

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR**

**Basic Financial Statements  
and  
Accompanying Information  
for the year ended  
June 30, 2021**

# SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

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## Report of Independent Auditor

To the Board of Trustees  
Spartanburg County School District Four  
Woodruff, South Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Spartanburg County School District Four (the "District") as of and for the year ended June 30, 2021, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and the annually budgeted major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, effective July 1, 2020, the District adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 12 and the required supplementary information schedules on pages 50 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Cherry Behaert LHP*

Greenville, South Carolina  
November 30, 2021

## **Management's Discussion and Analysis**

This section of Spartanburg County School District Four's (the District) financial report presents our discussion and analysis of the financial performance of the District for the year ended June 30, 2021. This information should be read in conjunction with the audited financial statements included in this report.

### **Financial Highlights**

- During fiscal year 2021, average daily membership decreased by 119.02 or 4.42% from the previous year.
- In March 2021, the District issued Bond Anticipation Notes (BAN) in the amount of \$1,200,000. The proceeds will be used to renovate, repair and upgrade the District's facilities and upgrade technology and security cameras at all locations.
- In June 2021, the District issued General Obligation Bonds (GO) in the amount of \$3,000,000. The proceeds of the bonds will be used to purchase land for a new school and infrastructure improvements.
- The District's operating millage increased from 184.0 mills to 186.0 mills. The District's debt service millage decreased from 11.1 mills to 9.1 mills.
- The District implemented Governmental Accounting Standards Board, Statement No. 84. The effect of this is that the District's Pupil Activity Fund is now a Special Revenue Fund. As a result of this implementation, the District restated Net Position and Fund Balance.

### **Overview of the Financial Statements**

The audited financial statements of the District consist of five components. They are as follows:

- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplemental Information
- The supplemental section that presents combining and individual fund statements and schedules
- Single Audit

The Basic Financial Statements include two types of statements that present different views of the District's finances. The first is the government-wide statements. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflow of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the District's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The statement of activities summarizes the District's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the fund financial statements, which are presented for the District's governmental funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The fund financial statements focus on the District's most significant funds. Because a different basis of accounting is used in the government-wide statements, reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide

statements provide information about the District as an economic unit, while the fund financial statements provide information on the financial resources of the District's major funds.

### **Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of its school buildings and other physical assets should be considered.

The District's activities in the government-wide statements consists of:

- **Governmental activities:** The District's basic services are included here, such as regular and special education, transportation, and administration. Local property taxes, state funding and federal financial assistance finance most of these activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

- The general fund is always shown as a major fund.
- Some funds are required by State law to be presented as major, such as the Education Improvement Act Fund.
- The District established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grant funds.

Spartanburg County School District Four funds consist of:

**Governmental funds:** The District's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in the form of a reconciliation to explain the relationship (or differences) between them. The District has several governmental funds: the General Fund, the Special Revenue Funds, the Education Improvement Act Fund, the School Building Fund, the Debt Service Fund, and the Food Service Fund.



## Financial Analysis of the District as a Whole

Net position is an indicator of the fiscal health of the District. Total net position decreased between fiscal years 2021 and 2020 by \$1,593,775 or 8.9%.

Below is a summary of the statement of net position:

**TABLE 1**  
**Condensed Statement of Net Position**  
**As of June 30, 2021 and 2020**  
**Governmental Activities**

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>% Change</u>
Current assets	\$ 23,297,337	\$ 18,040,043	29.1%
Capital assets	21,481,826	22,476,679	(4.4%)
Total assets	<u>44,779,163</u>	<u>40,516,722</u>	<u>10.5%</u>
Deferred outflow of resources	<u>12,280,577</u>	<u>6,495,421</u>	<u>89.1%</u>
Current liabilities	3,925,840	2,493,276	57.5%
Long-term liabilities	70,327,440	59,499,840	18.2%
Total liabilities	<u>74,253,280</u>	<u>61,993,116</u>	<u>19.8%</u>
Deferred inflow of resources	<u>2,387,693</u>	<u>3,006,485</u>	<u>(20.6%)</u>
Net investment in capital assets	17,852,111	21,226,679	(15.9%)
Restricted net position	626,782	437,389	43.3%
Unrestricted net position	<u>(38,060,126)</u>	<u>(39,651,526)</u>	<u>4.0%</u>
 Total net position	 <u>\$ (19,581,233)</u>	 <u>\$ (17,987,458)</u>	 <u>(8.9%)</u>

The District's current assets increased by \$5,257,294 or 29.1%. Of this increase, \$5,228,270 relates to an increase in cash, cash equivalents and investments. Cash, cash equivalents and investments increased because the District issued a \$3 million GO bond on June 17, 2021. The proceeds of this bond will not be expended until fiscal year 2022. Also, the increase in cash, cash equivalents and investments results because tax revenues exceeded expectations by \$1,617,185. Net capital assets decreased by \$994,853 or 4.4%. This decrease results because depreciation expense and disposals exceeded new additions to capital assets for the year. Current liabilities increased by \$1,432,564 or 57.5%. This increase results because bond anticipation notes increased from \$600,000 to \$1,200,000. Also, the first bond payment on the new \$3 million GO bond will be due next year in the amount of \$741,958. Long-term liabilities increased by \$10,827,6000 or 18.2%. The increase in long-term liabilities is due to an increase in the District's proportionate share of the net pension liability of the State Retirement System in the amount of \$3,946,390 and the District's proportionate share of the State's other post-employment benefits (OPEB) liability in the amount of \$5,252,882. In addition, the District's long-term liabilities due in more than one year increased due to the payment structure of the new \$3 million GO bond. The District's net position decreased by 8.9%. This decrease is due to the fact that the increase in current assets was unable to offset the decrease in capital assets and the increase in long-term liabilities.

**TABLE 2**  
**Condensed Statement of Revenues, Expenses, and**  
**Changes in Net Position**  
**As of June 30, 2021 and 2020**

	Governmental Activities		
	6/30/2021	6/30/2020	% Change
Revenues:			
Program revenues:			
Charges for services	\$ 435,960	\$ 231,542	88.3%
Operating grants and contributions	18,929,321	18,756,486	0.9%
General revenues:			
Property taxes levied for:			
General purposes	13,182,641	11,565,456	14.0%
Debt service	687,841	710,378	(3.2%)
Investment income	28,169	204,190	(86.2%)
Miscellaneous	25,585	46,945	(45.5%)
Sale of capital assets	26,510	(23,770)	211.5%
Total revenues	<u>33,316,027</u>	<u>31,491,227</u>	<u>5.8%</u>
Governmental activities:			
Instruction	20,907,947	19,049,086	9.8%
Support services	13,766,469	12,546,468	9.7%
Community service	101,246	103,030	(1.7%)
Intergovernmental	64,984	295,608	(78.0%)
Interest and fees	69,156	67,723	2.1%
Total expenses	<u>34,909,802</u>	<u>32,061,915</u>	<u>8.9%</u>
Change in net position	<u>(1,593,775)</u>	<u>(570,688)</u>	<u>(179.3%)</u>
Beginning net position	(17,987,458)	(17,578,650)	
Restatement - Change in accounting principle	-	161,880	
	<u>(17,987,458)</u>	<u>(17,416,770)</u>	
Ending net position	<u>\$ (19,581,233)</u>	<u>\$(17,987,458)</u>	

Total governmental activities generated revenues of \$33,316,027, which represents a 5.8% increase from the prior year. The increase results because general purpose tax revenue increased by \$1,617,185. This increase was due to a 2 mil increase in the District's operating millage and an increase in the District's assessed value. The District's operating grants and contributions increased by \$172,835. This increase was due to additional grant funding.

Total governmental activities expenses increased from \$32,061,915 to \$34,909,802 which represents a 8.9% increase or \$2,487,887. This increase in expenses is due to mandatory salary increases that were required by the state and increases in fringe benefits resulting from GASB entries to record OPE and pension activity.

## **Financial Analysis of the District's Funds**

The District's governmental funds reported a combined fund balance of \$20,747,834, an increase of \$4,573,276 from the prior year. The District's General Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$1,287,872. The District's assessed value increased and the District increased operating millage by 2.0 mils. This resulted in additional property tax revenue of \$1,617,185. In addition, the District continued cost savings measures established in prior years to reduce expenditures. These measures include funding as many positions as possible with grant funding. This increase was offset by a board approved transfer of \$1,300,000 to the construction fund.

The District's Special Revenue fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$6,285. This results because the District implemented GASB 84 and determined that the Pupil Activity Fund is now a Special Revenue Fund.

The District's School Building Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$3,065,701. This occurred because the district issued a \$3 million GO bond June 2021. These proceeds will not be expended until fiscal year 2022.

The District's other governmental funds had revenues and other financing sources that exceeded expenditures and other financing uses by \$213,418. The District's other governmental funds are composed of the Food Service Fund and the Debt Service Fund. The fund balance for the Food Service Fund increased by \$164,514 and the Debt Service Fund increased by \$48,904. The increase in the Food Service Fund resulted because beginning in September 2020 thru the end of the school year, all meals served were treated as eligible for free lunch and breakfast. The fund balance of the Debt Service Fund increased due to the fact that the District's assessed value increased. Although the District decreased debt service fund millage by 2.0 mils, the increased assessed value resulted in tax collections were greater than anticipated.

## **General Fund Budgetary Highlights**

The District did not amend its fiscal year 2021 budget. State budgeted revenue exceed State revenue by \$235,666. This decrease results because the District's average daily membership decreased by 119.02 students. The decrease in students results in \$227,277 less revenue from the State. Actual local revenues exceeded expectations by \$1,960,341. The District's tax millage increased by 2.0 mils. In addition, the District's assessed value increased. As a result local tax revenue exceeded budgeted local tax revenue by \$1,968,267. Actual expenditures were less than budgeted expenditures by \$942,196. This resulted because cost savings measures implemented in fiscal year 2010 were continued and the District continued to fund many positions and expenditures with grant funding. The District budgeted to have other financing sources to exceed other financing uses by \$753,000. The District's financing uses actually exceeded financing sources by \$1,278,999. This resulted because the District's Board approved an unbudgeted transfer of \$1,300,000 to the construction fund.

## Capital Assets

Capital assets, net of depreciation, decreased by \$1,189,984 or 5.0% from the previous year. This was due to the fact that the depreciation expense and disposals for the year exceeded capital additions. Major additions this year included new security systems at Woodruff Middle School, Woodruff Primary School and Woodruff Elementary School, new quartz tile at Woodruff High School, new copiers at Woodruff High School, Woodruff Middle School and the District Office and new sound system for Woodruff Middle School. The following is a summary of the capital assets, net of depreciation at year-end.

**Table 3**  
**Summary of Capital Assets**  
**As of June 30, 2021 and 2020**

	<u>06/30/2021</u>	<u>6/30/2020</u>
Land	\$ 2,057,137	\$ 2,071,425
Construction in Progress	40,000	-
Land Improvements	2,193,790	2,443,945
Buildings and Improvements	14,714,317	15,377,418
Equipment and Vehicles	<u>2,476,582</u>	<u>2,583,891</u>
Total	<u>\$ 21,481,826</u>	<u>\$ 22,476,679</u>

## Debt Outstanding

As of June 30, 2021, the District had general obligation bonded indebtedness outstanding of \$3,629,715. This is an increase of \$2,379,715 from June 30, 2020. This increase is due to the District issuing a \$3 million general obligation bond in June 2021. Also, the District issued bond anticipation notes in the amount of \$1,200,000, which are still outstanding as of June 30, 2021. More detailed information about the District's debt is presented in the Notes to the Financial Statements.

## Economic Factors

The District anticipates enrollment over the next couple years to increase. The District is in the process of acquiring land for school expansion. The District is also in the preliminary stages of exploring a bond referendum.

County and state funding is a major source of income for the District; therefore, both the County's economic outlook and the State's economic outlook directly affect that of the District. The following factors affect the economic outlook of Spartanburg County and the State.

- The County's tax base continues to grow positively.
- The County's unemployment rate as of September 2021 was 3.2%. This is a decrease from September 2020's unemployment rate of 5.0%. The State's unemployment rate for September 2021 is 3.3%. This is a decrease from the September 2020 rate of 5.1%.
- The County's employment was 155,310 for September 2021. The employment for the prior year was 145,751.

**Requests for Information**

This report is intended to provide a summary of the financial condition of Spartanburg County School District Four. Questions or requests for additional information should be addressed to:

Chris Benfield, Business Manager  
Spartanburg County School District Four  
118 McEdco Road  
Woodruff, SC 29388

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
STATEMENT OF NET POSITION  
JUNE 30, 2021

Exhibit A

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 1,288,975
Investments	19,400,859
Taxes receivable, net	1,503,527
Accounts receivable	50,370
Due from other governments	1,014,351
Inventory	39,255
Capital assets:	
Nondepreciable	2,097,137
Depreciable	19,384,689
Total Assets	<u>44,779,163</u>
<b>Deferred Outflow of Resources</b>	
Deferred outflow related to state OPEB	6,833,404
Deferred outflow related to state pension	<u>5,447,173</u>
Total Deferred Outflow of Resources	<u>12,280,577</u>
<b>Liabilities</b>	
Accounts payable	335,818
Bond anticipation note payable	1,200,000
Accrued interest payable	4,664
Due to other governments	457
Payroll withholdings and accruals	908,877
Unearned revenue	104,351
Long-term liabilities:	
Due within one year	1,371,673
Due in more than one year	2,258,042
Net Other post-employment benefits	32,169,909
Net pension liability	35,899,489
Total Liabilities	<u>74,253,280</u>
<b>Deferred Inflow of Resources</b>	
Deferred inflow related to state OPEB	2,162,971
Deferred inflow related to state pension	<u>224,722</u>
Total Deferred Inflow of Resources	<u>2,387,693</u>
<b>Net Position</b>	
Net investment in capital assets	17,852,111
Restricted for:	
Restricted for food service	458,617
Restricted for special revenue fund	168,165
Unrestricted	<u>(38,060,126)</u>
Total Net Position	<u>\$ (19,581,233)</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental activities:				
Instruction	\$ 20,907,947	\$ 20,650	\$ 14,138,212	\$ -
Support services	13,766,469	415,310	4,627,917	-
Community services	101,246	-	98,208	-
Intergovernmental	64,984	-	64,984	-
Debt service:				
Interest and fees	69,156	-	-	-
Total governmental activities	<u>34,909,802</u>	<u>435,960</u>	<u>18,929,321</u>	<u>-</u>
Total Primary Government	<u>\$ 34,909,802</u>	<u>\$ 435,960</u>	<u>\$ 18,929,321</u>	<u>\$ -</u>
General revenues:				
Property taxes levied for:				
General purposes				13,182,641
Debt service				687,841
Investment income				28,169
Miscellaneous				25,585
Sale of capital assets				26,510
Total general revenues				<u>13,950,746</u>
Change in net position				<u>(1,593,775)</u>
Net position - beginning				(18,149,338)
Restatement change in accounting principle				<u>161,880</u>
Net position, beginning, restated				<u>(17,987,458)</u>
Net position - ending				<u>\$ (19,581,233)</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 1,028,546	\$ 213,858	\$ -	\$ -	\$ 46,571	\$ 1,288,975
Investments	11,951,731	-	-	6,657,279	791,849	19,400,859
Taxes receivable, net	1,479,196	-	-	-	24,331	1,503,527
Accounts receivable	12,347	29,447	-	-	8,576	50,370
Due from other funds	938,568	-	43,610	100,720	-	1,082,898
Due from other governments	282,406	683,424	-	-	48,521	1,014,351
Inventory	-	-	-	-	39,255	39,255
<b>Total Assets</b>	<b>\$ 15,692,794</b>	<b>\$ 926,729</b>	<b>\$ 43,610</b>	<b>\$ 6,757,999</b>	<b>\$ 959,103</b>	<b>\$ 24,380,235</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 311,315	\$ 24,503	\$ -	\$ -	\$ -	\$ 335,818
Bond anticipation note payable	-	-	-	1,200,000	-	1,200,000
Due to other funds	144,330	672,863	-	-	265,705	1,082,898
Due to other governments	-	457	-	-	-	457
Payroll withholdings and accruals	908,877	-	-	-	-	908,877
Unearned revenues	-	60,741	43,610	-	-	104,351
<b>Total Liabilities</b>	<b>1,364,522</b>	<b>758,564</b>	<b>43,610</b>	<b>1,200,000</b>	<b>265,705</b>	<b>3,632,401</b>
<b>Fund Balances</b>						
Nonspendable - inventory	-	-	-	-	39,255	39,255
Restricted - food service fund	-	-	-	-	458,617	458,617
Restricted - special revenue fund	-	168,165	-	-	-	168,165
Assigned - construction of capital assets	-	-	-	5,557,999	-	5,557,999
Assigned - debt service	-	-	-	-	195,526	195,526
Unassigned	14,328,272	-	-	-	-	14,328,272
<b>Total Fund Balances</b>	<b>14,328,272</b>	<b>168,165</b>	<b>-</b>	<b>5,557,999</b>	<b>693,398</b>	<b>20,747,834</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,692,794</b>	<b>\$ 926,729</b>	<b>\$ 43,610</b>	<b>\$ 6,757,999</b>	<b>\$ 959,103</b>	<b>\$ 24,380,235</b>

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



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF NET POSITION  
 JUNE 30, 2021

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

Ending fund balance - governmental funds	\$ 20,747,834
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	21,481,826
Interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues.	(4,664)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(3,629,715)
Net pension liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(35,899,489)
Net other post-employment benefits liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(32,169,909)
Deferred outflows of resources related to other post-employment benefits	6,833,404
Deferred outflows of resources related to pension.	5,447,173
Deferred inflows of resources related to pension.	(224,722)
Deferred inflows of resources related to other postemployment benefits.	<u>(2,162,971)</u>
Net position of governmental activities	<u>\$ (19,581,233)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Local	\$ 9,167,060	\$ 622,039	\$ -	\$ 7,195	\$ 697,968	\$ 10,494,262
Intergovernmental	-	82,629	-	-	-	82,629
State	16,317,132	722,921	1,806,583	-	51,943	18,898,579
Federal	-	2,215,780	-	-	1,598,267	3,814,047
<b>Total Revenues</b>	<b>25,484,192</b>	<b>3,643,369</b>	<b>1,806,583</b>	<b>7,195</b>	<b>2,348,178</b>	<b>33,289,517</b>
<b>Expenditures</b>						
<b>Current:</b>						
Instruction	13,975,723	2,291,338	1,075,157	469,663	-	17,811,881
Support services	9,686,965	1,206,374	42,249	369,793	1,401,151	12,706,532
Community service	7,633	84,388	-	-	-	92,021
Intergovernmental	-	54,984	10,000	-	-	64,984
Capital outlay	-	-	-	389,339	-	389,339
Debt service	-	-	-	52,997	639,285	692,282
<b>Total Expenditures</b>	<b>23,670,321</b>	<b>3,637,084</b>	<b>1,127,406</b>	<b>1,281,792</b>	<b>2,040,436</b>	<b>31,757,039</b>
Excess (deficiency) of revenues over (under) expenditures	1,813,871	6,285	679,177	(1,274,597)	307,742	1,532,478
<b>Other Financing Sources (Uses)</b>						
Transfers in	773,501	-	-	1,300,000	-	2,073,501
Transfers out	(1,300,000)	-	(679,177)	-	(94,324)	(2,073,501)
Sale of capital assets	500	-	-	40,298	-	40,798
Proceeds from general obligation bonds	-	-	-	3,000,000	-	3,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>(525,999)</b>	<b>-</b>	<b>(679,177)</b>	<b>4,340,298</b>	<b>(94,324)</b>	<b>3,040,798</b>
<b>Net Change in Fund Balances</b>	<b>1,287,872</b>	<b>6,285</b>	<b>-</b>	<b>3,065,701</b>	<b>213,418</b>	<b>4,573,276</b>
Fund Balance, as Restated - July 1, 2020	13,040,400	161,880	-	2,492,298	479,980	16,174,558
<b>Fund Balance - June 30, 2021</b>	<b>\$ 14,328,272</b>	<b>\$ 168,165</b>	<b>\$ -</b>	<b>\$ 5,557,999</b>	<b>\$ 693,398</b>	<b>\$ 20,747,834</b>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2021

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

Net change in fund balances - total governmental funds	\$ 4,573,276
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. This is the amount by which depreciation expense of \$1,389,070 exceeded capital asset additions of \$408,505 in the current period.	(980,565)
The net effect of transactions involving capital assets (i.e. sales) is to decrease net position.	(14,288)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	620,285
The cost of pension benefits earned net of employee contributions is reported in the Statement of Activities as an expense. The fund financial statements report pension contributions net of employee contributions as an expenditure.	(1,592,891)
The cost of other post employment benefits earned net of employee contributions is reported in the Statement of Activities as an expense. The fund financial statements report other postemployment benefits net of employee contributions as an expenditure.	(1,202,433)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, which do not effect net position. Long-term debt issued during the year was \$3,000,000.	(3,000,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Accrued interest	<u>2,841</u>
Change in net position of governmental activities	<u>\$ (1,593,775)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2021

	General Fund				Special Revenue Fund				Education Improvement Act			
	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
<b>Revenues</b>												
Local	\$ 7,206,719	\$ 7,206,719	\$ 9,167,060	\$ 1,960,341	\$ -	\$ -	\$ 622,039	\$ 622,039	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	82,629	82,629	-	-	-	-
State	16,552,798	16,552,798	16,317,132	(235,666)	-	-	722,921	722,921	674,877	674,877	1,806,583	1,131,706
Federal	-	-	-	-	4,888,511	4,888,511	2,215,780	(2,672,731)	-	-	-	-
<b>Total Revenues</b>	<b>23,759,517</b>	<b>23,759,517</b>	<b>25,484,192</b>	<b>1,724,675</b>	<b>4,888,511</b>	<b>4,888,511</b>	<b>3,643,369</b>	<b>(1,245,142)</b>	<b>674,877</b>	<b>674,877</b>	<b>1,806,583</b>	<b>1,131,706</b>
<b>Expenditures</b>												
Current:												
Instruction	14,204,482	14,204,482	13,975,723	228,759	3,312,622	3,312,622	2,291,338	1,021,284	-	-	1,075,157	(1,075,157)
Support services	10,387,035	10,387,035	9,686,965	700,070	1,575,889	1,575,889	1,206,374	369,515	-	-	42,249	(42,249)
Community service	1,000	1,000	7,633	(6,633)	-	-	84,388	(84,388)	-	-	-	-
Intergovernmental	20,000	20,000	-	20,000	-	-	54,984	(54,984)	-	-	10,000	(10,000)
<b>Total Expenditures</b>	<b>24,612,517</b>	<b>24,612,517</b>	<b>23,670,321</b>	<b>942,196</b>	<b>4,888,511</b>	<b>4,888,511</b>	<b>3,637,084</b>	<b>1,251,427</b>	<b>-</b>	<b>-</b>	<b>1,127,406</b>	<b>(1,127,406)</b>
Excess (deficiency) of revenues over (under) expenditures	(853,000)	(853,000)	1,813,871	2,666,871	-	-	6,285	6,285	674,877	674,877	679,177	4,300
<b>Other Financing Sources (Uses)</b>												
Transfers in	787,000	787,000	773,501	(13,499)	-	-	-	-	-	-	-	-
Transfers out	(34,000)	(34,000)	(1,300,000)	(1,266,000)	-	-	-	-	(674,877)	(674,877)	(679,177)	(4,300)
Sale of capital assets	-	-	500	500	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>753,000</b>	<b>753,000</b>	<b>(525,999)</b>	<b>(1,278,999)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(674,877)</b>	<b>(674,877)</b>	<b>(679,177)</b>	<b>(4,300)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (100,000)</b>	<b>\$ (100,000)</b>	<b>1,287,872</b>	<b>\$ 1,387,872</b>	<b>\$ -</b>	<b>\$ -</b>	<b>6,285</b>	<b>\$ 6,285</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
Fund Balance, as Restated - July 1, 2020			13,040,400				161,880				-	
Fund Balance - June 30, 2021			<u>\$ 14,328,272</u>				<u>\$ 168,165</u>				<u>\$ -</u>	

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies****A. Reporting Entity**

Spartanburg County School District Four (the, "District") is located in the southwestern part of Spartanburg County, South Carolina and is the largest school district in land area in Spartanburg County. The District operates a public school system under guidelines approved by the U.S. Department of Education and consists of four major schools. The District is fully accredited by the Cognia, Inc., formerly Advance Accreditation Commission.

For financial reporting purposes, the District includes all funds that are controlled by or financially dependent upon the District. Controlled by or financial dependence was determined on the basis of obligation of the District to finance deficits, guarantee of debt, selection of governing authority, approval of budget, authority to make a public levy, ownership of assets, and scope of public service and special financing relationships where there was only partial or no oversight responsibility. These financial statements exclude the related organization in Note 18 because the District does not significantly influence operations of the organization nor is the related organization accountable to the District for its fiscal operations.

**B. Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Fiduciary funds are reported by fund type.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)****B. Basis of Presentation (continued)**

The District reports the following major governmental funds:

**General Fund**

The General Fund is used to account for all financial transactions, in support of the educational process, which are not recorded in other funds.

**Special Revenue Fund**

The Federal, State and Local Special Revenue Fund is used to account for entitlements, grants and similar funds provided by the state, federal government and local sources for various educational programs.

**Special Revenue Fund - Pupil Activity Funds**

The Pupil Activity Fund is used to account for student admissions, organization memberships, bookstore and canteen sales and other related receipts and disbursements held by the District in a trustee capacity on behalf of the students and/or District employees.

**Education Improvement Act**

The Education Improvement Act Fund is used to account for the proceeds of the additional one percent sales and use tax, which are restricted to expenditures for the Education Improvement Act standards.

**School Building Fund**

The School Building Fund is a capital projects fund used to account for the financial transactions relating to construction, renovation, and installment of equipment and acquisition of land. The most common sources of revenue in this fund are the sale of bonds and State Building Fund Aid.

The District reports the following non-major governmental funds:

**School Food Service Fund**

The School Food Service Fund is used to account for operations of providing breakfast and lunch to the District's students and employees at minimal cost. Costs are financed or recovered through reimbursements from the federal government and limited user fees.

**Debt Service Fund**

The Debt Service Fund is used to finance and account for payments of principal and interest on bonded indebtedness of the District.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)****C. Measurement Focus and Basis of Accounting**

*Government-wide Financial Statements.* The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, state, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures in governmental funds. Proceeds from the issuance of long-term debt are reported as other financing sources.

**D. Budgetary Data**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District superintendent submits to the local school Board of Trustees an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Any revisions to transfer budgeted amounts between departments or that alter the total expenditures of any fund must be approved by the Board.
3. Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Fund. The Food Service Fund did not use an operating budget for the current fiscal year.
4. Budgeted amounts are as amended by the District. The District reports the annual budget of all funds on the modified accrual basis of accounting.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)****E. Assets, Liabilities and Fund Equity****Cash Management**

At June 30, 2021, the District utilizes a cash management system whereby the District's excess of deposits over operating disbursements is invested in short term interest-bearing investments. As operating disbursements are presented to the financial institution for payment, District funds are automatically transferred from the investment accounts to the checking account in order to maintain a zero balance in the checking accounts.

**Cash and Cash Equivalents**

The District considers cash equivalents to be short-term highly liquid investments that are (a) readily convertible to known amounts of cash and (b) are so near to maturity that they present negligible risk of changes in value because of changes in interest rates. Examples of cash equivalents are certificates of deposits, money market funds and other short-term investments that mature within three months of acquisition.

**Pooled Cash and Investments**

The monies for the Debt Service Fund, School Building Fund, Food Service Fund and Pupil Activity Funds are deposited and maintained in individual, segregated bank accounts. The District uses a pooled general bank account for the General Fund, Federal, State and Local Special Revenue Fund and Education Improvement Act Fund. The pooled bank account is recorded in the General Fund. The equity interests in the pool belonging to Federal, State and Local Special Revenue Fund and Education Improvement Act Fund are maintained in the account(s) due from (to) General Fund. These amounts will be settled from collections of reimbursements under grant programs from the Federal and State Governments and local sources.

**Cash with Fiscal Agent**

The Spartanburg County Treasurer, fiscal agent for the District, receives local, state and federal monies from taxpayers within the District and from the South Carolina Department of Education. The monies held by the County Treasurer are uninsured but collateralized with government investments held by the pledging institutions agent in the name of Spartanburg County. Fair value approximates cost on the investments as of June 30, 2021.



## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)****E. Assets, Liabilities and Fund Equity (continued)****Ad Valorem Taxes**

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. Vehicle property taxes are levied on various dates in conjunction with the renewal dates of vehicle license tags. The tax books are open for collection September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 5% is charged for payments made after January 31. Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are executed to the Delinquent Tax Collector at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes. The District's property tax revenues are recognized when they become revenues in the hands of the Spartanburg County Treasurer's office.

Assessed values for real estate are established annually by the County Tax Assessor based on the assessment ratio applied to the appropriate class of property. Real and personal property, excluding merchant's inventory, in the District for the 2020 tax levy was assessed at \$62,437,315.

The District's operating tax rate is currently 186.0 mills with an additional 9.1 mills for debt retirement.

**Taxes Receivable**

Taxes receivable (current and delinquent) of \$1,503,527 represent property taxes which have been collected and remitted to Spartanburg County Treasurer's office for its distribution to the District, as well as delinquent taxes yet to be collected.

At June 30, 2021, total unpaid delinquent taxes receivable for the General Fund and the Debt Service Fund were \$1,479,196 and \$24,331, respectively. Uncollectible amounts are estimated based upon past collection experience. Unpaid delinquent taxes receivable, net of allowance for uncollectibles of \$447,894, are reported at \$181,238, which is included in total taxes receivable of \$1,503,527 as reported in the government-wide financial statements.

**Inventory**

The District follows the practice of expensing supply items as they are purchased, with the exception of expenditures for inventory increases in the Food Service Fund, which are capitalized. Inventory in the Food Service Fund consists of purchased food supplies and United States Department of Agriculture ("USDA") donated food commodities. Inventories of purchased food and supplies are valued at cost (first-in, first-out). Inventory of USDA food commodities is valued as determined by current purchase price if known, otherwise at USDA value.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)**E. Assets, Liabilities and Fund Equity (continued)Capital Assets

The District's capital assets are recorded at original cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the asset. Assets acquired by gift or bequest are recorded at their fair value at the date of transfer. Capital assets are recorded as expenditures in the various funds at the time of purchase in the governmental fund financial statements.

It is the policy of the District to capitalize all capital assets costing more than \$5,000 with an estimated useful life of two or more years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	10-50
Equipment and vehicles	5-10
Land improvements	20

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed in the year the related debt is acquired.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

In accordance with state law, the District allows teachers to accumulate a maximum of ninety days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, a teacher continues to receive full pay for each day of accumulated sick leave. After all sick leave is used, the teacher is removed from the payroll. If a teacher leaves the employment of the District, any unused sick leave is not paid to them. Because of the non-vesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)**E. Assets, Liabilities and Fund Equity (continued)Compensated Absences (continued)

Two weeks of vacation is given to all 12-month employees. Vacation is non-cumulative and employees are not paid for unused vacation days. Therefore, no provision or liability has been recorded.

Net Position/Fund Balance

Net position in the government-wide financial statements are classified as net investment in capital assets, restricted (if any) and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through state statute.

Fund balances are classified as follows:

Nonspendable – amounts that cannot be expended either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be expended only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed – amounts that can only be used for specific purposes imposed by formal action of the Board of Trustees. Amounts committed cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable.

Assigned – amounts that are designated by the District for specific purposes but do not meet the definition of restricted or committed fund balance. In the building fund and debt service fund, assigned amounts represent items designated for capital improvements and bond payments, respectively. Fund balance may be designated by the Board of Trustees or by their designee.

Unassigned – amounts that are not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet. Restricted funds are first used as appropriate, followed by assigned funds to the extent that the expenditure authority has been appropriated or budgeted by the District's Board of Trustees.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 1 - Summary of Significant Accounting Policies (continued)**E. Assets, Liabilities and Fund Equity (continued)Management 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

New Pronouncements

The Governmental Accounting Standards Board issued the following statement which has been implemented by the District for the year ended June 30, 2021:

Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*: This Statement requires the District to evaluate its pupil activity funds, to determine if the funds are fiduciary in nature or if the District has administrative control over the funds and the funds should be accounted for as special revenue funds. After reviewing the pupil activity funds, the District determined that their funds should be reported as a Special Revenue Fund. The adoption of this Statement required the District to restate its beginning net position in the government-wide statements and its beginning fund balance in its governmental funds as explained in Note 20.

The Governmental Accounting Standards Board issued the following statement which is effective in future years:

Governmental Accounting Standards Board Statement No. 87, *Leases*: Effective for periods beginning after June 15, 2021, this Statement requires lessees to recognize certain lease assets and lease liabilities for leases that previously were classified as operating leases. The Statement requires the recognition of amortization expense for using the leased asset over the shorter of the term of the lease or the useful life of the underlying asset, interest expense on the lease liability, and note disclosures about the lease. The impact to the District upon adoption of this Statement is being evaluated by management.

**Note 2 - Cash, Cash Equivalents and Investments**

State statutes authorize the District to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its political subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposit collaterally secured, repurchase agreements secured by the foregoing obligations and the state treasurer's investment pool. In the opinion of management, there were no deposit or investment transactions occurring during the year that were in violation of either the state statutes or the policy of the District.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 2 - Cash, Cash Equivalents and Investments (continued)**1. Deposits

All of the District's deposits are either insured or collateralized by the Dedicated Method. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the District's agents in the District's name. The District's cash and cash equivalents are held by multiple depositories. Cash and cash equivalents (demand deposits) consist of checking, savings, and money market accounts.

At June 30, 2021, the carrying amount of the District's cash and cash equivalents was \$1,288,975 and the bank balance was \$2,175,146. Of the bank balance, \$499,462 was covered by federal depository insurance while \$1,675,684 was covered by collateral.

*Custodial Credit Risk.* For deposits, it is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2021, all deposits are either insured or fully collateralized.

2. Investments

As required by Statement 31 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools*, the District's investments with a maturity of more than one year are carried at acquisition value and non-money market investments are carried at fair value as determined by quoted market prices. Investments that have a remaining maturity at the time of purchase of one year or less and non-participating interest earnings and investment contracts are reported at amortized cost.

The District's investments in the state treasurer's investment pool are stated at fair value. These investments are part of a pool of funds for which the collateral is not identified for each deposit, but rather for the fund as a whole. These investments are collateralized by cash or government and agency securities, which are fully guaranteed as to principal and interest by the federal government, but not in the name of the District.

As of June 30, 2021, the fair value of investments with the South Carolina State Investment Pool was \$19,400,859. These investments have a maturity of less than six months.

*Interest Rate Risk.* The 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.

*Credit Risk.* The District does not have a formal investment policy that would limit its investment choices; however, the District follows the state law that defines the investments permitted a governmental entity in the state of South Carolina. The South Carolina Investment Pool is unrated.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 2 - Cash, Cash Equivalents and Investments (continued)**2. Investments (continued)

*Custodial Credit Risk.* The District does not have a custodial credit risk policy. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral that are in the possession of an outside party.

Following are the components of the District's book and fair values for cash and investments at June 30, 2021:

Cash and Investments	Fair and Carrying Value
Deposit:	
Demand deposits	\$ 1,288,975
Investments:	
SC State Investment Pool	\$ 19,400,859

*Fair Value.* Investments are reported at fair value and categorized within the fair value hierarchy established under accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Gains or losses that result from market fluctuation are reported in the current period. As of June 30, 2021, the District's investments in the South Carolina State Investment Pool are valued using quoted prices in active markets (Level 1 inputs).

**Note 3 - Receivables and Unearned Revenue**

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Government Wide
	General	Special Revenue	Non-major Governmental	Total	Total
Receivables:					
Taxes	\$ 1,479,196	\$ -	\$ 24,331	\$ 1,503,527	\$ 1,503,527
Accounts receivable	12,347	29,447	8,576	50,370	50,370
Due from other governments	282,406	683,424	48,521	1,014,351	1,014,351
Net total receivables	<u>\$ 1,773,949</u>	<u>\$ 712,871</u>	<u>\$ 81,428</u>	<u>\$ 2,568,248</u>	<u>\$ 2,568,248</u>

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 3 - Receivables and Unearned Revenue (continued)**

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	Unearned Revenue
Special Revenue Fund	\$ 60,741
Education Improvement Act Fund (hereafter "EIA Fund")	43,610
	<u>\$ 104,351</u>

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Acquisitions and Additions	Dispositions and Deletions	Balance June 30, 2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,071,425	\$ -	\$ 14,288	\$ 2,057,137
Construction in progress	-	40,000	-	40,000
Total capital assets not being depreciated	<u>2,071,425</u>	<u>40,000</u>	<u>14,288</u>	<u>2,097,137</u>
Capital assets being depreciated:				
Land improvements	5,132,575	-	-	5,132,575
Buildings and improvements	31,970,396	82,831	-	32,053,227
Equipment and vehicles	6,565,523	285,674	-	6,851,197
Total capital assets being depreciated	<u>43,668,494</u>	<u>368,505</u>	<u>-</u>	<u>44,036,999</u>
Less accumulated depreciation for:				
Land improvements	2,688,630	250,155	-	2,938,785
Buildings and improvements	16,592,978	745,932	-	17,338,910
Equipment and vehicles	3,981,632	392,983	-	4,374,615
Total accumulated depreciation	<u>23,263,240</u>	<u>\$ 1,389,070</u>	<u>\$ -</u>	<u>24,652,310</u>
Total capital assets being depreciated, net	<u>20,405,254</u>			<u>19,384,689</u>
Governmental activity capital assets, net	<u>\$ 22,476,679</u>			<u>\$ 21,481,826</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,291,835
Support services	97,235
	<u>\$ 1,389,070</u>

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 5 - Accounts Payable and Accrued Liabilities**

Accounts payable consists of amounts due to vendors and contractors for goods or services received on or before the end of the year. No adjustments between the modified and full accrual basis of accounting were needed.

**Note 6 - Defined Benefit Pension Plans**Plan Descriptions

The District is a member of the South Carolina Retirement System ("SCRS") and the Police Officers Retirement System ("PORS"), two of four defined benefit retirement systems maintained by the Retirement Division of the Public Employee Benefits Association ("PEBA") of South Carolina. Each system publishes their component unit financial report.

The systems provide retirement, disability, cost of living adjustments on an ad-hoc basis, life insurance and survivor benefits to state employees, public school employees, and employees of counties, municipalities, and certain other state political subdivisions. Each system is independent. Assets may not be transferred from one system to another or used for any purpose other than to benefit each system's participants.

An annual comprehensive financial report containing financial statement and required supplementary information for the SCRS and PORS is issued and publicly available by writing PEBA, 202 Arbor Lake Drive, Columbia, South Carolina 29223.

Funding and Benefit Policies

Title 9 of the South Carolina Code of Laws of 1976 (as amended) prescribes requirements relating to membership, benefits, and employee/employer contributions for each system.

The following paragraphs summarize the requirements for the SCRS and PORS. They are a cost-sharing multiple-employer pension system that benefits employees of public schools, the State, and its political subdivisions. Membership is required as a condition of employment. Both employers and employees must contribute. Employees under SCRS contribute at 9.00%, while employees under PORS contribute at 9.75%. SCRS employers contribute at 15.41%, and PORS employers contribute at 17.84%. In addition to the above rates, participating employers of the SCRS contribute .15% and PORS employers contribute .20% of payroll to provide an incidental group life insurance benefit for their participants. In addition, participating employers of PORS contribute an additional .20% for accidental group life insurance benefit for participants. An additional employer contribution surcharge of 6.25% of covered payroll was added to the contribution rate to state and public school entities covered by the State Health Insurance Program. This assessment is for the purpose of providing retiree health insurance coverage and is not a part of the actuarially established contribution rates. The total contribution rate, including the group life insurance and health insurance surcharge, for the District was 21.81% for SCRS and 24.49% for PORS.



## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 6 - Defined Benefit Pension Plans (continued)**Funding and Benefit Policies (continued)

The District contributed for all plans the following for the current year and each of the preceding two years:

Year ended June 30	Employee Contributions	Employer Contributions	Total Contributions
2021	\$1,301,280	\$ 2,202,676	\$ 3,503,956
2020	1,267,366	2,170,894	3,438,260
2019	1,193,953	1,911,719	3,105,672
Average number of members			<u>348</u>

Actuarially determined contribution requirements are equal to the actual contributions made to SCRS.

Pension Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflow of Resources

At June 30, 2021, the District reported a liability of \$35,899,489 for its proportionate share of the net pension liability of SCRS and PORS. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The District's proportion of the net pension liability was based on the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the District's proportion was .140404% of the total SCRS pension liability and .000720% of the total PORS pension liability.

The District reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS from the following sources at June 30, 2021:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on SCRS investments	\$ 2,641,396	\$ -
Assumption changes	44,244	-
Deferred amounts from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	144,393	88,956
Contributions subsequent to the measurement date	2,202,676	-
Difference in expected and actual experience in measurement of pension liability	414,464	135,766
	<u>\$ 5,447,173</u>	<u>\$ 224,722</u>

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 6 - Defined Benefit Pension Plans (continued)**Pension Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflow of Resources (continued)

The District's contributions subsequent to the measurement date of \$2,202,676 will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Total pension expense for the year ended June 30, 2021 was \$4,146,493.

The following schedule reflects the District's proportion of the amortization of the net balance of remaining deferred inflows of resources of the SCRS and PORS at the measurement date of June 30, 2020:

<u>Measurement Period Ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2020	\$ (573,622)	\$ 1,965
2021	(828,256)	2,127
2022	(945,812)	(1,787)
2023	(673,403)	(987)
Net Balance of Deferred Outflows of Resources	<u>\$ (3,021,093)</u>	<u>\$ 1,318</u>

Actuarial Assumptions

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2019.

The most recent annual actuarial valuation reports adopted by the Public Employee Benefit Authority Board and the SC Budget and Control Board are as of July 1, 2019. The total pension liability in that report was determined using the following actuarial assumptions, applied to all periods included in the measurement.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Inflation	2.25%	2.25%
Benefit adjustment	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 6 - Defined Benefit Pension Plans (continued)**Actuarial Assumptions (continued)

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 20-year capital market assumptions. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 5.00 percent real rate of return and a 2.25 percent inflation component. The target asset allocations and the long-term expected real rates of return are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Conservative fixed income	14%	0.22%
Diversified credit	15%	0.71%
Opportunistic	8%	0.29%
Real Assets	12%	0.69%
Global equity	51%	3.89%
Total expected rate of return	100%	5.80%
Inflation for actuarial purposes		2.25%
Total expected nominal return		8.05%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the fiduciary net position of SCRS and PORS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 6 - Defined Benefit Pension Plans (continued)**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability of the District's calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.25%) or 1.00% higher (8.25%) than the current rate.

	<b>Sensitivity of the Net Pension Liability to Changes in the Discount Rate</b>		
	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 44,463,538	\$ 35,875,618	\$ 28,704,762
PORS	\$ 31,609	\$ 23,871	\$ 17,668

**NOTE 7 - Postemployment Benefits Other Than Pensions**

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State of South Carolina provides postemployment health and dental and long-term disability benefits through the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF"), collectively referred to as the OPEB Trust Funds ("OPEB Trusts"), to retired State and school district employees and their covered dependents.

Plan description

The OPEB Trusts were established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan. In accordance with Act 195, the OPEB Trusts are administered by the PEBA, Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee. The OPEB Trusts are cost-sharing, multiple-employer, defined benefit plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans.

Benefits

The SCRHITF provides health and dental insurance benefits to eligible retirees. 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 beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Contributions and funding policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA, Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA, Insurance Benefits reserves. The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the year ended June 30, 2021 was 6.25 percent.

The SCRS collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments. Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs.

Basic Long Term Disability benefits are funded through a person's premium charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2021. The SCLTDITF premium is billed monthly by PEBA, Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

Total required employer contributions to the SCRHITF and SCLTDITF from the District was \$1,016,006 and \$11,663, respectively, for the year ended June 30, 2021.

Actuarial assumptions and methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Actuarial assumptions and methods (continued)

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

<b>Valuation Date:</b>	June 30, 2019
<b>Actuarial Cost Method:</b>	Individual Entry - Age Normal
<b>Inflation:</b>	2.25%
<b>Investment Rate of Return:</b>	2.75%, net of OPEB Plan investment expenses; including inflation
<b>Single Discount Rate:</b>	2.45% as of June 30, 2020
<b>Demographic Assumptions:</b>	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2015.
<b>Mortality:</b>	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
<b>Health Care Trend Rate:</b>	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years
<b>Retiree Participation:</b>	79% for retirees who are eligible for funded premiums. 59% for retirees who are eligible for partial funded premiums. 20% for retirees who are eligible for non-funded premiums.
<b>Notes:</b>	The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020; updates were also made to the healthcare trend rate assumption, including an adjustment to reflect the repeal of the "Cadillac Tax".

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Actuarial assumptions and methods (continued)

Additional information as of the latest actuarial valuation for SCLTDITF:

<b>Valuation Date:</b>	June 30, 2019
<b>Actuarial Cost Method:</b>	Individual Entry - Age Normal
<b>Inflation:</b>	2.25%
<b>Investment Rate of Return:</b>	3.00%, net of Plan investment expense; including inflation
<b>Single Discount Rate:</b>	2.83% as of June 30, 2020
<b>Salary, Termination, and Retirement Rates:</b>	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2015.
<b>Disability Incidence:</b>	The rates used in the valuation are based on the rates developed for the SCRS pension plans.
<b>Disability Recovery:</b>	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years.
<b>Offsets:</b>	40% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group.
<b>Expenses</b>	Third party administrative expenses were included in the benefit projections.
<b>Notes:</b>	The discount rate changed from 3.04% as of June 30, 2019 to 2.83% as of June 30, 2020.

Net OPEB liability

At June 30, 2021, the District reported liabilities of \$32,169,483 and \$426 for its proportionate share of the SCRHITF and SCLTDITF net OPEB liabilities, respectively. The total net OPEB liabilities were measured as of June 30, 2019, with update procedures being performed to roll forward the net OPEB liabilities to June 30, 2020. The District's proportionate shares of the collective net OPEB liabilities and collective OPEB expense was determined using the District's payroll-related contributions over the measurement period. At June 30, 2020, the District's proportionate shares of the SCRHITF and SCLTDITF were .178210% and .140508%, respectively.

OPEB expense

For the year ended June 30, 2021, the District recognized OPEB expense for the SCRHITF and SCLTDITF plans of \$1,199,365 and \$3,068, respectively.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Single discount rate

The Single Discount Rate of 2.45% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 2.83% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 2.45%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2041. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2041, and the municipal bond rate was applied to all benefit payments after that date.

Long-term expected rate of return

The long-term expected rate of return represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Expected Arithmetic Real Rate of Return</b>	<b>Allocation-Weighted Long-Term Expected Real Rate of Return</b>
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.35%	0.07%
<b>Total</b>	<b>100.00%</b>		<b>0.55%</b>
Expected Inflation			2.25%
<b>Total Return</b>			<b>2.80%</b>
<b>Investment Return Assumption</b>			<b>2.75%</b>



## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Long-term expected rate of return (continued)

## SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.35%	0.07%
<b>Total</b>	<b>100.00%</b>		<b>0.83%</b>
Expected Inflation			2.25%
<b>Total Return</b>			<b>3.08%</b>
<b>Investment Return Assumption</b>			<b>3.00%</b>

Sensitivity analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 2.45%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Plan	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
SCRHITF	\$38,384,650	\$32,169,483	\$27,203,099

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher:

Plan	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF	\$ 26,038,109	\$ 32,169,483	\$ 40,221,742

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Sensitivity analysis (continued)

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.04%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

<b>Plan</b>	<b>1% Decrease (1.83%)</b>	<b>Current Discount Rate (2.83%)</b>	<b>1% Increase (3.83%)</b>
SCLTDITF net OPEB liability	\$2,510	\$426	(\$1,644)

Deferred outflows and inflows of resources

At June 30, 2021 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources for the combined plans:

	<u><b>SCRHITF and SCLTDITF Deferred Outflows of Resources</b></u>	<u><b>Deferred Inflows of Resources</b></u>
Net difference between projected and actual investment experience	\$ -	\$ 78,585
Net difference between projected and actual experience in liability measurement	920,077	734,383
Assumption changes	4,789,006	1,281,366
Changes in proportion and differences between the District's contributions and proportionate share of contributions	96,452	68,637
Contributions subsequent to the measurement date	1,027,869	-
Total	<u>\$ 6,833,404</u>	<u>\$ 2,162,971</u>

Difference between expected and actual experience

The \$1,027,869 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date for the SCRHITF and SCLTDITF plans during the year ended June 30, 2021, will be recognized as a reduction of the net OPEB liabilities in the year ending June 30, 2022.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**NOTE 7 - Postemployment Benefits Other Than Pensions (continued)**Difference between expected and actual experience (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRHITF and SCLTDITF plans:

	<u>SCRHITF and SCLTDITF</u>
Years ended June 30:	
2021	\$ 463,854
2022	453,036
2023	436,210
2024	721,718
2025	805,273
Thereafter	<u>762,472</u>
	<u>\$ 3,642,564</u>

Additional Financial and Actuarial Information

PEBA - Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov) or a copy may be obtained by submitting a request to PEBA - Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and therefore, OPEB Trust Funds financial information is also included in the comprehensive annual financial report of the State.

**Note 8 - Defined Contribution Pension Plan**

As an alternative to membership in the SCRS, newly hired state, public school and higher education employees and individuals newly elected to the SC General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Plan ("State ORP"), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits.

Rather, the benefits are the liability of the investment providers.

Under the State ORP, employees contribute 9.00% and employers contribute 15.41% of which 5.00% is directed to the investment provider and 10.41% to the SCRS to cover administrative expenses. In addition to the above rates, participating employers of the State ORP contribute .15% of covered payroll to provide incidental death benefits for their participants. An additional employer contribution surcharge of 6.25% of covered payroll was added to the contribution rate for the purpose of providing retiree health insurance coverage. The total contribution rate for the District was 21.81%.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 8 - Defined Contribution Pension Plan (continued)**

Total contributions under the State ORP for fiscal year 2021 were employee contributions of \$196,006 and employer contributions of \$335,606.

**Note 9 - Postretirement Benefits**

The District is a member of the SCRS and the PORS which were established July 1, 1945. The SCRS covers public school employees, public higher education personnel, state employees, city, county and other local public employees. It provides a complete schedule of benefits for regular retirement. A member is eligible for a full service retirement at age 65 or upon completion of twenty-eight years or after January 1, 2001; members are eligible after twenty-eight years membership. Reduced benefits are payable as early as age 55. The PORS covers law enforcement employees. A member is eligible for service retirement at age 60 or upon completion of twenty-five years of service.

As described more fully in Note 6, funding of the plan is made from employee/employer contributions. Benefits vest after five years of service for members prior to July 1, 2012. New members hired on or after July 1, 2012 vest after eight years of service. Vested members who retire at age 65 or with twenty-eight years of service at any age receive an annual benefit payable monthly for life. The benefit is based on length of service and on average final compensation.

There is no minimum age or years of service required for retirement in State ORP. The employee is immediately 100 percent vested in the account value including employee and employer contributions. The employee receives distributions upon termination of employment or reaches 59 1/2. The benefit is based on the total account value payable either by an annuity, lump sum or partial distributions.

In addition to providing pension plan and supplemental benefits, the State currently provides its retired employees with health care benefits.

All postretirement benefits paid to the School District's retired members are made from the South Carolina Retirement System and from South Carolina's General Fund (Health Care).

**Note 10 - Postemployment Benefits**

The District provides death benefits to employees through the group life insurance program for members of the SCRS, PORS and the ORP, which is explained further in Note 6. The beneficiaries of those employees who die in active service after one year of credited service are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the budgeted salary of the deceased member.

The District has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly covered payroll. The District does not determine the number of eligible participants. For the year ended June 30, 2021, the District made contributions of \$24,996 to the State for death benefits representing .15% of covered payroll for members of the SCRS and ORP and .40% of covered payroll for members of PORS.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 10 - Postemployment Benefits (continued)**

Upon the death of a retiree, a benefit will be paid to the designated beneficiary of an amount based on years of credit services as follows:

10 - 19 years service credits	\$2,000
20 - 27 years service credits	4,000
28 or more years service credits	6,000

**Note 11 - Deferred Compensation Plans**

Several optional deferred compensation plans are available to the District's employees. The multiple-employer plans, created under Internal Revenue Code Sections 457 and 401(k) are accounted for by the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements. These requirements differ among the two plans. Compensation deferred under the Sections 457 and 401(k) plans is placed in trust for the contributing employees. Neither the State nor the District has any liability for losses under the plans.

In addition, the District also allows employees to participate in plans established under Internal Revenue Code Section 403(b). Participation is voluntary. The District remits employee contributions to a third party administrator. The third party administrator then remits the various 403(b) providers. The District has no loss under the Plan.

**Note 12 - 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. The District is insured by a commercial insurance carrier. The District pays premiums to the commercial carrier for its general insurance coverage.

The District continues to carry insurance for other risks of loss including employee health, dental, group life, and accident insurance under the State of South Carolina. The State accumulates assets to cover risks that its members incur in their normal operations. Specifically, the State assumes substantially all of the risk for the above.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 13 - Long-term Obligations and Short-term Obligations**Long-term Obligations

Bonds payable at June 30, 2021 are comprised of the following specific issues:

\$1,250,000 issued March 25, 2020 general obligation bonds, due in annual installments commencing March 2021 of \$639,286 with an interest rate of 1.52%	\$ 629,715
\$3,000,000 issued June 17, 2021 general obligation bonds, due in annual installments commencing June 2022 of \$764,604 with an interest rate of 0.79%	<u>3,000,000</u>
	<u>\$ 3,629,715</u>

The annual requirement to amortize all general obligation debt outstanding as of June 30, 2021, including interest payments of \$67,990, is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	1,371,673	\$ 32,219	\$ 1,403,892
2023	746,766	17,839	764,605
2024	752,665	11,939	764,604
2025	758,611	5,993	764,604
	<u>\$ 3,629,715</u>	<u>\$ 67,990</u>	<u>\$ 3,697,705</u>

A schedule of changes in long-term debt for the fiscal year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021	Current Portion of Long-Term Liabilities
Governmental activities:					
General obligation bonds	\$ 1,250,000	\$ 3,000,000	\$ (620,285)	\$ 3,629,715	\$ 1,371,673
Net OPEB liabilities	26,917,027	5,252,882	-	32,169,909	-
Net pension liabilities	31,953,099	3,946,390	-	35,899,489	-
Total	<u>\$ 60,120,126</u>	<u>\$ 12,199,272</u>	<u>\$ (620,285)</u>	<u>\$ 71,699,113</u>	<u>\$ 1,371,673</u>

There are a number of limitations and restrictions contained in the debt instruments. Management believes the District is in compliance with all significant limitations and restrictions, including the legal debt limit imposed by the State of South Carolina.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 13 - Long-term Obligations and Short-term Obligations (continued)**Short-term Obligations

On March 25, 2020, the District issued a \$600,000 Bond Anticipation Note. The note matured on March 25, 2021 with an interest rate of 1.54%. On March 25, 2021, the District issued a \$1,200,000 Bond Anticipation Note due March 25, 2022 with an interest rate of 0.80%.

Short-term debt activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Governmental activities:				
March 2020 Bond Anticipation Note	\$ 600,000	\$ -	\$ (600,000)	\$ -
March 2021 Bond Anticipation Note	-	1,200,000	-	1,200,000
Total	<u>\$ 600,000</u>	<u>\$ 1,200,000</u>	<u>\$ (600,000)</u>	<u>\$ 1,200,000</u>

Interest and Fees

For the year ended June 30, 2021, \$69,156 of interest and fees were accrued and expensed. Interest and fees paid during the year ended June 30, 2021 was \$28,240. Interest due in 2022 will be \$32,219.

**Note 14 - Interfund Transactions**

The composition of interfund balances as of June 30, 2021, is as follows:

Receivable	Payable			Total
	General Fund	Special Revenue	Non-major Governmental	
General Fund	\$ -	\$ 672,863	\$ 265,705	\$ 938,568
School Building Fund	100,720	-	-	100,720
EIA Fund	43,610	-	-	43,610
Total	<u>\$ 144,330</u>	<u>\$ 672,863</u>	<u>\$ 265,705</u>	<u>\$ 1,082,898</u>

Amounts were due to the general fund from other individual major and non-major funds primarily for operating purposes.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 15 - Transfers to/from Other Funds**

Transfers for the year ended June 30, 2021 are summarized below:

Transfer In	Transfer Out				Total
	General Fund	Special Revenue	EIA	Non-major Governmental	
General	\$ -	\$ -	\$ 679,177	\$ 94,324	\$ 773,501
School Building	1,300,000	-	-	-	1,300,000
Total	\$ 1,300,000	\$ -	\$ 679,177	\$ 94,324	\$ 2,073,501

**Note 16 - Tax Abatements**

The District is subject to tax abatements granted by Spartanburg County (the "County"). This program has the purpose of increasing business activity and employment in the County.

Under the County's program, companies apply for a fee in lieu of property taxes ("FILOT") agreement. The fee agreed to under the FILOT agreement is further reduced by a Special Source Revenue Credit ("SSRC") if the company fulfills a specified level of investment in the County within the timeframe stated in the FILOT Agreement. This provides the company with an incentive to relocate their facilities to the County.

Information relevant to these abatements for the year ended June 30, 2021 is as follows:

Tax Abatement Program	Original Ad Valorem Tax	Fee Dollars	Special Source Revenue Credit	Amount Abated During the Year
Fee in Lieu of Tax	\$ 845,531	\$771,147	\$ -	\$ 74,384

**Note 17 - Summary Disclosure of Significant Contingencies and Commitments**Unemployment Compensation

The District is required to pay unemployment compensation on covered employees. It has chosen the alternative of paying claims as billed by the South Carolina Employment Security Commission. Under this method of funding, no accurate estimate of any potential liability can be made. However, the District does not believe any such liability would have a detrimental impact on the financial status of the District.

Federal and State Assisted Programs

The District has received proceeds from Federal and State grants, and/or entitlements. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor



## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 17 - Summary Disclosure of Significant Contingencies and Commitments (continued)**Federal and State Assisted Programs (continued)

agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies due to questioned costs.

Asbestos Hazard Emergency Response Act (Asbestos Plan)

The District's asbestos management plan was completed and implemented in July 1989. It has been determined by proper authorities, under federal guidelines, that no serious threats regarding asbestos were found. The District is unable to determine any future cost associated with the management of the Plan in order to provide continued compliance with federal guidelines or future cost associated with new construction, repairs or normal maintenance to new or existing buildings. Maintenance and inspection programs are carried out for all District property. At June 30, 2021, in the opinion of management, the District was in compliance with Environmental Protection Agency and Department of Health and Environmental Control procedures regarding the Asbestos Plan.

Commitments

At June 30, 2021, the District has construction commitments of \$713,746 and a commitment of \$550,300 to purchase land.

**Note 18 - Related Organization**

These financial statements exclude R.D. Anderson Area Vocational Center, Moore, South Carolina. The Center serves the high schools in Spartanburg County School District Four, Five and Six. In addition, two of District Four's Board of Trustees, Randy Grant and Charles Hembree, also serve as Board members of R.D. Anderson Area Vocational Center. The District remits a portion of its Education Finance Act monies to the Center to cover the educational costs of the District's students attending R.D. Anderson Area Vocational Center. For the year ended June 30, 2021, \$214,514 was recorded as a General Fund expenditure.

**Note 19 - Related Party Transactions**

The District obtained cleaning services from a related party whose father is in a position of control. The cost for cleaning services paid to the related party was \$8,363 during 2021. In addition, the District also obtained graphic designs from a company whose parent is a member of the Board of Trustees. The cost of the graphic design was \$5,691 during 2021. The District also obtained repair services to sound systems from a company whose parent is a member of the Board of Trustees. The cost of the repair services was \$2,548 during 2021.

## SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

## Notes to Financial Statements

June 30, 2021

**Note 20 – Restatement of Beginning Net Position and Fund Balance**

The District implemented GASB Statement No. 84, *Fiduciary Activities* during the fiscal year ended June 30, 2021. Beginning net position and beginning fund balance was restated as follows:

	Net Position	Special Revenue Fund – Special Projects	Agency Fund
Net Position, Fund Balance and Due to Student Organization, as previously reported	\$ (18,149,338)	\$ -	\$ 161,880
Restatement of Pupil Activity – adoption of GASB 84	<u>161,880</u>	<u>161,880</u>	<u>(161,880)</u>
Net Position, Fund Balance and Due to Student Organization, as adjusted	<u>\$ (17,987,458)</u>	<u>\$ 161,880</u>	<u>\$ -</u>

**Note 21 - Subsequent Events**

Subsequent to the issuance of the audit report, the District contracted to sale two tracts of land totaling 48.86 acres for \$496,500. In addition, the District signed contracts to purchase 58.05 acres for \$1,381,760.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 SOUTH CAROLINA RETIREMENT SYSTEMS  
 LAST EIGHT FISCAL YEARS ENDED  
 (UNAUDITED)

Fiscal Year*	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Net Pension Liability
<b>South Carolina Retirement System</b>					
2020	0.140404% \$	35,875,618 \$	14,070,025	254.979064%	97.18%
2019	0.139885% \$	31,941,492 \$	13,259,758	240.890460%	83.83%
2018	0.140601% \$	31,504,264 \$	13,172,889	239.159868%	84.83%
2017	0.139693% \$	31,447,141 \$	12,938,936	243.042712%	87.48%
2016	0.139021% \$	29,694,680 \$	12,447,459	238.560175%	89.01%
2015	0.142582% \$	27,041,364 \$	12,528,548	215.837973%	75.46%
2014	0.148595% \$	25,583,133 \$	12,706,464	201.339515%	66.89%
2013	0.148595% \$	26,652,642 \$	12,745,539	209.113495%	77.34%
<b>Police Officers' Retirement System</b>					
2020	0.000720% \$	23,871 \$	10,874	219.523634%	80.68%
2019	0.000405% \$	11,609 \$	5,869	197.802011%	59.51%
2018	0.001198% \$	33,946 \$	16,589	204.629574%	62.00%
2017	0.001310% \$	35,916 \$	17,653	203.455503%	64.10%
2016	0.001164% \$	29,525 \$	14,839	198.968933%	65.44%
2015	0.000986% \$	21,490 \$	12,218	175.888034%	54.87%
2014	0.000640% \$	12,214 \$	7,668	159.285342%	48.04%
2013	0.000640% \$	13,226 \$	9,356	141.363831%	58.78%

\* Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year.

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PENSION CONTRIBUTIONS  
LAST TEN FISCAL YEARS

South Carolina Retirement System

Fiscal Year*	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021 \$	2,199,580 \$	2,199,580 \$	- \$	14,439,854	15.2327%
2020 \$	2,167,428 \$	2,167,428 \$	- \$	14,070,025	15.4046%
2019 \$	1,910,731 \$	1,910,731 \$	- \$	13,259,758	14.4100%
2018 \$	1,766,484 \$	1,766,484 \$	- \$	13,172,889	13.4100%
2017 \$	1,476,289 \$	1,476,289 \$	- \$	12,938,936	11.4097%
2016 \$	1,358,018 \$	1,358,018 \$	- \$	12,447,459	10.9100%
2015 \$	1,346,819 \$	1,346,819 \$	- \$	12,528,548	10.7500%
2014 \$	1,327,825 \$	1,327,825 \$	- \$	12,706,464	10.4500%
2013 \$	1,331,909 \$	1,331,909 \$	- \$	12,745,539	10.4500%
2012 \$	1,147,768 \$	1,147,768 \$	- \$	12,229,810	9.3850%

Police Officers' Retirement System

Fiscal Year*	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021 \$	3,096 \$	3,096 \$	- \$	17,357	17.8372%
2020 \$	1,940 \$	1,940 \$	- \$	10,874	17.8403%
2019 \$	988 \$	988 \$	- \$	5,869	16.8342%
2018 \$	2,627 \$	2,627 \$	- \$	16,589	15.8358%
2017 \$	2,443 \$	2,443 \$	- \$	17,653	13.8390%
2016 \$	1,979 \$	1,979 \$	- \$	14,839	13.3365%
2015 \$	1,590 \$	1,590 \$	- \$	12,218	13.0136%
2014 \$	954 \$	954 \$	- \$	7,668	12.4413%
2013 \$	1,113 \$	1,113 \$	- \$	9,356	11.8961%
2012 \$	208 \$	208 \$	- \$	1,833	11.3475%

\* Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 LAST FIVE FISCAL YEARS END

Fiscal Year	The District's Proportion of the Net OPEB Liability	The District's Proportionate Share of the Net OPEB Liability	The District's Total Covered Employee Payroll During the Measurement Period	The District's Proportionate Share of the Net OPEB Liability as a Percentage of Total Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Covered Employee OPEB Liability
<u>South Carolina Retiree Health Insurance Trust Fund (SCRHITF)</u>					
2020 \$	0.178210%	\$ 32,169,483	\$ 14,070,025	228.64%	8.39%
2019 \$	0.177987%	\$ 26,914,348	\$ 13,259,758	202.98%	8.44%
2018 \$	0.178612%	\$ 25,310,365	\$ 13,172,889	192.14%	7.91%
2017 \$	0.177795%	\$ 24,082,042	\$ 12,938,936	186.12%	7.60%
2016 \$	0.177795%	\$ 25,724,502	\$ 12,447,459	206.66%	Not Available
<u>South Carolina Long-term Disability Insurance Trust Fund (SCLTDITF)</u>					
2020 \$	0.140508%	\$ 426	(1)	\$ (1)	99.29%
2019 \$	0.136108%	\$ 2,679	(1)	\$ (1)	95.17%
2018 \$	0.141147%	\$ 4,253	(1)	\$ (1)	92.20%
2017 \$	0.141147%	\$ 2,559	(1)	\$ (1)	95.29%
2016 \$	0.141147%	\$ 980	(1)	\$ (1)	Not Available

(1) Contributions to the SCLTDITF are based upon a fixed fee per covered employee. Therefore, covered payroll is not applicable to the SCLTDITF

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS  
LAST FIVE FISCAL YEARS END

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)

Fiscal Year	Actuarial Required OPEB Contribution	Actual OPEB Contributions	Contribution Deficiency (Excess)	District's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2021 \$	1,039,691 \$	1,039,691 \$	-	14,439,854	7.2001%
2020 \$	1,026,738 \$	1,026,738 \$	-	14,070,025	7.2973%
2019 \$	941,862 \$	941,862 \$	-	13,259,758	7.1032%
2018 \$	847,163 \$	847,163 \$	-	13,172,889	6.4311%
2017 \$	799,136 \$	799,136 \$	-	12,938,936	6.1762%

South Carolina Long-term Disability Insurance Trust Fund (SCLTDITF)

Fiscal Year	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2021 \$	11,663 \$	11,663 \$	-	(1)	(1)
2020 \$	11,402 \$	11,402 \$	-	(1)	(1)
2019 \$	10,790 \$	10,790 \$	-	(1)	(1)
2018 \$	10,906 \$	10,906 \$	-	(1)	(1)
2017 \$	10,967 \$	10,967 \$	-	(1)	(1)

(1) Contributions to the SCLTDITF are based upon a fixed fee per covered employee. Therefore, covered payroll is not applicable to the SCLTDITF

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
<b>1000 Revenue from Local Sources</b>			
<b>1100 Taxes</b>			
1110 Ad Valorem Taxes	\$ 6,996,719	\$ 7,568,504	\$ 571,785
<b>1200 Revenue from Local Governmental Units Other than LEA's</b>			
1280 Revenue in Lieu of Taxes (Independent and Dependent LEA)	150,000	1,546,482	1,396,482
<b>1300 Tuition</b>			
1310 Regular Day School from Patrons	-	20,650	20,650
<b>1500 Earnings on Investments</b>			
1510 Interest on Investments	60,000	19,752	(40,248)
<b>1900 Other Revenue from Local Sources</b>			
<b>1920 Contributions and Donations</b>			
Private Sources	-	375	375
1993 Receipt of Insurance Proceeds	-	9,254	9,254
1999 Revenue from Other Local Sources	-	2,043	2,043
<b>Total Local Sources</b>	<u>7,206,719</u>	<u>9,167,060</u>	<u>1,960,341</u>
<b>3000 Revenue from State Sources</b>			
<b>3100 Restricted State Funding</b>			
<b>3130 Special Programs</b>			
3131 Handicapped Transportation	-	6,238	6,238
3160 School Bus Driver's Salary	186,000	232,242	46,242
3161 EAA School Bus Driver's Salary and Fringe	-	618	618
3162 Transportation Workers' Compensation	15,000	14,604	(396)
3180 Fringe Benefits Employer Contributions	3,584,000	3,362,146	(221,854)
3181 Retiree Insurance	675,000	679,442	4,442
3186 State Aid to Classrooms	499,000	486,841	(12,159)
3189 Teacher Step	-	103,528	103,528

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>3300 Education Finance Act</b>			
<b>3310 Full-Time Programs</b>			
3311 Kindergarten	403,150	322,764	(80,386)
3312 Primary	1,054,384	1,022,105	(32,279)
3313 Elementary	1,832,900	1,721,245	(111,655)
3314 High School	550,800	513,190	(37,610)
3315 Trainable Mentally Handicapped	33,500	37,836	4,336
3316 Speech Handicapped (Part-Time Program)	589,000	355,702	(233,298)
3317 Homebound	4,200	201	(3,999)
<b>3320 Part-Time Programs</b>			
3321 Emotionally Handicapped	46,000	42,292	(3,708)
3322 Educable Mentally Handicapped	24,000	28,121	4,121
3323 Learning Disabilities	636,000	677,743	41,743
3324 Hearing Handicapped	26,400	27,760	1,360
3325 Visually Handicapped	31,700	36,110	4,410
3326 Orthopedically Handicapped	4,200	4,095	(105)
3327 Vocational	1,119,000	1,103,840	(15,160)
<b>3330 Miscellaneous EFA Programs</b>			
3331 Autism	201,000	195,043	(5,957)
3332 High Achieving Students	139,700	124,870	(14,830)
3334 Limited English Proficiency	42,700	42,433	(267)
3351 Academic Assistance	240,400	230,872	(9,528)
3352 Pupils in Poverty	748,360	704,038	(44,322)
3353 Dual Credit Enrollment	5,500	4,797	(703)
3392 NBC Excess EFA Formula	-	21,392	21,392
<b>3800 State Revenue in Lieu of Taxes</b>			
3810 Reimbursement for Local Property Tax Relief	892,411	892,411	-
3820 Homestead Exemption	433,314	433,314	-
3825 Reimbursement for Property Tax Relief	2,313,962	2,425,556	111,594
3830 Merchant's Inventory Tax	29,000	29,256	256
3840 Manufacturers Depreciation Reimbursement	100,000	247,832	147,832
3890 Other State Property Tax Revenues	20,000	39,286	19,286
<b>3990 Other State Revenue</b>			
3993 PEBA On-Behalf	72,217	145,969	73,752
3999 Revenue from Other State Sources	-	1,400	1,400
<b>Total State Sources</b>	<u>16,552,798</u>	<u>16,317,132</u>	<u>(235,666)</u>
<b>Total Revenue all Sources</b>	<u>23,759,517</u>	<u>25,484,192</u>	<u>1,724,675</u>



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	574,311	638,627	(64,316)
200 Employee Benefits	296,353	276,037	20,316
400 Supplies and Materials	54,000	16,892	37,108
500 Capital Outlay	5,000	-	5,000
112 Primary Programs			
100 Salaries	1,330,907	1,567,190	(236,283)
200 Employee Benefits	620,685	687,733	(67,048)
300 Purchased Services	-	25,754	(25,754)
400 Supplies and Materials	179,150	57,585	121,565
500 Capital Outlay	6,000	-	6,000
113 Elementary Programs			
100 Salaries	3,430,904	3,229,444	201,460
200 Employee Benefits	1,552,564	1,369,796	182,768
300 Purchased Services	-	51,966	(51,966)
400 Supplies and Materials	302,800	101,194	201,606
500 Capital Outlay	10,000	-	10,000
114 High School Programs			
100 Salaries	2,082,860	2,075,776	7,084
200 Employee Benefits	944,425	877,256	67,169
300 Purchased Services	130,620	179,371	(48,751)
400 Supplies and Materials	195,850	216,517	(20,667)
500 Capital Outlay	5,000	-	5,000
600 Other Objects	2,000	8,000	(6,000)
115 Vocational Programs			
100 Salaries	156,014	154,689	1,325
200 Employee Benefits	71,417	69,721	1,696
300 Purchased Services - Other than Tuition	26,562	32,407	(5,845)
370 Purchased Services - Tuition	239,000	214,551	24,449
400 Supplies and Materials	12,700	-	12,700

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	763,091	71,347	691,744
200 Employee Benefits	335,721	20,164	315,557
300 Purchased Services	1,000	7,772	(6,772)
400 Supplies and Materials	1,500	8,485	(6,985)
122 Trainable Mentally Handicapped			
100 Salaries	-	3,834	(3,834)
200 Employee Benefits	-	1,846	(1,846)
300 Purchased Services	3,500	12,322	(8,822)
123 Orthopedically Handicapped			
100 Salaries	10,000	2,415	7,585
200 Employee Benefits	3,100	1,021	2,079
300 Purchased Services	23,000	-	23,000
124 Visually Handicapped			
100 Salaries	-	1,842	(1,842)
200 Employee Benefits	-	782	(782)
300 Purchased Services	20,700	26,007	(5,307)
400 Supplies and Materials	1,000	29	971
125 Hearing Handicapped			
100 Salaries	10,000	7,053	2,947
200 Employee Benefits	3,100	3,382	(282)
300 Purchased Services	13,300	17,544	(4,244)
400 Supplies and Materials	150	-	150
126 Speech Handicapped			
100 Salaries	102,863	128,833	(25,970)
200 Employee Benefits	42,342	61,236	(18,894)
300 Purchased Services	-	3,825	(3,825)
400 Supplies and Materials	1,800	274	1,526
127 Learning Disabilities			
100 Salaries	123,445	648,577	(525,132)
200 Employee Benefits	54,093	271,729	(217,636)
300 Purchased Services	-	-	-
400 Supplies and Materials	2,000	-	2,000

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
128 Emotionally Handicapped			
100 Salaries	3,280	25,522	(22,242)
200 Employee Benefits	1,016	9,985	(8,969)
300 Purchased Services	10,600	-	10,600
400 Supplies and Materials	300	-	300
130 Pre-School Programs			
132 Pre-School Handicapped-Itinerant (5 year-olds)			
100 Salaries	-	615	(615)
200 Employee Benefits	-	185	(185)
133 Pre-School Handicapped-Self Contained (5 year-olds)			
100 Salaries	25,824	26,574	(750)
200 Employee Benefits	10,620	11,273	(653)
137 Pre-School Handicapped-Self-Contained (3 & 4 year-olds)			
100 Salaries	-	2,704	(2,704)
200 Employee Benefits	-	814	(814)
139 Early Childhood Programs			
100 Salaries	25,756	78,914	(53,158)
200 Employee Benefits	7,984	38,596	(30,612)
400 Supplies and Materials	10,000	763	9,237
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	67,088	67,713	(625)
200 Employee Benefits	33,458	31,954	1,504
400 Supplies and Materials	8,000	145	7,855
145 Homebound			
100 Salaries	25,000	1,739	23,261
200 Employee Benefits	7,752	515	7,237
300 Purchased Services	12,000	80	11,920
147 Full Day 4K			
100 Salaries	85,823	203,781	(117,958)
200 Employee Benefits	41,985	87,409	(45,424)
300 Purchased Services	-	21,666	(21,666)
400 Supplies and Materials	10,000	626	9,374

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
148 Gifted and Talented - Artistic			
100 Salaries	21,000	15,786	5,214
200 Employee Benefits	6,509	4,726	1,783
300 Purchased Services	-	35	(35)
400 Supplies and Materials	-	6,343	(6,343)
149 Other Special Programs			
300 Purchased Services	10,000	-	10,000
160 Other Exceptional Programs			
161 Autism			
100 Salaries	-	116,990	(116,990)
200 Employee Benefits	-	49,821	(49,821)
300 Purchased Services	8,800	11,902	(3,102)
170 Summer School Program			
171 Primary Summer School			
100 Salaries	-	2,406	(2,406)
200 Employee Benefits	-	724	(724)
175 Instructional Programs Beyond Regular School Day			
100 Salaries	6,000	1,886	4,114
200 Employee Benefits	1,860	531	1,329
300 Purchased Services	-	87	(87)
400 Supplies and Materials	4,000	2,088	1,912
180 Adult/Continuing Education Programs			
181 Adult Basic Education Programs			
600 Other Objects	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total Instruction	<u>14,204,482</u>	<u>13,975,723</u>	<u>228,759</u>
200 Support Services			
210 Pupil Services			
211 Attendance and Social Work Services			
300 Purchased Services	26,000	15,832	10,168
400 Supplies and Materials	400	-	400

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
212 Guidance Services			
100 Salaries	391,117	354,823	36,294
200 Employee Benefits	177,612	148,241	29,371
300 Purchased Services	2,200	80	2,120
400 Supplies and Materials	4,000	-	4,000
213 Health Services			
100 Salaries	36,524	64,574	(28,050)
200 Employee Benefits	15,275	21,814	(6,539)
300 Purchased Services	3,600	13,174	(9,574)
400 Supplies and Materials	6,000	8,589	(2,589)
600 Other Objects	2,000	116	1,884
214 Psychological Services			
100 Salaries	35,258	50,205	(14,947)
200 Employee Benefits	10,930	21,466	(10,536)
400 Supplies and Materials	-	1,992	(1,992)
600 Other Objects	-	244	(244)
217 Career Specialist Services			
100 Salaries	-	32,537	(32,537)
200 Employee Benefits	-	24,753	(24,753)
300 Purchased Services	-	815	(815)
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	12,000	13,043	(1,043)
200 Employee Benefits	3,724	3,956	(232)
300 Purchased Services	87,612	18,100	69,512
400 Supplies and Materials	-	559	(559)
222 Library and Media Services			
100 Salaries	296,074	292,812	3,262
200 Employee Benefits	141,194	128,807	12,387
300 Purchased Services	8,000	-	8,000
400 Supplies and Materials	81,400	9,439	71,961
223 Supervision of Special Programs			
100 Salaries	98,480	109,502	(11,022)
200 Employee Benefits	38,922	45,370	(6,448)
400 Supplies and Materials	-	8	(8)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>224 Improvement of Instruction - Inservice and Staff Training</b>			
100 Salaries	174,420	184,058	(9,638)
200 Employee Benefits	81,684	81,513	171
300 Purchased Services	6,400	121,078	(114,678)
400 Supplies and Materials	43,600	27,873	15,727
600 Other Objects	4,000	1,904	2,096
<b>230 General Administration Services</b>			
<b>231 Board of Education</b>			
100 Salaries	6,000	10,264	(4,264)
200 Employee Benefits	9,606	13,239	(3,633)
300 Purchased Services	74,000	66,048	7,952
318 Audit Services	45,000	37,600	7,400
400 Supplies and Materials	8,000	-	8,000
600 Other Objects	87,000	42,904	44,096
<b>232 Office of the Superintendent</b>			
100 Salaries	303,268	308,439	(5,171)
200 Employee Benefits	109,839	102,467	7,372
300 Purchased Services	9,500	4,888	4,612
400 Supplies and Materials	13,000	8,072	4,928
600 Other Objects	3,000	895	2,105
<b>233 School Administration</b>			
100 Salaries	1,301,102	1,350,540	(49,438)
200 Employee Benefits	573,902	598,953	(25,051)
300 Purchased Services	31,700	32,456	(756)
400 Supplies and Materials	46,100	38,010	8,090
600 Other Objects	6,000	7,793	(1,793)
<b>250 Finance and Operations Services</b>			
<b>252 Fiscal Services</b>			
100 Salaries	287,764	135,810	151,954
180 Head of Organization Unit Salaries	-	161,262	(161,262)
200 Employee Benefits	120,792	64,433	56,359
280 Head of Organization Unit Employee Benefits	-	56,129	(56,129)
300 Purchased Services	18,000	21,274	(3,274)
400 Supplies and Materials	15,000	4,620	10,380
600 Other Objects	7,000	9,421	(2,421)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
254 Operation and Maintenance of Plant			
100 Salaries	904,108	876,087	28,021
200 Employee Benefits	410,837	356,817	54,020
300 Purchased Services	387,000	492,921	(105,921)
321 Public Utilities	72,900	72,998	(98)
400 Supplies and Materials	114,000	98,609	15,391
470 Energy	418,000	326,182	91,818
500 Capital Outlay	50,000	-	50,000
600 Other Objects	76,000	-	76,000
255 Student Transportation			
100 Salaries	576,127	506,005	70,122
200 Employee Benefits	217,009	180,031	36,978
300 Purchased Services	24,700	9,579	15,121
400 Supplies and Materials	4,000	1,792	2,208
256 Food Service			
200 Employee Benefits	290,779	178,898	111,881
258 Security			
100 Salaries	26,850	17,812	9,038
200 Employee Benefits	8,522	5,414	3,108
300 Purchased Services	209,000	162,145	46,855
400 Supplies and Materials	2,000	713	1,287
260 Central Support Services			
263 Information Services			
100 Salaries	5,000	3,200	1,800
200 Employee Benefits	1,545	954	591
300 Purchased Services	39,500	20,777	18,723
400 Supplies and Materials	6,000	7,710	(1,710)
266 Technology and Data Processing Services			
100 Salaries	231,170	253,300	(22,130)
200 Employee Benefits	102,715	103,281	(566)
300 Purchased Services	88,000	172,747	(84,747)
400 Supplies and Materials	135,750	41,491	94,259
600 Other Objects	-	175	(175)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
270 Supporting Services Pupil Activity			
271 Pupil Services Activities			
600 Pupil Activity	1,121,524	924,533	196,991
Total Support Services	<u>10,387,035</u>	<u>9,686,965</u>	<u>700,070</u>
300 Community Services			
350 Custody and Care of Children Services			
100 Salaries	-	5,137	(5,137)
200 Employee Benefits	-	951	(951)
400 Supplies and Materials	1,000	1,545	(545)
Total Community Services	<u>1,000</u>	<u>7,633</u>	<u>(6,633)</u>
400 Other Charges			
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units			
720 Transits	20,000	-	20,000
Total Intergovernmental Expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>24,612,517</u>	<u>23,670,321</u>	<u>942,196</u>
Other Financing Sources (Uses)			
5300 Sale of Capital Assets	-	500	500
Interfund Transfers, from (to) Other Funds			
5230 Transfer from Special Revenue EIA Fund	712,000	679,177	(32,823)
5280 Transfer from Other Funds Indirect Costs	75,000	94,324	19,324
421-710 Transfer to Non-EIA Special Revenue Fund	(34,000)	-	34,000
424-710 Transfer to School Building Fund	-	(1,300,000)	(1,300,000)
Total Other Financing Sources (Uses)	<u>753,000</u>	<u>(525,999)</u>	<u>(1,278,999)</u>
Net Change in Fund Balance	<u>\$ (100,000)</u>	1,287,872	<u>\$ 1,387,872</u>
Fund Balance - July 1, 2020		<u>13,040,400</u>	
Fund Balance - June 30, 2021		<u>\$ 14,328,272</u>	



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
<b>Revenues</b>								
<b>1000 Revenue from Local Sources</b>								
1500 Earnings on Investments								
1510 Interest on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	97	\$ 97
1700 Pupil Activities								
1710 Admissions	-	-	-	-	-	-	63,471	63,471
1730 Pupil organization membership	-	-	-	-	-	-	3,843	3,843
1740 Student fees	-	-	-	-	-	-	21,991	21,991
1790 Other	-	-	-	-	-	-	268,098	268,098
1900 Other revenue from local sources								
1920 Contributions and donations private sources	-	-	-	-	-	1,553	10,875	12,428
1930 Medicaid	-	-	-	-	-	208,345	-	208,345
1999 Revenue from other local sources	-	-	-	-	-	43,766	-	43,766
<b>Total local sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>253,664</b>	<b>368,375</b>	<b>622,039</b>
<b>2000 Intergovernmental Revenue</b>								
2300 Payments from non-profit entities (for First Steps)	-	-	-	-	-	82,629	-	82,629
<b>Total Intergovernmental revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82,629</b>	<b>-</b>	<b>82,629</b>
<b>3000 Revenue from State Sources</b>								
<b>3100 Restricted state funding</b>								
3110 Occupational education								
3118 EEDA career specialist	-	-	-	-	141,459	-	-	141,459
3120 General education								
3127 Student health and fitness	-	-	-	-	19,956	-	-	19,956
3130 Special programs								
3135 Reading coaches	-	-	-	-	30,148	-	-	30,148
3136 Student health and fitness - nurses	-	-	-	-	57,628	-	-	57,628
3143 GEER CERDEP summer	-	-	-	-	8,531	-	-	8,531

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
3190 Miscellaneous restricted state grants								
3193 Education license plates	-	-	-	-	408	-	-	408
3199 Other restricted state grants	-	-	-	-	790	-	-	790
3900 Other state revenue								
3994 PEBA nonemployer contributions	-	-	-	-	4,232	-	-	4,232
3995 CRF per pupil funding	-	-	-	-	454,310	-	-	454,310
3999 Revenue from other State Sources	-	-	-	-	-	5,459	-	5,459
Total state sources	-	-	-	-	717,462	5,459	-	722,921
4000 Revenue from Federal Sources								
4200 Occupational education								
4210 Vocational aid, Title I	-	-	-	45,882	-	-	-	45,882
4300 Elementary and secondary education act of 1965								
4310 Title I	421,042	-	-	-	-	-	-	421,042
4341 Language instruction for limited English proficient and immigrant students, Title III	-	-	-	-	-	7,534	-	7,534
4351 Improving teacher quality	-	-	-	-	-	79,027	-	79,027
4500 Programs for children with disabilities								
4510 Individuals with disabilities education act	-	757,096	-	-	-	-	-	757,096
4520 Preschool grants	-	-	38,082	-	-	-	-	38,082
4900 Other federal sources								
4975 CARES Act	-	-	-	-	-	514,536	-	514,536
4977 ESSER II	-	-	-	-	-	289,000	-	289,000
4997 Title IV SSAE	-	-	-	-	-	62,598	-	62,598
4998 Before/after school day care	-	-	-	-	-	-	-	-
4999 Revenue from other federal sources	-	-	-	-	-	983	-	983
Total federal sources	421,042	757,096	38,082	45,882	-	953,678	-	2,215,780
Total Revenue all Sources	421,042	757,096	38,082	45,882	717,462	1,295,430	368,375	3,643,369



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
125 Hearing handicapped								
400 Supplies and materials	-	3,531	-	-	-	-	-	3,531
126 Speech handicapped								
100 Salaries	-	144,737	-	-	-	-	-	144,737
200 Employee benefits	-	54,990	-	-	-	-	-	54,990
400 Supplies and materials	-	719	-	-	-	-	-	719
130 Preschool Programs								
137 Preschool handicapped self- contained (3 and 4-year olds)								
100 Salaries	-	-	25,824	-	-	-	-	25,824
200 Employee benefits	-	-	9,250	-	-	-	-	9,250
400 Supplies and materials	-	-	3,008	-	-	-	-	3,008
139 Early childhood programs								
100 Salaries	75,342	-	-	-	-	-	-	75,342
200 Employee benefits	39,452	-	-	-	-	-	-	39,452
140 Special Programs								
145 Homebound								
100 Salaries	-	2,066	-	-	-	-	-	2,066
200 Employee benefits	-	615	-	-	-	-	-	615
160 Other Exceptional Programs								
161 Autism								
100 Salaries	-	210	-	-	-	-	-	210
200 Employee benefits	-	64	-	-	-	-	-	64
170 Summer School Programs								
171 Primary summer school								
100 Salaries	-	-	-	-	6,559	21,100	-	27,659
200 Employee benefits	-	-	-	-	1,972	6,347	-	8,319
172 Elementary summer school								
100 Salaries	-	-	-	-	-	70,106	-	70,106
200 Employee benefits	-	-	-	-	-	21,088	-	21,088

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
173 High school summer school								
100 Salaries	-	-	-	-	-	25,465	-	25,465
200 Employee benefits	-	-	-	-	-	7,656	-	7,656
175 Instructional programs beyond regular school day								
100 Salaries	-	-	-	-	79,858	83,481	-	163,339
200 Employee benefits	-	-	-	-	24,000	24,854	-	48,854
300 Purchased services	-	-	-	-	1,129	-	-	1,129
180 Adult/Continuing Educational Programs								
183 Adult English Literacy								
400 Supplies and materials	-	-	-	-	-	1,800	-	1,800
188 Parenting/family literacy								
400 Supplies and materials	-	-	-	-	-	4,853	-	4,853
190 Instructional Pupil Activity								
660 Pupil activity	-	-	-	-	-	-	2,010	2,010
<b>Total Instruction</b>	<b>400,848</b>	<b>603,930</b>	<b>38,082</b>	<b>45,882</b>	<b>443,526</b>	<b>757,060</b>	<b>2,010</b>	<b>2,291,338</b>
200 Support Services								
213 Health services								
100 Salaries	-	-	-	-	40,506	144,763	-	185,269
200 Employee benefits	-	-	-	-	17,122	77,815	-	94,937
214 Psychological services								
100 Salaries	-	52,838	-	-	3,228	39,446	-	95,512
200 Employee benefits	-	20,808	-	-	972	12,514	-	34,294
400 Supplies and materials	-	2,029	-	-	-	-	-	2,029
215 Exceptional program services								
300 Purchased services	-	6,350	-	-	-	-	-	6,350
217 Career specialist services								
100 Salaries	-	-	-	-	108,746	-	-	108,746
200 Employee benefits	-	-	-	-	32,713	-	-	32,713



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
264 Staff services								
300 Purchased services	-	-	-	-	-	107	-	107
266 Technology and data processing services								
400 Supplies and materials	-	-	-	-	-	15,366	-	15,366
270 Support Services Pupil Activity								
271 Pupil service activities								
660 Pupil activity	-	-	-	-	-	1,850	360,080	361,930
<b>Total Support Services</b>	<b>20,194</b>	<b>153,166</b>	<b>-</b>	<b>-</b>	<b>254,697</b>	<b>418,237</b>	<b>360,080</b>	<b>1,206,374</b>
300 Community Services								
350 Custody and care of children services								
100 Salaries	-	-	-	-	-	50,159	-	50,159
200 Employee benefits	-	-	-	-	-	32,470	-	32,470
400 Supplies and materials	-	-	-	-	-	1,759	-	1,759
<b>Total Community Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,388</b>	<b>-</b>	<b>84,388</b>
410 Intergovernmental Expenditures								
411 Payments to State Department of Education								
720 Transits	-	-	-	-	14,217	35,745	-	49,962
412 Payments to other governmental units								
720 Transits	-	-	-	-	790	-	-	790
419 Payments to PEBA nonemployer contributions								
720 Transits	-	-	-	-	4,232	-	-	4,232
<b>Total Intergovernmental Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,239</b>	<b>35,745</b>	<b>-</b>	<b>54,984</b>
<b>Total Expenditures</b>	<b>421,042</b>	<b>757,096</b>	<b>38,082</b>	<b>45,882</b>	<b>717,462</b>	<b>1,295,430</b>	<b>362,090</b>	<b>3,637,084</b>
Net Change in Fund Balance	-	-	-	-	-	-	6,285	6,285
Fund Balance, as Restated - July 1, 2020	-	-	-	-	-	-	161,880	161,880
Fund Balance - June 30, 2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	168,165	\$ 168,165

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SPECIAL REVENUE FUND  
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL REVENUE PROGRAMS  
YEAR ENDED JUNE 30, 2021

Subfund	Revenue Code	Program	Revenues and Other Sources	Expenditures	Transfers In/(Out)	Unearned Revenue
<b>State Restricted Grants</b>						
217	3995	CRF per pupil funding	\$ 454,310	\$ 454,310	\$ -	-
801	3199	Other restricted state grants	790	790	-	-
919	3193	Education license plates	408	408	-	-
924	3143	GEER CERDEP summer	8,531	8,531	-	33,259
928	3118	EEDA Career specialist	141,459	141,459	-	-
935	3185	Reading coaches	30,148	30,148	-	-
936	3136	Student health and fitness - nurses	57,628	57,628	-	-
937	3127	Student health and fitness	19,956	19,956	-	-
994	3994	PEBA nonemployer contributions	4,232	4,232	-	-
			<u>\$ 717,462</u>	<u>\$ 717,462</u>	<u>\$ -</u>	<u>\$ 33,259</u>
<b>Other Special Revenue Programs</b>						
210	4997	Title IV - SSAE	\$ 62,598	\$ 62,598	\$ -	-
220	4975	SC CARES ESSER	514,536	514,536	-	-
225	4977	ESSER II	289,000	289,000	-	-
264	4341	Title III	7,534	7,534	-	-
267	4351	Improving teacher quality	79,027	79,027	-	-
807	1920	Local grant	400	400	-	-
807	1999	Local grant	1,450	1,450	-	751
808	1999	Local grant	15,366	15,366	-	9,634
809	4999	Revenue from other federal sources	300	300	-	-
869	1999	Local grant	26,950	26,950	-	-
870	3999	Revenue from other state sources	640	640	-	-
871	3999	Revenue from other state sources	4,383	4,383	-	10,617
873	2310	Local grant	1,153	1,153	-	1,900
883	3999	Revenue from other state sources	436	436	-	-
884	4999	Revenue from other federal sources	683	683	-	-
885	1930	Medicaid	208,345	208,345	-	-
996	2300	First steps	82,629	82,629	-	3,840
			<u>\$ 1,295,430</u>	<u>\$ 1,295,430</u>	<u>\$ -</u>	<u>\$ 26,742</u>



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - ALL PROGRAMS  
YEAR ENDED JUNE 30, 2021

## Revenues

## 3000 Revenue from State Sources

3500 Education Improvement Act		
3502 ADEPT	\$	3,104
3518 Adoption list of formative assessment		14,328
3519 Grade 10 assessments		16,641
3526 Refurbishment of science kits		5,011
3528 Industry certifications/credentials		10,000
3529 Career and technology education		63,374
3532 National Board salary supplement		190,954
3533 Teacher of the year awards		1,077
3538 Students at risk of school failure		294,864
3541 Child early reading development and education program (CERDEP) - full day 4k		344,148
3550 Teacher salary increase		542,800
3555 Teacher salary fringe		132,077
3557 Summer reading program		49,788
3577 Teacher supplies		50,050
3597 Aid to districts		88,367
		<hr/>
Total State Sources		1,806,583
		<hr/>
Total Revenue all Sources		1,806,583
		<hr/>

## Expenditures

## 100 Instruction

## 110 General Instruction

111 Kindergarten programs		
100 Salaries		30,427
200 Employee benefits		10,700
400 Supplies and materials		5,349
112 Primary programs		
100 Salaries		82,850
200 Employee benefits		28,072
400 Supplies and materials		20,283
113 Elementary programs		
100 Salaries		100,773
200 Employee benefits		29,763
400 Supplies and materials		67,613

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 EDUCATION IMPROVEMENT ACT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - ALL PROGRAMS  
 YEAR ENDED JUNE 30, 2021

114 High school programs	
100 Salaries	28,500
200 Employee benefits	8,467
300 Purchased services	1,077
400 Supplies and materials	38,046
115 Vocational programs	
400 Supplies and materials	64,199
120 Exceptional Programs	
121 Educable mentally handicapped	
100 Salaries	7,500
200 Employee benefits	2,236
400 Supplies and materials	6,913
126 Speech handicapped	
400 Supplies and materials	1,375
130 Preschool Programs	
137 Preschool handicapped self contained	
100 Salaries	58,852
200 Employee benefits	29,515
139 Early childhood programs	
400 Supplies and materials	9,050
140 Special Programs	
147 CDEP	
100 Salaries	235,216
200 Employee benefits	108,932
400 Supplies and materials	1,925
170 Summer School Program	
171 Primary summer school	
100 Salaries	51,900
200 Employee benefits	15,613
172 Elementary summer school	
100 Salaries	2,607
200 Employee benefits	783

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 EDUCATION IMPROVEMENT ACT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - ALL PROGRAMS  
 YEAR ENDED JUNE 30, 2021

175 Instructional programs beyond regular school day	
100 Salaries	20,890
200 Employee benefits	5,731
	5,731
Total Instruction	1,075,157
200 Support Services	
210 Pupil Services	
212 Guidance services	
100 Salaries	18,750
200 Employee benefits	5,577
400 Supplies and materials	1,650
217 Career specialist services	
400 Supplies	825
220 Instructional Staff Services	
221 Improvement of instruction - curriculum development	
100 Salaries	5,500
200 Employee benefits	1,654
300 Purchased services	301
222 Library and media	
100 Salaries	2,913
200 Employee benefits	875
400 Supplies and materials	1,100
224 Improvement of instruction - inservice and staff training	
100 Salaries	2,396
200 Employee benefits	708
	708
Total Support Services	42,249
410 Intergovernmental Expenditures	
412 Payments to other governmental units	
720 Transits	10,000
	10,000
Total Intergovernmental Expenditures	10,000
Total Expenditures	1,127,406

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 EDUCATION IMPROVEMENT ACT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - ALL PROGRAMS  
 YEAR ENDED JUNE 30, 2021

Other Financing Sources (Uses)

Interfund Transfers, from (to) Other Funds

420-710 Transfer to General Fund	(679,177)
Total Other Financing Sources (Uses)	(679,177)
Net Change in Fund Balance	-
Fund Balance - July 1, 2020	-
Fund Balance - June 30, 2021	\$ -

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
EDUCATION IMPROVEMENT ACT  
SUMMARY SCHEDULE BY PROGRAM  
YEAR ENDED JUNE 30, 2021

	<u>Revenue</u>	<u>Expenditures</u>	<u>EIA Fund Transfers In/(Out)</u>	<u>EIA Fund Unearned Revenue</u>	<u>Other Fund Transfers In/(Out)</u>	<u>Other Fund Deferred Revenue</u>
<b>Revenues</b>						
<b>3000 Revenue from State Sources</b>						
3500 Education Improvement Act						
3502 ADEPT	\$ 3,104	\$ 3,104	\$ -	\$ -	\$ -	-
3518 Formative assessment	14,328	14,328	-	-	-	-
3519 Grade 10 assessment	16,641	12,341	-	-	(4,300)	-
3526 Refurbishment of science kits	5,011	5,011	-	27,789	-	-
3528 Industry certificates	10,000	10,000	-	-	-	-
3529 Career and technology education	63,374	63,374	-	13,605	-	-
3532 National Board Certification salary supplement	190,954	190,954	-	-	-	-
3533 Teacher of the year award	1,077	1,077	-	-	-	-
3538 Students at risk of school failure	294,864	294,864	-	-	-	-
3541 Child early reading development and education program (CDEP) - full day 4k	344,148	344,148	-	-	-	-
3550 Teacher salary increase	542,800	-	-	-	(542,800)	-
3555 Teacher salary fringe	132,077	-	-	-	(132,077)	-
3557 Summer reading program	49,788	49,788	-	-	-	-
3577 Teacher supplies	50,050	50,050	-	-	-	-
3595 EEDA supplies and materials	-	-	-	2,216	-	-
3597 Aid to districts	88,367	88,367	-	-	-	-
<b>Total Revenue from State Sources</b>	<b>\$ 1,806,583</b>	<b>\$ 1,127,406</b>	<b>\$ -</b>	<b>\$ 43,610</b>	<b>\$ (679,177)</b>	<b>\$ -</b>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHOOL BUILDING FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments	
1510 Interest on investments	\$ <u>7,195</u>
Total Local Sources	<u>7,195</u>
Total Revenue all Sources	<u>7,195</u>

Expenditures

100 Instruction

110 General Instruction

111 Kindergarten programs	
400 Supplies and materials	77,750
112 Primary programs	
400 Supplies and materials	172,350
113 Elementary programs	
400 Supplies and materials	65,691
500 Capital outlay	7,902
114 High school programs	
400 Supplies and materials	138,068
500 Capital outlay	<u>7,902</u>

Total Instruction	<u>469,663</u>
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200 Support Services

250 Finance and Operations

253 Facilities acquisition and construction	
300 Purchased services	20,816
400 Supplies and materials	144,268
500 Capital outlay	
510 Land	500
540 Equipment	223,755

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHOOL BUILDING FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

260 Central Support Services	
266 Technology and data processing services	
300 Purchased services	42,954
400 Supplies and materials	110,565
270 Support Services - Pupil Activities	
271 Pupil service activities	
540 Capital outlay	106,526
660 Pupil activity	<u>109,748</u>
Total Support Services	<u>759,132</u>
500 Debt Service	
395 Other professional and technical services	43,757
610 Redemption of principal	
620 Interest	<u>9,240</u>
Total Debt Service	<u>52,997</u>
Total Expenditures	<u>1,281,792</u>
Other Financing Sources (Uses)	
5120 Proceeds of General Obligation Bonds	3,000,000
5300 Sale of fixed assets	40,298
Interfund transfers, from (to) Other Funds	
5210 Transfer from General Fund	<u>1,300,000</u>
Total Other Financing Sources (Uses)	<u>4,340,298</u>
Net Change in Fund Balance	3,065,701
Fund Balance - July 1, 2020	<u>2,492,298</u>
Fund Balance - June 30, 2021	<u>\$ 5,557,999</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021

	<u>Special Revenue Fund</u>		
	School Food Service Fund	Debt Service Fund	Total Non-major Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 46,571	\$ -	\$ 46,571
Investments	621,225	170,624	791,849
Taxes receivable, net	-	24,331	24,331
Accounts receivable	8,005	571	8,576
Due from other governments	48,521	-	48,521
Inventory	39,255	-	39,255
<b>Total Assets</b>	<b>\$ 763,577</b>	<b>\$ 195,526</b>	<b>\$ 959,103</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Due to other funds	\$ 265,705	\$ -	\$ 265,705
Due to other governments	-	-	-
<b>Total Liabilities</b>	<b>265,705</b>	<b>-</b>	<b>265,705</b>
<b>Fund Balances</b>			
Nonspendable - inventory	39,255		39,255
Restricted - food service fund	458,617		458,617
Assigned - balance general fund		195,526	195,526
<b>Total Fund Balances</b>	<b>497,872</b>	<b>195,526</b>	<b>693,398</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 763,577</b>	<b>\$ 195,526</b>	<b>\$ 959,103</b>



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2021

	<u>Special Revenue Fund</u>		
	School Food Service Fund	Debt Service Fund	Total Non-major Governmental Funds
<b>Revenues</b>			
Local	\$ 61,722	\$ 636,246	\$ 697,968
State	-	51,943	51,943
Federal	1,598,267	-	1,598,267
<b>Total Revenues</b>	<b>1,659,989</b>	<b>688,189</b>	<b>2,348,178</b>
<b>Expenditures</b>			
<b>Current:</b>			
Support services	1,401,151	-	1,401,151
Debt service	-	639,285	639,285
<b>Total Expenditures</b>	<b>1,401,151</b>	<b>639,285</b>	<b>2,040,436</b>
<b>Excess of revenues over expenditures</b>	<b>258,838</b>	<b>48,904</b>	<b>307,742</b>
<b>Other Financing Uses</b>			
Transfers out	(94,324)	-	(94,324)
<b>Total Other Financing Uses</b>	<b>(94,324)</b>	<b>-</b>	<b>(94,324)</b>
<b>Net change in fund balances</b>	<b>164,514</b>	<b>48,904</b>	<b>213,418</b>
Fund Balance - July 1, 2020	333,358	146,622	479,980
Fund Balance - June 30, 2021	<u>\$ 497,872</u>	<u>\$ 195,526</u>	<u>\$ 693,398</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHOOL FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments		
1510 Interest on investments	\$	874
1600 Food Service		
1610 Lunch sales to pupils		16,178
1620 Breakfast sales to pupils		366
1630 Special sales to pupils		2,352
1640 Lunch sales to adults		13,327
1650 Breakfast sales to adults		81
1660 Special sales to adults		14,631
1900 Other Revenue from Local Sources		
1999 Revenue from other local sources		<u>13,913</u>

Total Revenue from Local Sources		<u>61,722</u>
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4000 Revenue from Federal Sources

4800 USDA Reimbursement		
4810 School lunch and after school snacks program		1,061,327
4830 School breakfast program		429,807
4900 Other Federal Sources		
4991 USDA commodities		<u>107,133</u>

Total Revenue from Federal Sources		<u>1,598,267</u>
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Total Revenue from all Sources		<u>1,659,989</u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHOOL FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

## Expenditures

## 250 Finance and Operations

## 256 Food Service

100 Salaries	490,057
200 Employee benefits	117,141
300 Purchased services	1,912
393 Direct purchased services	19,690
400 Supplies and materials	747,782
500 Capital outlay	22,420
600 Other objects	<u>2,149</u>

Total Expenditures	<u>1,401,151</u>
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## Other Financing Sources (Uses)

## Interfund transfers, from (to) Other Funds

432-791 Food Service Fund Indirect Costs	<u>(94,324)</u>
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Total Other Financing Sources (Uses)	<u>(94,324)</u>
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Net Change in Fund Balance	164,514
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Fund Balance - July 1, 2020	<u>333,358</u>
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Fund Balance - June 30, 2021	<u>\$ <u>497,872</u></u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021

Revenues

1000 Revenue from Local Sources

1100 Taxes

1110 Ad valorem taxes	\$	535,719
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1200 Revenue from Local Governmental Units

Other than LEAs

1280 Revenue in lieu of taxes		100,179
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1500 Earning on Investments

1510 Interest on investments		348
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Total Local Sources		<u>636,246</u>
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3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes

3820 Homestead exemption		31,238
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3830 Merchant's inventory tax		5,007
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3840 Manufacturers depreciation reimbursement		12,129
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3890 Other state property tax revenue		<u>3,569</u>
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Total State Sources		<u>51,943</u>
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Total Revenue all Sources		<u>688,189</u>
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Expenditures

500 Debt Service

610 Redemption of principal		620,285
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620 Interest		<u>19,000</u>
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Total Expenditures		<u>639,285</u>
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Net Change in Fund Balance		48,904
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Fund Balance - July 1, 2020		<u>146,622</u>
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Fund Balance - June 30, 2021	\$	<u><u>195,526</u></u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
LOCATION SCHEDULE  
YEAR ENDED JUNE 30, 2021

Location ID Number	Location Description	Education Level	Cost Type	Total Expenditures
00	Districtwide	Non-school	Central	\$ 1,521,562
35	Woodruff Middle School	Middle School	School	7,230,153
36	Woodruff High School	High School	School	8,918,299
40	Woodruff Primary School	Elementary School	School	7,680,900
42	Woodruff Elementary School	Elementary School	School	<u>6,406,125</u>
Total Expenditures/Disbursements for All Funds				\$ <u><u>31,757,039</u></u>

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

General Fund	\$ 23,670,321
Special Revenue Fund	3,637,084
EIA Fund	1,127,406
School Food Service Fund	1,401,151
Debt Service Fund	639,285
School Building Fund	<u>1,281,792</u>
Total Governmental Fund Expenditures	\$ <u><u>31,757,039</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 SCHEDULE OF BONDS PAYABLE  
 JUNE 30, 2021

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2020</u>	<u>July 1, 2020 - June 30, 2021</u>		<u>Outstanding June 30, 2021</u>	<u>Interest Paid</u>
				<u>Issued</u>	<u>Retired</u>		
Serial bonds issued June 17, 2021							
Interest payable annually on June 1	6/1/2022	0.790%	\$ -	\$ 741,958	\$ -	\$ 741,958	\$ -
	6/1/2023	0.790%	-	746,766	-	746,766	-
	6/1/2024	0.790%	-	752,665	-	752,665	-
	6/1/2025	0.790%	-	758,611	-	758,611	-
			<u>-</u>	<u>3,000,000</u>	<u>-</u>	<u>3,000,000</u>	<u>-</u>
Serial bonds issued March 25, 2020	3/25/2021		620,285	-	620,285	-	19,000
Interest payable annually on March 25	3/25/2022		629,715	-	-	629,715	-
			<u>1,250,000</u>	<u>-</u>	<u>620,285</u>	<u>629,715</u>	<u>19,000</u>
			<u>\$ 1,250,000</u>	<u>\$ 3,000,000</u>	<u>\$ 620,285</u>	<u>\$ 3,629,715</u>	<u>\$ 19,000</u>

Interest to be paid in fiscal year 2022

\$ 32,219

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT  
 JUNE 30, 2021

Program	Project/Grant Number	Revenue and Subfund Codes	Description	Amount Due to SDE/ Federal Government	Status of Amounts Due to Grantors
IDEA Extended School Year FY19		4510/203	Unexpended Funds	\$ 457	Owed

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Federal Financial Assistance Listing Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. Department of Agriculture</u>				
Pass Through SC Department of Social Services:				
884	Child and Adult Care Food Program	10.558	N/A	\$ <u>683</u>
Pass Through State Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	107,133
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	988,500
600	National School Lunch Program	10.555	N/A	<u>399,842</u>
	Total Child Nutrition Cluster			<u>1,495,475</u>
	Total U. S. Department of Agriculture			<u>1,496,158</u>
<u>U.S. Department of Education</u>				
Pass through State Department of Education:				
202	Title I Grants to LEA's	84.010	20BA081	153,919
202	Title I Grants to LEA's	84.010	21BA081	<u>267,123</u>
	Total Title I, Part A Cluster			<u>421,042</u>
203	IDEA - Children with Disabilities Extended School Year			274
204	IDEA - Children with Disabilities	84.027	19CA081	40,734
204	IDEA - Children with Disabilities	84.027	19CA081	7,925
204	IDEA - Children with Disabilities	84.027	20CA081	32,344
204	IDEA - Children with Disabilities	84.027	21CA081	675,819
206	Handicapped Preschool Grant	84.173	19CG081	3,008
206	Handicapped Preschool Grant	84.173	21CG081	<u>35,074</u>
	Total Special Education Cluster (IDEA)			<u>795,178</u>
207	Vocational Education- Basic (Subprogram 06)	84.048	20VA081	5,574
207	Vocational Education- Basic (Subprogram 06)	84.048	21VA081	36,066
207	Vocational Education- Basic (Subprogram 11)	84.048	21VA081	<u>4,242</u>
	Total Career and Technical Education - Basic Grants to States (Perkins IV)			<u>45,882</u>



SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Financial Assistance Listing Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. Department of Education - continued</u>				
210	Title IV - Student Support and Academic Enrichment	84.424A	H63010100319	4,591
210	Title IV - Student Support and Academic Enrichment	84.424A	H63010100320	24,795
210	Title IV - Student Support and Academic Enrichment	84.424A	H63010100321	33,212
220	COVID-19: Elementary and Secondary School Education Relief Fund	84.425D	H63010497520	514,536 *
225	COVID-19: Elementary and Secondary School Education Relief Fund	84.425D	H63010497522	289,000 *
264	Title III - ESOL	84.365	19BP081	4,618
264	Title III - ESOL	84.365	20BP081	1,116
264	Title III - ESOL	84.365	H63010006721	1,800
267	Title II - Improving Teacher Quality State Grants	84.367	19TQ081	282
267	Title II - Improving Teacher Quality State Grants	84.367	20TQ081	42,438
267	Title II - Improving Teacher Quality State Grants	84.367	H63010006821	<u>36,307</u>
Total U. S. Department of Education				<u>2,214,797</u>
<u>Department of Health and Human Services</u>				
Pass through State Department of Education:				
809	YRBS/YTS Administration	93.079	H6304999	<u>300</u>
Total Federal Assistance Expended				<u>\$ 3,711,255</u>

\* Denotes major federal program

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2021**

**Note 1—Basis of presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spartanburg County School District Four and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the financial statements.

**Note 2—Indirect cost rate**

Under the provisions of the Uniform Guidance, the District is permitted to use a 10% de minimis indirect cost rate. The District elected not to use this rate.

**Note 3—Subrecipients**

Federal grant money received is sometimes passed through to subrecipients. During the year ended June 30, 2021, there were no subrecipients.

**Report of Independent Auditor 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***

To the Board of Trustees  
Spartanburg County School District Four  
Woodruff, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District Four (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2021.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

Cherrey Behaert LHP

Greenville, South Carolina  
November 30, 2021

## **Report of Independent Auditor on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Trustees  
Spartanburg County School District Four  
Woodruff, South Carolina

### **Report on Compliance for Each Major Federal Program**

We have audited Spartanburg County School District Four's (the "District") compliance with the types of compliance requirements described in the *OMB 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, 2021. 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.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Cherry Behaert LHP

Greenville, South Carolina  
November 30, 2021

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2021**

**Section I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued on whether the financial statements were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

- |                          |                                      |     |              |    |
|--------------------------|--------------------------------------|-----|--------------|----|
| <input type="checkbox"/> | Material weakness identified?        | yes | <u>  X  </u> | no |
| <input type="checkbox"/> | Significant deficiencies identified? | yes | <u>  X  </u> | no |

Noncompliance material to financial statements noted?

yes      X   no

**Federal Awards**

Internal control over major programs:

- |                          |                                      |     |              |    |
|--------------------------|--------------------------------------|-----|--------------|----|
| <input type="checkbox"/> | Material weakness identified?        | yes | <u>  X  </u> | no |
| <input type="checkbox"/> | Significant deficiencies identified? | yes | <u>  X  </u> | no |

Noncompliance material to federal awards

yes      X   no

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance

yes      X   no

Identification of major programs:

Federal Assistance Listing Number  
84.425

Federal Program Name  
COVID-19: Elementary and Secondary  
School Education Relief Fund

Dollar threshold used to distinguish between Type A and Type B Programs

\$ 750,000

Auditee qualified as low-risk auditee?

  X   yes     no

**Section II. Financial Statement Findings**

There were no audit findings.

**Section III. Federal Award Findings & Questioned Costs**

There were no audit findings.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR  
Schedule of Findings and Questioned Costs (continued)  
Year Ended June 30, 2021**

**Section IV. Prior Year Findings**

There were no prior year audit findings.