 30, 2011**

**Schedule B-6**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Transfers In/(Out)</u>	<u>Deferred Revenue</u>
3500 Education Improvement Act				
3511 Professional development	\$ 89,696	\$ 62,573	\$ (27,123)	\$ -
3526 Science kit refurbishment	21,769	21,769	-	-
3530 Trainable and profoundly mentally disabled student services	8,949	8,949	-	-
3532 National Board Certification (NBC) Salary Supplement	211,989	211,989	-	2,246
3533 Teacher of the year awards	1,077	1,077	-	-
3538 Students at risk of school failure	772,318	900,839	128,521	-
3540 Early childhood program	101,226	277,803	176,577	-
3542 Preschool programs for children with disabilities	19,476	25,481	6,005	-
3544 High achieving students	83,598	171,727	88,129	-
3550 Teacher salary increase	493,435	-	(493,435)	-
3556 Adult education	197,164	197,164	-	80,904
3558 Reading	38,574	14,500	(24,074)	-
3568 EAA technical assistance	354,053	214,053	(140,000)	31,479
3577 Teacher supplies	78,100	78,100	-	-
3578 High schools that work	6,300	6,300	-	-
3583 Comprehensive remediation	49,028	49,028	-	-
3590 Reallocation of EIA funds	19,652	19,652	-	3,229
3592 School to work transition act	16,931	16,931	-	-
3598 Bus driver salary supplement	-	-	-	10,273
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,273</u>
Total	<u>\$ 2,563,335</u>	<u>\$ 2,277,935</u>	<u>\$ (285,400)</u>	<u>\$ 128,131</u>

SCHEDULE C

DEBT SERVICE FUNDS

The Debt Service Fund is used to record payments of interest and principal on long-term general obligation debt from tax proceeds and earnings on temporary investments.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**For the fiscal year ended June 30, 2011**

**Schedule C-1**

<b>REVENUES</b>		
1000	Revenue from local sources	
1200	Revenues from local governmental units other than LEA's	
1210	Ad valorem taxes, including delinquent taxes	\$ 1,714,959
1500	Earnings on investments	
1510	Interest on investments	<u>2,288</u>
		<u>1,717,247</u>
3000	Revenue from state sources	
3800	State revenue in lieu of taxes	
3820	Homestead exemption	84,945
3830	Merchants inventory tax	6,578
3840	Manufacturer's depreciation reimbursement	18,092
3890	Other state property tax revenues	<u>14,976</u>
	Total state sources	<u>124,591</u>
	Total revenue all sources	<u>1,841,838</u>
<b>EXPENDITURES</b>		
500	Debt service	
610	Redemption of principal	1,385,962
620	Interest	384,968
690	Other objects	<u>5,918</u>
	Total debt service	<u>1,776,848</u>
	Total expenditures	<u>1,776,848</u>
	Excess of expenditures over revenues	64,990
	 <b>FUND BALANCE, beginning of year</b>	 <u>479,213</u>
	 <b>FUND BALANCE, end of year</b>	 <u><u>\$ 544,203</u></u>

SCHEDULE D

CAPITAL PROJECTS FUND

The capital projects fund, also referred to as the "building fund," is used to record the proceeds from the sale of long-term general obligation bonds and other revenues used for facilities acquisitions and construction. The fund balance is reserved for the completion of specific projects.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
For the fiscal year ended June 30, 2011**

**Schedule D-1**

<b>REVENUES</b>		
1000	Revenue from local sources	
	1500 Earnings on investments	
	1510 Interest on investments	\$ 58
	Total local sources	<u>58</u>
3000	Revenue from state sources	
	3100 Restricted state funding	
	3170 State school building fund	3,552
	3172 Children's education endowment	<u>14,960</u>
	Total state sources	<u>18,512</u>
	Total revenue all sources	<u>18,570</u>
 <b>EXPENDITURES</b>		
250	Finance and operations	
	253 Facilities acquisition and construction services	
	500 Capital outlay	
	520 Construction services	84,089
	540 Equipment	<u>36,260</u>
	Total finance and operations	<u>120,349</u>
	Total expenditures	<u>120,349</u>
 <b>OTHER FINANCING SOURCES</b>		
	Interfund transfers, from (to) other funds:	
	5210 Transfer from general fund	<u>103,601</u>
	Total other financing sources	<u>103,601</u>
	Excess of revenues over expenditures	1,822
	 <b>FUND BALANCE, beginning of year</b>	 <u>80,348</u>
	 <b>FUND BALANCE, end of year</b>	 <b><u>\$ 82,170</u></b>

SCHEDULE E

ENTERPRISE FUND

The enterprise fund records the financing, operation and maintenance of the food service fund. The food service fund operates in a manner similar to a private business enterprise. The fund's purpose is to provide balanced nutritional meals to District students, some of which are free and reduced meals under the United States Department of Agriculture school breakfast and lunch programs.



**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**FOOD SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET ASSETS**  
**For the fiscal year ended June 30, 2011**

**Schedule E-1**

<b>REVENUES</b>			
1000	Revenue from local sources		
	1600 Food services		
	1610 Lunch sales to pupils	\$	198,032
	1620 Breakfast sales to pupils		154
	1630 Special sales to pupils		238,510
	1640 Lunch sales to adults		42,552
	1650 Breakfast sales to adults		1,217
	1660 Special sales to adults		18,150
	1900 Other revenue from local sources		
	1950 Refund of prior year's expenditures		109,160
	1999 Revenue from other local sources		1,390
			<u>609,165</u>
3000	Revenue from state sources		
	3100 Restricted state funding		
	3140 School lunch		
	3142 Program aid		2,065
			<u>2,065</u>
4000	Revenue from federal sources		
	4800 USDA reimbursements		
	4810 School lunch and after school snacks program		936,866
	4830 School breakfast program		289,227
	4850 Cash in lieu of USDA commodities		5,810
			<u>1,231,903</u>
	4900 Other federal sources		
	4999 Revenue from other federal sources		17,309
	Total revenue all sources		<u>1,860,442</u>
<b>EXPENSES</b>			
256	Food service		
	100 Salaries		735,708
	200 Employee benefits		320,799
	300 Purchased services		40,735
	400 Supplies and materials		826,243
	500 Capital outlay		
	570 Depreciation		19,697
	600 Other		5,502
	Total expenses		<u>1,948,684</u>
<b>OTHER FINANCING SOURCES</b>			
<b>Interfund transfers from other funds</b>			
5210	Transfer from general fund		282,096
	Change in net assets		193,854
	<b>NET ASSETS, beginning of year</b>		<u>597,952</u>
	<b>NET ASSETS, end of year</b>	<b>\$</b>	<b>791,806</b>

Footnote: This schedule is presented in the format prescribed by the South Carolina Department of Education which varies in presentation from Exhibit 6.

SCHEDULE F

FIDUCIARY FUND TYPE

The agency fund is used to record the receipts and disbursements of monies from various pupil activity organizations. These organizations exist at the explicit approval of the Board of Education. The approval may be revoked. The fund accounting reflects the District's agency relationship with the pupil activity organizations. Since the agency fund is custodial, no fund balances exist.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND**  
**CHANGES IN DUE TO STUDENT ORGANIZATIONS**  
**AGENCY FUNDS - STUDENT ACTIVITIES**  
**For the year ended June 30, 2011**

**Schedule F-1**

<b>RECEIPTS</b>		
1000	Revenues from local sources	
	1700 Pupil activities	
	1790 Other	\$ 1,676,255
	Total revenues	<u>1,676,255</u>
<b>DISBURSEMENTS</b>		
270	Supporting services pupil activity	
	273 Trust and agency activities	
	660 Enterprise activities	<u>1,715,596</u>
	Total disbursements	<u>1,715,596</u>
	Excess of receipts over disbursements	(39,341)
	<b>DUE TO STUDENT ORGANIZATIONS, beginning of year</b>	<u>470,623</u>
	<b>DUE TO STUDENT ORGANIZATIONS, end of year</b>	<u><b>\$ 431,282</b></u>

This schedule is presented in the format prescribed by the South Carolina Department of Education.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**AGENCY FUND - STUDENT ACTIVITIES**  
**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND**  
**CHANGES IN DUE TO STUDENT ORGANIZATIONS BY SCHOOLS**  
**For the fiscal year ended June 30, 2011**

*Schedule F-2*

	Due to student organizations July 1, 2010	Receipts	Disbursements	Excess of receipts over (under) disbursements	Transfers to General Fund	Due to student organizations June 30, 2011
Strom Thurmond High School	\$ 161,726	\$ 661,069	\$ 681,637	\$ (20,568)	\$ -	\$ 141,158
Strom Thurmond Vocational	83,997	63,735	81,014	(17,279)	-	66,718
J.E.T. Middle	41,464	235,506	239,231	(3,725)	-	37,739
Merriwether Middle	46,320	207,276	203,185	4,091	-	50,411
Johnston Elementary	48,612	64,524	66,454	(1,930)	-	46,682
W.E. Parker Elementary	38,960	153,119	162,693	(9,574)	-	29,386
Douglas Elementary	20,594	51,329	48,585	2,744	-	23,338
Merriwether Elementary	28,950	239,697	232,797	6,900	-	35,850
	<u>\$ 470,623</u>	<u>\$ 1,676,255</u>	<u>\$ 1,715,596</u>	<u>\$ (39,341)</u>	<u>\$ -</u>	<u>\$ 431,282</u>

This schedule is presented in the format prescribed by the South Carolina Department of Education.

SCHEDULE G

OTHER SUPPLEMENTAL SCHEDULES

Attached are schedules required by the South Carolina Department of Education which detail amounts due to the State Department of Education and deferred revenue in the Special Revenue Funds as of and for the year ended June 30, 2011.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**DETAILED SCHEDULE OF DUE TO**  
**STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT**  
**June 30, 2011**

**Schedule G-1**

<u>Program</u>	<u>Grant or project number</u>	<u>Revenue code</u>	<u>Description</u>	<u>Amount due</u>	<u>Status of Amount due</u>
National Board Certification (NBC)	332	3532	Unexpended funds	\$ <u>2,245</u>	Not paid
			Total due to the State Dept. of Education	\$ <u><u>2,245</u></u>	

SINGLE AUDIT SECTION

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the fiscal year ended June 30, 2011**

LEA Subfund Code	Federal grantor/ Pass-through grantor/ Program title	Federal CFDA number	Pass through grantor's number	Total expenditures
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>				
Direct program				
281	Early Reading First (Peach Project)	84.359B	N/A	\$ 1,053,081
Passed through South Carolina Department of Education				
Title I, Part A Cluster				
201	Title I	84.01	11BA032	945,004
223	ARRA - Title I Program Improvement	84.389	11SJ032	29,086
237	Title I - School Improvement	84.01	11BJ032	46,648
Total Title I, Part A Cluster				<u>1,020,738</u>
Special Education Cluster				
203	Individuals with Disabilities Education Act (IDEA)	84.027	11CA032	832,388
205	IDEA Preschool Grants	84.173	11GG032	46,394
215	ARRA - IDEA	84.391	11SC032	429,079
216	ARRA - IDEA Preschool Grants	84.392	11SG032	37,860
Total Special Education Cluster				<u>1,345,721</u>
State Fiscal Stabilization Cluster				
250	ARRA - State Fiscal Stabilization	84.394		<u>1,229,992</u>
Total State Fiscal Stabilization Cluster				<u>1,229,992</u>
Other Programs				
207	Occupational Education	84.048	11VA032	68,687
209	Drug and Violence Prevention Program	84.186	11FQ032	11,881
243	Adult Education	84.002	11EA032	125,129
251	Title VI	84.358B	11BS032	53,823
253	Enhancing Education Through Technology, Title II	84.318	11ET032	990
264	Title III ESL	84.365	11BP032	1,832
267	Improving Teacher Quality	84.367	11TQ032	196,170
268	TAP Grant	84.374	11TT032-01	355,079
802	Migrant Education	84.011F	11BC032	700
Total Other Programs				<u>814,292</u>
Total U.S. Department of Education				<u>5,463,824</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>				
Direct program				
890	AmeriCorps	94.006	N/A	<u>203,151</u>
Total Corporation for National and Community Service				<u>203,151</u>
<b>UNITED STATES DEPARTMENT OF ENERGY</b>				
Direct program				
295	ARRA - Energy Grant	81.041	N/A	<u>94,701</u>
<b>UNITED STATES DEPARTMENT OF DEFENSE</b>				
Direct program				
272	Naval Junior ROTC	12.990	N/A	<u>43,548</u>
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>				
Direct program				
100	U.S. Forest Commission Revenues	10.666	N/A	<u>75,498</u>
Passed through South Carolina Department of Education				
Child Nutrition Cluster				
600	School breakfast program - cash assistance	10.553	N/A	289,227
600	School lunch program: Cash assistance	10.555	N/A	<u>942,676</u>
Total Child Nutrition Cluster				<u>1,231,903</u>
Total U.S. Department of Agriculture				<u>1,307,401</u>
Total federal assistance expended				<u>\$ 7,112,625</u>

Note 1 The accounting policies of School District of Edgefield County conform to accounting principles generally accepted in the United States of America applicable to governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant policies can be found in the Notes to Financial Statements of School District of Edgefield County's financial statements for the year ended June 30, 2011. All expenditures reported on the above Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting as applicable to governmental funds, except for the expenditures of programs under CFDA Numbers 10.550, 10.553 and 10.555, which are reported under the full accrual basis of accounting as applicable to proprietary funds. This schedule includes payments to Fox Creek High School.





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

Board of Education  
School District of Edgefield County  
Edgefield, South Carolina

We have audited the financial statements of School District of Edgefield County (the District) as of and for the year ended June 30, 2011, and have issued our report thereon dated November 30, 2011. Our report includes a reference to 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. Other auditors audited the financial statements of Fox Creek High School, a discretely presented component unit, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs (items 2011-1), that we consider to be a significant deficiency in internal control over financial reporting. *A significant deficiency* is a deficiency or combination of control deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2011-02.

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

Greenwood, South Carolina  
November 30, 2011

*Elliott Davis, LLC*



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
School District of Edgefield County  
Edgefield, South Carolina

**Compliance**

We have audited the compliance of School District of Edgefield County (the District) with the types of compliance requirements described in the *United States Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2.

**Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's response and, accordingly, we express no opinion on it.

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

*Elliott Davis, LLC*

Greenwood, South Carolina  
November 30, 2011

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended June 30, 2011**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of School District of Edgefield County.
2. One significant deficiency relating to the internal controls over financial reporting are reported in Part B of this schedule (item 2011-1).
3. No material weaknesses relating to the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs.
4. One instance of noncompliance with compliance requirements is reported in Part C of this schedule (item 2011-2).
5. One significant deficiency relating to the audit of the major federal award programs is reported in Part C of this schedule (item 2011-2).
6. No material weaknesses relating to the audit of the major federal award programs is reported in the Schedule of Findings and Questioned Costs.
7. The auditor's report on compliance for the major federal award programs for School District of Edgefield County expresses an unqualified opinion.
8. The clusters / programs tested as major programs include:

Title I Cluster	84.010, 84.389 (ARRA)
IDEA Cluster	84.027, 84.173, 84.391 (ARRA), 84.392(ARRA)
State Fiscal Stabilization Cluster	84.394 (ARRA)
TAP Grant	84.374
Title II, Improving Teacher Quality	84.367
9. The threshold for distinguishing Type A programs was \$300,000.
10. School District of Edgefield County did not qualify for reduced audit coverage, with respect to federal awards programs, under the provisions of Section 530 of OMB Circular A-133.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**For the year ended June 30, 2011**

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

**2011-01 Internal Controls over Financial Reporting Relating to Debt Issuance**

**Significant Deficiency**

*Condition:* Certain Debt Service Fund accounts were materially misstated at year-end.

*Criteria:* Proper monitoring of the District's funds at the county level ensures that the District is aware of the monies it has available, and that monies are being directed towards the appropriate purposes.

*Cause and Effect:* The District did not reconcile activities by the County Treasurer with regard to its Debt Service Fund.

*Auditor's Recommendation:* We recommend that the District reconcile Debt Service Fund activity to the County Treasurer at least on a quarterly basis.

*Views of Responsible Officials and Planned Corrective Actions:* Payment of all debt service obligations rest with the County Treasurer. The Treasurer now includes debt service transactions on the monthly reports and management now understands that an entry is required whether or not it involves activity within the District cash accounts. Such entries will be completed in a timely manner in the future. It should be noted that failure to record this transaction in the current year had absolutely no effect on district operations.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**2011-02 Internal Controls over Certifications for Federally Funded Positions**

**Significant Deficiency**

*Information on the federal program:* CFDA numbers 84.027, 84.173, and 84.391, Individuals with Disabilities Education Act (IDEA) and IDEA Preschool Grants (regular and ARRA), U.S. Department of Education.

*Condition and Criteria:* Certain District employees funded either partially or in whole by one or multiple federal programs did not complete self-certifications throughout the year, as required by OMB Circular A-87. This is a repeat finding.

*Effect:* Required self-certification forms were not completed by several employees funded through federal programs. Certifications were completed retroactively for 2010-2011 program year after auditors initiated discussions with program management.

*Cause:* Not all District personnel were familiar with the requirements of OMB Circular A-87, and as such were unaware of self-certification requirement for personnel whose salaries are funded by federal programs.

*Auditor's Recommendation:* We recommend that District management implement policies and procedures to ensure that all staff funded either partially or in whole complete the self-certification procedures required by OMB Circular A-87 on a timely basis.

*Views of Responsible Officials and Planned Corrective Actions:* Management began work on a new timesheet last year that would meet or exceed all federal program compliance requirements. Information regarding these forms was presented at the start of the school year. Instructions regarding completion of these forms and the importance of compliance with all policies and procedures required by OMB Circular A-87 will be reviewed with all principals and department heads. All department heads will ensure that all employees funded either partially or in whole by one or more federal programs will complete the required self-certifications throughout the year.

**SCHOOL DISTRICT OF EDGEFIELD COUNTY**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the year ended June 30, 2011**

**2010-01 Internal Controls over Financial Reporting Relating to Debt Issuance**

**Significant Deficiency**

*Condition and Criteria:* The District did not record in the general ledger the issuance of refunding bonds and related payment to bond escrow agent.

*Effect:* Auditor-recommended adjustments were required at year-end to include the bond issuance and payment to escrow agent.

*Cause:* The District did not report these transactions as funds were deposited directly to refunding escrow agent.

*Auditor's Recommendation:* We recommend that the District implement internal control procedures over financial reporting to ensure that all District-related debt service activities are properly reported in general ledger.

*Current Status:* There were no refunding bonds issued in 2010-2011; however, as noted in finding 2011-01 the District is not reconciling debt service fund activity to the County.

**2010-02 Internal Controls over Certifications for Federally Funded Positions**

**Significant Deficiency**

*Condition and Criteria:* Certain District employees funded either partially or in whole by one or multiple federal programs did not complete self-certifications throughout the year, as required by OMB Circular A-87.

*Effect:* Required self-certification forms were not completed by several employees funded through federal programs. Certifications were completed retroactively for 2009-2010 program year after auditors initiated discussions with program management.

*Cause:* Not all District personnel were familiar with the requirements of OMB Circular A-87, and as such were unaware of self-certification requirement for personnel whose salaries are funded by federal programs.

*Auditor's Recommendation:* We recommend that District management implement policies and procedures to ensure that all staff funded either partially or in whole complete the self-certification procedures required by OMB Circular A-87 on a timely basis.

*Current Status:* This finding is repeated for 2010-2011; see finding 2011-2.