

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2022

ORANGEBURG COUNTY SCHOOL DISTRICT

FOR THE YEAR ENDED JUNE 30, 2022

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ORANGEBURG COUNTY SCHOOL DISTRICT

FOR THE YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

**To the Chair and Members of the Board of Trustees
Orangeburg County School District
Orangeburg, South Carolina**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, and each major fund of **Orangeburg County School District** (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of the District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Orangeburg High School for Health Professions, which represents 100% of the assets, net position, and revenues of the District's discretely presented component unit as of June 30, 2022. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Orangeburg High School for Health Professions, is based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate is based solely on the reports of the other auditors to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered, in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 5 - 12), Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios, Schedule of District Pension Contributions, Schedule of the District's Proportionate Share of the Net OPEB Liability and Related Ratios, Schedule of District OPEB Contributions, and the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual – General Fund (pages 60 - 65), be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 statements and schedules listed in the table of contents under the heading "Other Supplementary Information," required by the South Carolina Department of Education and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Other Supplementary Information 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, 2022, 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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 30, 2022

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

This discussion and analysis of Orangeburg County School District's (the "School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

The Orangeburg County School District is made up of two components: the first is the governmental activities of the School District and the second is its component unit, the Orangeburg High School for Health Professionals (OHSHP). The OHSHP is a discretely presented component unit which is reported as a part of the School District's audit but has its own, separately audited financial statements which can be obtained from the administrative offices of OHSHP.

SCHOOL DISTRICT FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2022 were as follows:

- The General Fund balance increased by approximately \$13.21 million during the current fiscal year, compared to an increase of \$4.9 million for the prior year.
- As of June 30, 2022, the School District's governmental funds reported combined ending fund balances of \$78.97 million, compared to prior year fund balances of \$26.42 million. The net increase of \$52.55 million was attributable to increases in the General Fund (\$13.21 million), Food Service Fund (\$1.2 million), Debt Service (\$1.67 million) and Capital Projects Fund (\$36.6 million) which was partially offset by a decrease in the Special Projects Fund (\$0.13 million).
- During fiscal year 2022, the School District's governmental funds revenues were \$196.2 million, compared to \$182.16 million in the prior year. The increase of \$14.04 million was due to the following changes in fund revenue: an increase in General Fund revenue (\$4.09 million); an increase in Special Revenue – Special Projects Fund revenue of (\$5.31 million); an increase in Special Revenue Fund – EIA (\$1.29 million); increase in Special Revenue Fund - Food Service (\$1.51 million); an increase in Debt Service Fund (\$1.64 million); and an increase in Capital Projects Fund (\$0.2 million).
- During fiscal year 2022, the School District's governmental funds expenditures were \$187.13 million, compared to \$181.11 million in the prior year. The increase of \$6.02 million was due to the following changes in fund expenditures: an increase in Special Revenue - Special Projects Fund (\$3.44 million); increase in the Education Improvement Act Fund (\$1.32 million); an increase in Food Service Fund (\$0.03 million); an increase in the Capital Projects Fund (\$5.21 million); a decrease in the General Fund (\$2.53 million); and a decrease in Debt Service Fund (\$1.45 million).
- On the government-wide basis, total liabilities and deferred inflows of the School District exceeded its assets and deferred outflows at the close of the most recent fiscal year by approximately \$179.36 million for the primary government. This is due to the implementation of GASB No. 68 related to Accounting and Financial Reporting for Pensions and GASB 75 related to Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. For additional information, please refer to the notes to the financial statements.
- The School District's total net position increased by approximately \$9.36 million in fiscal year 2022. The increase was primarily due to an increase in total assets (\$51.48 million); a decrease in deferred outflows of resources (\$123.06 million); an increase in total liabilities (\$24.02 million); and a decrease in deferred outflow of resources (\$104.96 million).

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *Introductory Section*, the *Financial Section* (which includes the management's discussion and analysis, the basic financial statements, required supplementary information, and other supplementary information), and the *Compliance Section*.

Government-wide Basic Financial Statements. The basic financial statements include two kinds of statements that present different views of the School District. The first two statements are *government-wide financial statements* that provide a broad overview of the School District's overall financial status in a manner similar to a private-sector enterprise.

The *Statement of Net Position* presents information on all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

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

Both of the government-wide basic financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include instruction, supporting services, community services, and intergovernmental.

The government-wide basic financial statements can be found as listed in the table of contents.

Fund Basic Financial Statements. The remaining financial statements are *basic financial statements* that focus on *individual parts* of the School District, reporting the School District's operations in *more detail* than the government-wide statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.

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

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

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The School District maintains six individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Special Revenue Fund – Special Projects, Special Revenue Fund – Education Improvement Act ("EIA"), Special Revenue Fund – Food Service, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds. The governmental funds basic financial statements can be found as listed in the table of contents.

Proprietary Funds. Services for which the School District charges a fee are generally reported in the business-type proprietary funds

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund basic financial statements. The notes to the basic financial statements can be found as listed in the table of contents.

Required and Other Supplemental Information. The required supplemental information and other supplemental information can be found as listed in the table of contents. This information includes budget to actual comparisons and other combining and individual fund schedules.

Major Features of Orangeburg County School District Government-wide and Fund Basic Financial Statements		
	<u>Government-wide Basic Statements</u>	<u>Fund Basic Financial Statements</u> <u>Governmental Funds</u>
Scope	Entire School District government (except Fiduciary Fund)	The activities of the School District that are not proprietary or fiduciary
Required Financial Statements	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets included
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School District, liabilities and deferred inflows exceeded assets and deferred outflows by approximately \$179.36 million at the close of the most recent fiscal year.

The following table provides a summary of the School District's net position as of June 30, 2022, compared to June 30, 2021:

	Governmental Activities 2022	2021
Assets:		
Current and Other Assets	\$ 104,832,754	\$ 49,217,344
Capital Assets, Net	109,076,215	113,205,635
Total Assets	<u>213,908,969</u>	<u>162,422,979</u>
Total Deferred Outflows of Resources	<u>177,800,678</u>	<u>300,864,238</u>
Liabilities:		
Current Liabilities	30,004,973	23,767,056
Non-current Liabilities	403,809,591	386,023,509
Total Liabilities	<u>433,814,564</u>	<u>409,790,565</u>
Total Deferred Inflows of Resources	<u>137,252,222</u>	<u>242,214,672</u>
Net Position:		
Net Investment in Capital Assets	86,972,173	89,128,171
Restricted for:		
Debt Service	6,302,745	4,846,069
School Food Service Organizations	1,674,908	469,379
Unrestricted (deficit)	<u>(274,306,965)</u>	<u>(283,161,639)</u>
Total Net Position	<u>\$ (179,357,139)</u>	<u>\$ (188,718,020)</u>

- Total assets increased by approximately \$51.49 million primarily due to an increase in current assets (\$55.62 million) which was offset by a decrease in capital assets (\$4.13 million).
- Capital assets decreased in fiscal year 2022 by \$4.13 million due to asset additions (\$2.27 million) offset by current year depreciation (\$6.40 million).
- Total liabilities increased \$24.02 million, which is due to an increase in current liabilities (\$6.24 million) and long-term obligations (\$17.78 million).

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

- Total net position of the School District was a negative \$179.36 million at June 30, 2022, and a negative \$188.72 million at June 30, 2021. Governmental activities' unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased from negative \$283.16 million at June 30, 2021, to negative \$274.31 million at June 30, 2022.

The following table shows the changes in net position for fiscal year 2022 compared to fiscal year 2021:

	Governmental Activities 2022	2021
Revenues:		
Program Revenues:		
Charges for Services	\$ 879,212	\$ 379,171
Operating Grants	107,022,663	102,322,270
General Revenues:		
Property Taxes	65,413,182	55,944,639
Other Grants and Entitlements	22,561,969	22,451,906
Other	648,315	629,066
Total Revenues	<u>196,525,341</u>	<u>181,727,052</u>
Program Expenses:		
Instruction	89,208,641	74,239,061
Support Services	96,907,496	80,322,620
Community Services	8,792	53,370
Interest and Fiscal Charges	1,039,531	1,270,085
Total Expenses	<u>187,164,460</u>	<u>155,885,136</u>
Increase / (Decrease) in Net Position	9,360,881	25,841,916
Net Position - Beginning of Year	<u>(188,718,020)</u>	<u>(214,559,936)</u>
Net Position - End of Year	<u><u>\$ (179,357,139)</u></u>	<u><u>\$ (188,718,020)</u></u>

- During fiscal year 2022, the School District's governmental activities total revenues increased by \$14.79 million to \$196.53 million. The change was primarily due to increases in Property Tax Revenue (\$9.47 million) and Operating Grants (\$4.70 million).

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

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

Governmental Funds

The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent, and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

At June 30, 2022, the School District's governmental funds reported a *combined* fund balance of approximately \$78.97 million as compared to approximately \$26.42 million for the prior year. The net increase of \$52.55 million was primarily attributable to increases in the General Fund (\$13.21 million), Food Service Fund (\$1.2 million), Debt Service Fund (\$1.67 million) and Capital Projects Fund (\$36.6 million) which was partially offset by a decrease in the Special Projects Fund (\$0.13 million). In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2022, the School District's unassigned fund balance for all governmental funds was \$25.23 million. The remaining \$53.74 million is mostly reserved for Capital Projects (\$31.66 million), Debt Service (\$6.11 million), Special Revenue - Special Projects (\$1.12 million), Food Service (\$1.54 million) and Prepaid Expenditures (\$13.31 million).

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unassigned fund balance of the General Fund was approximately \$25.23 million, which is an increase of \$13.21 million over the 2021 balance of \$12.02 million. Current year General Fund revenues and operating transfers of \$131.31 million were greater than expenditures and transfers out of \$118.29 million for 2022.

The School District's Special Revenue Funds (Special Revenue, Food Service, and EIA), generally, are used to account for revenues derived from the State of South Carolina and the Federal government. In general, the EIA Fund does not have fund balances as revenues should be expended, deferred, or returned to the grantor.

The Capital Projects Fund is utilized to account for School District capital project expenditures. The School District's Capital Projects Fund increased by approximately \$36.60 million from \$8.24 million on June 30, 2021, to \$44.84 million as of June 30, 2022. The fiscal year 2022 increase was the result of debt issuances and revenues in that exceeded expenditures for ongoing construction and other capital projects.

The Debt Service Fund is used to account for the accumulation of funds for debt retirement. The fund balance of \$6.11 million for the School District's Debt Service Fund increased \$1.67 million in fiscal year 2022.

General Fund Budgetary Highlights

The School District's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The only budgeted fund is the General Fund. Total General Fund revenues and operating transfers-in of \$131.31 million were greater than the budget of \$128.23 million by \$3.08 million. Local revenues in the general fund were more than the budget by \$3.87 million and state revenues were \$2.48 million less than budget. General fund operating expenditures and transfers out of \$118.29 million were \$9.94 million below the budget of \$128.23 million, primarily due to lower salaries and benefits than expected.

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The following table shows the capital asset balances for June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
Capital Assets		
Construction in Progress	\$ 516,086	\$ 2,023,838
Land Improvements	8,417,138	8,206,118
Buildings and Improvements	219,146,902	216,446,639
Furniture and Fixtures	1,873,986	1,873,986
Vehicles and Equipment	26,617,909	25,800,368
Less: Total Accumulated Depreciation	(147,495,806)	(141,145,315)
Capital Assets, Net	\$ 109,076,215	\$ 113,205,634

The total decrease in the School District's investment in capital assets was approximately \$4.13 million due to depreciation expense of approximately \$6.40 million which was partially offset by a net increase to physical assets of \$2.27 million. More detailed information about the School District's capital assets can be found in Note 4 to the basic financial statements.

Long-term Debt

The following table shows the long-term debt outstanding as of June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
Long Term Obligations		
General Obligation and Refunding Bonds	\$ 18,415,000	\$ 26,143,000
QZAB	4,604,370	4,604,370
Limited Obligation Bonds	41,000,000	-
Capital Assets, Net	\$ 64,019,370	\$ 30,747,370

During the year, the School District made payments on its outstanding debt of \$7.73 million and issued an additional \$41.0 million in 2022 Limited Obligation Bonds. As of June 30, 2022, the School District had \$12.42 million of long-term debt due within one year.

**ORANGEBURG COUNTY SCHOOL DISTRICT
ORANGEBURG, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

ECONOMIC FACTORS

The School District receives a significant amount of its General Fund revenues from property taxes. Property tax revenue is the primary local support for the General Fund and the source for the retirement of the School District's debt. Any additional swings in that tax base will continue to have a significant impact upon the School District's revenue. In addition, under Act 388, there is a millage cap that is imposed on property taxes. In 2019, the School District was formed with the consolidation of Districts Three, Four and Five. The School District continues to service the debt issued from those three districts with the consolidated millage levied by the County on behalf of the School District.

In spite of the economic challenges and uncertainty, the School District has remained resourceful and flexible in order to fulfill the mission of providing a quality education. Currently, the School District can budget for increases for salaries as well as inflation that impact the costs for benefits, utilities, and other expenditures.

FISCAL YEAR 2023 BUDGET

The School District's fiscal year 2023 budgeted revenues and expenditures for the General Fund are approximately \$130.79 million. The School District will be maximizing the use of federal and state grant carryovers and current year funds to help alleviate financial pressure on the General Fund to the extent allowable by law.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide those interested with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Orangeburg County School District, 102 Founders Ct. Orangeburg, South Carolina 29118.



ORANGEBURG COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government Governmental Activities	Component Unit Orangeburg High School for Health Professions
ASSETS		
Cash & cash equivalents	\$ 37,578,902	\$ 927,538
Investments, restricted	30,012,574	-
Investments, unrestricted	-	65,197
Taxes receivable, net	4,827,762	-
Due from county treasurer	6,078,753	-
Due from State Department of Education	3,204,097	-
Due from other state agencies	-	2,203
Due from federal government	9,363,983	-
Due from other governmental units	384,461	67,837
Prepaid Items	13,243,580	5,873
Inventories	138,642	-
Capital assets:		
Non-depreciable	516,086	555,913
Depreciable, net of depreciation	108,560,129	3,882,421
Total assets	213,908,969	5,506,982
DEFERRED OUTFLOWS OF RESOURCES		
Deferred refunding of bonds	118,702	-
Deferred outflows related to pensions	110,893,857	842,898
Deferred outflows related to OPEB	66,788,119	1,301,451
Total deferred outflows of resources	177,800,678	2,144,349
LIABILITIES		
Accounts payable and accrued liabilities	16,028,806	634,816
Accrued interest	527,678	-
Current portion of compensated absences	399,020	-
Due to State Department of Education	86,699	-
Compensated absences, net of current portion	1,197,061	13,877
Claims payable	548,400	-
General obligation bonds payable, due in one year	12,414,370	-
General obligation bonds payable, due in more than one year	54,644,565	-
Notes payable, due in one year	-	111,225
Notes payable, due in more than one year	-	3,889,606
Net pension liability	159,728,075	2,747,965
Net OPEB liability	188,239,890	3,189,070
Total liabilities	433,814,564	10,586,559
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	5,106,952	77,668
Deferred inflows related to pensions	117,266,457	897,204
Deferred inflows related to OPEB	14,878,813	769,654
Total deferred inflows of resources	137,252,222	1,744,526
NET POSITION		
Net investment in capital assets	86,972,173	437,503
Restricted for:		
Debt service	6,302,745	-
School food service programs	1,674,908	-
Unrestricted	(274,306,965)	(5,117,257)
Total net position	\$ (179,357,139)	\$ (4,679,754)

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

ORANGEBURG COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Program Revenues		Primary Government Governmental Activities	Component Unit Orangeburg High School for Health Professions
		Charges for Services	Operating Grants and Contributions		
Primary Government					
Governmental Activities:					
Instruction	\$ 89,208,641	\$ 678,141	\$ 29,612,353	\$ (58,918,147)	
Support services	96,907,496	201,071	77,401,518	(19,304,907)	
Community services	8,792	-	8,792	-	
Interest & other charges	1,039,531	-	-	(1,039,531)	
Total governmental activities	<u>\$ 187,164,460</u>	<u>\$ 879,212</u>	<u>\$ 107,022,663</u>	<u>(79,262,585)</u>	
Component Unit					
Orangeburg High School for Health Professions	<u>\$ 4,357,947</u>	<u>\$ 108,499</u>	<u>\$ 4,254,713</u>		<u>\$ 5,265</u>
General revenues:					
Property taxes levied for:					
General purposes				51,611,885	-
Debt services				13,801,297	-
Unrestricted state revenue in lieu of taxes				22,561,969	-
Unrestricted investment earnings				165,614	-
Miscellaneous				482,701	-
Total general revenues				<u>88,623,466</u>	<u>-</u>
Change in net position				9,360,881	5,265
Net position, beginning of year				(188,718,020)	(4,685,019)
Net position, end of year				<u>\$ (179,357,139)</u>	<u>\$ (4,679,754)</u>

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

ORANGEBURG COUNTY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash & cash equivalents	\$ 37,572,067	\$ 6,835	\$ -	\$ -	\$ -	\$ -	\$ 37,578,902
Investments, restricted	-	-	-	-	3,177,138	26,835,436	30,012,574
Taxes receivable, net	4,052,406	-	-	-	775,356	-	4,827,762
Due from other funds	-	-	1,220,177	1,484,736	382,753	5,870,033	8,957,699
Due from county treasurer	3,583,577	-	-	-	2,495,176	-	6,078,753
Due from state agencies	39,085	309,897	2,646,117	208,998	-	-	3,204,097
Due from federal agencies	-	9,363,983	-	-	-	-	9,363,983
Due from other sources	307,903	76,558	-	-	-	-	384,461
Inventory	-	-	-	138,642	-	-	138,642
Prepaid Items	-	66,479	-	-	-	13,177,101	13,243,580
Total assets	\$ 45,555,038	\$ 9,823,752	\$ 3,866,294	\$ 1,832,376	\$ 6,830,423	\$ 45,882,570	\$ 113,790,453
LIABILITIES							
Accounts payable	\$ 731,541	\$ 357,471	\$ 69,811	\$ 120,452	\$ -	1,046,379	\$ 2,325,654
Due to SC Department of Education	-	83,949	2,750	-	-	-	86,699
Due to other funds	1,972,957	6,984,742	-	-	-	-	8,957,699
Accrued salaries and benefits	13,703,152	-	-	-	-	-	13,703,152
Total liabilities	16,407,650	7,426,162	72,561	120,452	-	1,046,379	25,073,204
DEFERRED INFLOWS OF RESOURCES							
Deferred Revenues - State	-	1,276,203	3,793,733	37,016	-	-	5,106,952
Unavailable Revenue - Property Taxes	3,920,321	-	-	-	719,554	-	4,639,875
Total deferred inflows of resources	3,920,321	1,276,203	3,793,733	37,016	719,554	-	9,746,827
FUND BALANCES							
Nonspendable	-	66,479	-	138,642	-	13,177,101	13,382,222
Restricted	-	-	-	1,536,266	6,110,869	31,659,090	39,306,225
Assigned	-	1,054,908	-	-	-	-	1,054,908
Unassigned	25,227,067	-	-	-	-	-	25,227,067
Total fund balances	25,227,067	1,121,387	-	1,674,908	6,110,869	44,836,191	78,970,422
Total liabilities, deferred inflows of resources, and fund balances	\$ 45,555,038	\$ 9,823,752	\$ 3,866,294	\$ 1,832,376	\$ 6,830,423	\$ 45,882,570	\$ 113,790,453
Total fund balances							\$ 78,970,422
Amounts reported for governmental activities in the statement of net position are different because of the following:							
Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. The cost of capital assets is \$256,572,021 and the accumulated depreciation is \$147,495,806							109,076,215
Property taxes receivable are not available to pay for current period expenditures and are therefore deferred in the funds							4,639,875
Some liabilities, including net pension and OPEB liabilities, are not due and payable in the current period and, therefore, are not reported in the funds:							
Net pension liability							(159,728,075)
Net OPEB liability							(188,239,890)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.							
Deferred outflows of resources related to pensions							110,893,857
Deferred outflows of resources related to OPEB							66,788,119
Deferred inflows of resources related to pensions							(117,266,457)
Deferred inflows of resources related to OPEB							(14,878,813)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:							
Bonds payable							\$ (64,019,370)
Bond premium net of accumulated amortization							(3,039,565)
Deferred outflows of resources - deferred refunding of bonds							118,702
Accrued interest payable							(527,678)
Claims payable							(548,400)
Compensated absences							(1,596,081)
							(69,612,392)
Total net position - governmental activities							\$ (179,357,139)

ORANGEBURG COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Local	\$ 52,239,243	\$ 1,853,003	\$ -	\$ 201,071	\$ 12,639,704	\$ 366,349	\$ 67,299,370
Intergovernmental	72,545,065	1,312,818	10,477,655	-	1,173,233	-	85,508,771
State	-	3,314,715	-	-	-	-	3,314,715
Federal	-	31,133,764	-	8,947,612	-	-	40,081,376
Total revenues	124,784,308	37,614,300	10,477,655	9,148,683	13,812,937	366,349	196,204,232
EXPENDITURES							
Current							
Instruction	61,018,915	13,317,448	5,857,365	-	-	-	80,193,728
Support services	53,512,189	21,739,773	1,128,225	7,307,522	-	-	83,687,709
Community services	-	8,792	-	-	-	-	8,792
Intergovernmental	3,525,379	152,738	132,481	-	-	-	3,810,598
Capital outlay	-	-	-	-	-	9,707,984	9,707,984
Debt service							
Principal	-	-	-	-	7,728,000	-	7,728,000
Interest and fiscal charges	232,395	-	-	-	1,760,586	-	1,992,981
Total expenditures	118,288,878	35,218,751	7,118,071	7,307,522	9,488,586	9,707,984	187,129,792
Excess (deficiency) of revenues over (under) expenditures	6,495,430	2,395,549	3,359,584	1,841,161	4,324,351	(9,341,635)	9,074,440
OTHER FINANCING SOURCES (USES)							
Issuance of bonds	-	-	-	-	41,000,000	-	41,000,000
Premium on bonds	190,680	-	-	-	2,288,629	-	2,479,309
Transfers in	6,520,966	-	-	-	-	45,938,656	52,459,622
Transfers out	-	(2,525,750)	(3,359,584)	(635,632)	(45,938,656)	-	(52,459,622)
Total other financing sources (uses)	6,711,646	(2,525,750)	(3,359,584)	(635,632)	(2,650,027)	45,938,656	43,479,309
Net change in fund balance	13,207,076	(130,201)	-	1,205,529	1,674,324	36,597,021	52,553,749
Fund balance, July 1, 2021	12,019,991	1,251,588	-	469,379	4,436,545	8,239,170	26,416,673
Fund balance, June 30, 2022	\$ 25,227,067	\$ 1,121,387	\$ -	\$ 1,674,908	\$ 6,110,869	\$ 44,836,191	\$ 78,970,422

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

ORANGEBURG COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

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

Net change in fund balances - total governmental funds	\$ 52,553,749
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The issuance of long-term debt (e.g. bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position.

Principal payments on bonds	7,728,000
Proceeds from bond issuance	(41,000,000)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the change in accrued interest on bonds between the years.

(174,260)

Bond premiums are revenues in the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities.

Premiums on bonds	(2,211,769)
Amortization of bond premiums	961,549

The difference between the acquisition price and carrying amounts of debt in a current or advanced refunding are recognized as a deferred inflow or outflow and amortized over the remaining life of the old debt or the life of the new debt in the government-wide statements.

(101,379)

In the Statement of Activities, compensated absences (vacation pay) are measured by the amounts earned during the year. However, in the governmental funds expenditures, these absences are measured by the amount of financial resources used. This amount represents the change in accrued compensated absences between years.

(77,767)

Changes in the District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.

8,281,439

Changes in the District's proportionate share of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.

(12,790,370)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenues - property taxes for the year.

321,109

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense \$6,398,833 exceeds capital outlays \$2,269,413

(4,129,420)

Change in net position - governmental activities

\$ 9,360,881

ORANGEBURG COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction:

As enacted by the General Assembly of the State of South Carolina, the three school districts of Orangeburg County were abolished on July 1, 2019. Effective July 1, 2019, Orangeburg County consists of one school district to be known as Orangeburg County School District. In accordance with Government Accounting Standard Board Statement (GASB) No. 69 for government combinations, the initial opening balances of the new district's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position were determined on the basis of the carrying values reported in the separate June 30, 2019, financial statements of the three districts.

Orangeburg County School District (the "District") is governed by a nine member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the GASB and it complies with the requirements of contracts and grants of agencies from which it receives funds.

Reporting Entity:

The District's financial statements include the accounts of all District operations. It has been determined that although the District is considered fiscally dependent on Orangeburg County (the "County") with respect to property tax revenues, the County does not significantly influence the District's operations. As the District has the authority to borrow funds, establish its budget, hire and terminate employees, enter into its own contracts and is responsible for funding its own deficits, it is construed that the District is independent for purposes of determining the reporting entity and is reported as such.

The criteria for including organizations as component units with the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Government Accounting and Financial Reporting Standards*, include whether:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued):

As required by accounting principles generally accepted in the United States of America, these financial statements present the District and its component units, entities for which the District is considered to be financially accountable, or for which exclusion of a component unit would render the financial statements incomplete or misleading. The District's discretely presented component unit is reported in a separate column in the basic financial statements to emphasize it is legally separate from the District.

Discretely Presented Component Unit: Orangeburg Consolidated School District 5 High School for Health Professions is a charter school under legislation enacted on June 18, 1996. Educational services are provided to approximately 385 students in grades 9 through 12. A charter school is considered a public school and is a part of Orangeburg County School District for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the District and exclusion of the charter school would cause the District's financial statements to be incomplete, the financial statements of the charter school are included in those of the District. The charter school is presented as a governmental fund type. Complete separately issued financial statements may be obtained for the charter school from the administrative offices of Orangeburg County School District High School for Health Professions, 130 Howard Hill Drive, Orangeburg, SC 29118.

Basis of Presentation :

The financial statement presentation for the District meets the requirements of the GASB. The financial statement presentation includes provides a comprehensive, entity-wide perspective of the District's net position, revenue, expenses and changes in net position and a fund-level perspective.

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 and include capital assets and long-term obligations. 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 eliminated 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 program revenues are presented as general revenues.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

The effect of inter-fund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements. Fund financial statements report detailed information about the District. The focus of the governmental fund financial statements is on major funds rather than reporting funds by type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

Governmental fund types are those through which most government functions typically are financed. Governmental fund reporting also focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The District reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the District. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. All property taxes, intergovernmental revenues, charges for services, education finance act revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or for which the District collects in a fiduciary capacity. Operational expenditures for general instruction, support services, general administration and other departments of the District are paid through the General Fund.

Special Revenue Fund – Special Projects Fund. The Special Revenue Special Projects Fund accounts for the proceeds of specific revenue sources (other than special assessments) that are legally restricted to expenditures for specified purposes. All special projects supported in whole or in part with federal, state and local resources (other than expendable trusts, Education Improvement Act proceeds or major capital projects) are accounted for in this fund. These funds primarily come from or are passed through the South Carolina Department of Education.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Special Revenue Fund – Education Improvement Act Fund. The Education Improvement Act (EIA) Fund accounts for the proceeds of the additional one percent sales and use tax that are restricted to expenditures of the EIA strategies. The purpose of the EIA, in general, is to provide additional funding to local school districts for the purpose of raising academic standards by providing for, among other purposes, basic skills remediation, teacher salary increases and the modernization of equipment and instructional facilities.

Special Revenue Fund – Food Service Fund. The Food Service Fund accounts for activities of the food service operations of the District, including collections for meals from students and teachers, USDA reimbursements, and all related costs.

Debt Service Fund. The Debt Service Fund accounts for the accumulation of resources for and the payment of general long-term debt, principal and interest. The primary financing source for the fund is property taxes levied for debt service.

Capital Projects Fund. The Capital Projects Fund accounts for the receipt and disbursement of monies used for the acquisition of capital facilities. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

Measurement Focus and Basis of Accounting:

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when an obligation has been 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 modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty (60) days after year-end. These include federal and state grants, some charges for services, and ad-valorem property taxes.

Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leasing arrangements are reported as other financing sources. Funds received but not yet earned are reflected as deferred revenues.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Governmental Fund Financial Statements (Continued). Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Use of Resources:

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

Budgetary Data:

The budget data reflected in the financial statements is prepared and adopted on a basis consistent with accounting principles generally accepted in the United States of America. The District's Board authorizes the preparation and presentation of an annual budget for adoption by the Board after careful study. The Board approves the General Fund budget by June 30 and determines the required millage no later than September 1. Division heads are authorized to move funds between line items, but the total budget for any function may not be exceeded. The Superintendent must authorize budget adjustments between functions, the legal level of budgetary control. The adopted budget specifies total expenditures. Supplemental appropriations are made by the Board for any expenditure exceeding total appropriations. All annual appropriations of the General Fund lapse at year-end. Budgets are not adopted for major special revenue funds because it is not required.

The District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2022, there were no budget amendments. Formal budgetary accounting is employed as a management control for all funds of the District; however, legal budgets are adopted only for the General Fund. For each of the funds for which a formal budget is adopted, the basis of accounting used to reflect budget and actual revenues and expenditures is the accounting principles generally accepted in the United States of America.

When the Board adopts a budget, it is done at the summarized level (instruction, support and community service) of budgetary control. Because expenditures may not legally exceed budgeted appropriations, supplemental budget appropriations are made by the Board if expenditures exceed total appropriations within the legal level of control. Supplemental budget appropriations were not necessary during the year. The instance where over-expenditures are not allowed is at the summarized level.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Data (Continued):

Prior to July 1, the Superintendent and the staff prepare a budget and submit it to the Board for approval. After adoption, the budget is submitted to the taxpayers in a citizen's meeting for comments and approval, pursuant to Act 806 of the 1952 Acts of the General Assembly of the state of South Carolina. The budget for the general fund is the only formally adopted budget. The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts in the financial statements are as amended by the administration. All annual appropriations lapse at fiscal year-end.

Cash and Cash Equivalents:

For financial reporting purposes, the District considers cash equivalents to be short-term, highly liquid investments that (a) are readily convertible to known amounts of cash and (b) have original maturities of three months or less from the date of acquisition.

Investments:

State statutes restrict investment of District funds. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association;
2. Bonds or securities of any county, city, drainage district, technical college district, town, or school district of the state;
3. Bonds or securities issued or guaranteed by the federal government; and
4. The South Carolina Local Government Investment Pool.

The State Treasurer sells "participation units" in the South Carolina Local Government Investment Pool (the "Pool") to political subdivisions of the State. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are carried at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than forced liquidation. Fair value for all investments of the Pool is determined annually based upon quoted market prices.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued):

Section 11-9-660 of the State of South Carolina Code of Laws authorizes the Treasurer's Office to invest and reinvest the monies of the Pool in the following types of investments:

1. Obligations of the United States, its agencies, and instrumentalities;
2. Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the African Development Bank, and the Asian Development Bank;
3. Obligations of a corporation, state, or political subdivision denominated in United States dollars, if the obligations bear an investment grade rating of at least two nationally recognized rating services;
4. Certificates of Deposit, if the certificates are secured collaterally by securities of the types described in items (1) and (3) of this section and held by a third party as escrow agent or custodian and are of a market value not less than the amount of the certificates of deposit so secured, including interest; except that this collateral is not required to the extent the certificates of deposit are insured by an agency of the federal government;
5. Repurchase agreements, if collateralized by securities of the types described in items (1) and (3) of this section and held by a third party as escrow agent or custodian and of a market value not less than the amount of the repurchase agreement so collateralized, including interest; and
6. Guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long-term unsecured debt rating bears the two highest ratings of at least two nationally recognized rating services. These securities are delivered to a third party financial institution for safekeeping in the name of the South Carolina State Treasurer. These procedures were implemented for the specific purpose of having the South Carolina Local Government Investment Pool classified risk category "A" of GASB #3. Separate financial statements for the South Carolina Local Government Investment Pool are issued and publicly available by writing the Office of the State Treasurer, P. O. Box 11778, Columbia, SC 29211.

Investments, which consist of proceeds from bonds that are held and invested by the bank trustee and repurchase agreements, are reported at fair value.

The District accounts for its investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Changes in unrealized gain or loss on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenditures, and changes in fund balances.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued):

Cash received by the District may be pooled for investment purposes. The pooled accounts are recorded in the General Fund. The equity interest in the Pool belonging to the other funds is maintained in the account(s) due from (to) the General Fund. During the course of operations, other transactions occur between individual funds for goods and services rendered. In fund financial statements, these receivables and payables, if containing a balance at the end of the fiscal year, are classified as due from (to) other funds on the balance sheet.

Accounts Receivables:

Accounts receivable consists of amounts due from the Federal government, state and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories and Prepaid Items:

All inventories are valued at cost, based on the "First-In/First-Out" method of accounting, except for the Food Service fund inventory of commodities received from the United States Department of Agriculture (USDA), which is stated at values assigned by the USDA.

Inventories in the general fund consist of expendable supplies held for consumption. The cost is inventoried at the time the individual items are purchased. The cost of the items is expended when they are physically requisitioned out of the warehouse. Reported inventories are equally offset by a nonspendable fund balance which indicates that they do not constitute "available spending resources," even though they are a component of net current assets. Inventories in the Food Service Special Revenue Fund consist of food held for resale and operating supplies. The cost is included in operating expenses in the year of usage. USDA commodities received but not used as of the balance sheet date have been recorded as inventory and as unearned revenue since title does not pass to the District until the commodities are used.

Payments made to vendors for services benefiting future periods are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and expenditures/expense is reported in the year in which services are consumed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets:

Capital assets are recorded at cost at the date of acquisition or estimated acquisition value at the date of donation in the case of gifts. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Qualifying improvements include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building are capitalized. The District capitalized moveable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 20 to 40 years for buildings and improvements and 5 to 20 years for machinery, equipment and vehicles. A full year of depreciation expense is recorded for the year the asset is placed in service and none in the year of disposition. The District allocates depreciation expense to programs/functions based on the ratio of program/functional expenses to total expenses with certain modifications.

Deferred Outflows/Inflows of Resources:

In addition to liabilities, the financial statements reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The first item, unavailable revenue, is reported only by the governmental funds balance sheet and includes amounts from property taxes and special assessments that are deferred and will be recognized as an inflow of resources in the period in which the amounts become available under the modified accrual basis of accounting. The second item, deferred revenue, is reported in both the governmental funds balance sheet and the statement of net position and arises from voluntary nonexchange transactions in which the District has received resources before time requirements are met but after all other eligibility requirements have been met.

In addition to assets, the financial statements reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (expense/expenditure) until that time.

The District reports deferred charges from the refunding of bonds as a deferred outflow of resource in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued):

The District also has deferred inflows and outflows related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in these liabilities are recognized as expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the District's actuaries which adjust the net pension liability or net OPEB liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability or net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension or OPEB expense over the expected remaining service lives of plan members. Changes in proportion arise from difference between the District's actual contributions to its pension and OPEB plans and the District's proportionate share of contributions. These items will be amortized into pension or OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension or OPEB investments and actual return on those investments is also deferred and amortized against pension or OPEB expense over a five year period. Additionally, any contributions made by the District to the pension or OPEB plans before year end but subsequent to the measurement date of the District's net pension liability or net OPEB liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability or net OPEB liability in the subsequent fiscal period.

Long-term Debt:

In the 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. Premiums received on debt issuances are 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, both in the government-wide statement of activities and the fund financial statements.

Compensated Absences:

Vacation is awarded to 12-month employees at a rate of ten days per year. Sick leave is awarded at a rate of 12-15 days per year contingent on the employees' contracts. Employees may not accumulate more than 90 days of sick leave. Sick leave does not vest; therefore, no liability is recorded.

Compensated absences are paid from General and Special Revenue Funds depending on where the employee's salary is typically charged.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-exchange Transactions:

The District generally has two types of non-exchange transactions, government-mandated non-exchange transactions (which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose) and voluntary non-exchange transactions (which result from legislative or contractual agreements other than exchanges, entered into willingly by the parties to the agreement). The District recognizes non-exchange transactions when they are both measurable and probable for collection. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District recognized assets when all applicable eligibility requirements are met or resources are received, whichever is first, and revenue when all applicable eligibility requirements are met.

Amortization of Bond Premiums and Accretion of Bond Discounts:

Bond premiums and discounts are amortized/accreted over the terms of the bonds using the effective interest method and are recorded as an addition or deduction to interest expense.

Pensions:

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

OPEB:

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 are 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances:

In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), the District's governmental fund balances are classified as follows:

Nonspendable. Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted. Represents amounts that are (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) are imposed by law through constitutional provisions or enabling legislation.

Committed. Represents amounts that can only be used by for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. A motion and affirmative vote by the Board of Trustees and recorded in the minutes would be required to establish, modify, or rescind a fund balance commitment.

Assigned. Amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. A motion and affirmative vote by the Board of Trustees and recorded in the minutes would be required to establish, modify, or rescind a fund balance commitment.

Unassigned. Represents the fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the District's general practice is to first reduce committed resources, followed by assigned resources, and then unassigned resources.

Net Position:

The District's net position in the government-wide financial statements are classified as follows:

Net Investment in Capital Assets. This represents the District's total investment in capital assets, net of accumulated depreciation and reduced by outstanding liabilities that are attributable to the acquisition, construction or improvement of those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of investment in capital assets but rather as a restricted net position.

Restricted. This represents resources in which the District is legally or contractually obligated by external parties such as lenders, grantors or contributors or by laws or regulations to spend in accordance with the restrictions imposed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued):

Unrestricted. This represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the District's general practice is to first reduce committed resources, followed by assigned resources, and then unassigned resources.

Income Taxes:

The District, as a political subdivision of the State of South Carolina, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code.

Use of 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interfund Activity:

Interfund transactions are reported as loans, services provided, reimbursements, or transfers. Loans are reported as due to/from other funds, as appropriate, and are subject to elimination in the government-wide financial statements. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the fund financial statements. Transfers among governmental funds are eliminated in the government-wide financial statements.

NOTE 2. DEPOSITS AND INVESTMENTS

All cash and investments are stated at fair value with accrued interest shown on the statement of net position. The District is authorized to invest funds received from the County Treasurer, which are not needed for immediate disbursement by the District, in interest bearing accounts or certificates of deposit issued by banking institutions or savings and loan associations licensed to do business in this state or in securities issued by the United States Government. Investments with maturities greater than three (3) months are shown on the balance sheet by fund type as investments.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk:

The District does not have an investment policy for credit risk, but maintains a policy in conformity with federal, state and other legal requirements.

Custodial Credit Risk:

This is the risk that the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party if the counter party to the investment transaction fails. There are no uninsured investments.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2022, all of the District's deposits were insured and/or collateralized as required by State statutes.

Concentration of Credit Risk:

The District's investment policy does not limit its investment in any one issuer. Most investments are U.S. governmental obligations.

Fair Value Measurements:

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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, and Level 3 inputs are significant unobservable inputs.

The Pool is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the District does not disclose its investment in the Pool within the fair value hierarchy.

The District's non-participating, interest earning investment contracts are reported at cost.

Interest Rate Risk:

In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than twelve months.

It is the policy of the State Treasurer's Office that no derivatives of the U.S. Government Securities or Federal Agency Securities or A1/P1 Commercial Paper be purchased by or for the Pool. It is the policy of the State Treasurer's Office that the weighted average maturity (WAM) of the Pool portfolio not to exceed 60 days.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Inputs and Methodologies and Hierarchy:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 - Unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.

Level 2 - Other observable inputs including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets and liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs.

Level 3 - Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each fund's own assumptions used in determining the fair value of investments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The District maintains cash and cash equivalents investments that are available for use. Each fund's portion is shown on the balance sheet generally as cash and cash equivalents. Transfers from the District's investment are made to cover checks presented to the bank. Individual funds may maintain cash and cash equivalents separate for convenience and control. Student activities accounts under the control of the schools are maintained in separate accounts in various banks and financial institutions. Petty cash and working funds are maintained for nonrecurring incidental purchases less than \$100. Such holdings are included on the governmental balance sheet as cash and cash equivalents.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Inputs and Methodologies and Hierarchy (Continued):

The District has the following recurring fair value measurements (Level 1 inputs) as of June 30, 2022:

Investment Type	Fair Value Level (1)	Credit Rating	Balance	Maturity
FHLMC Discount Notes	Level 1	AA+	\$ 394,705	9/1/2022
MSILF Government Portfolio	Level 1	AAAm	26,835,436	Less than 30 days
UST-SLG Certificate of Indebtedness	N/A	NR	1,066,136	12/1/2022
UST-SLG Certificate of Indebtedness	N/A	NR	1,006,989	6/1/2023
UST-SLG Certificate of Indebtedness	N/A	NR	709,308	12/1/2023
			<u>\$ 30,012,574</u>	

NR - None of the District's investments have been rated by any major rating agency.

N/A - The MSILF Government portfolio is reported at cost, as discussed further below

N/A - The UST- SLG Certificate of indebtedness portfolio is reported at cost, as discussed further below

The District's money market funds and the FHLMC notes disclosed in Level 1 of the hierarchy were valued using the documented trade histories for the exact security.

The District's UST- SLG Certificate of Indebtedness is a non-participating, interest earning investment contract and, accordingly, is reported at cost.

Reconciliation of Cash and Investments to Statements:

The following table reconciles deposits and investments within the footnotes to the amounts in the statement of net position for the Primary Government:

Cash deposited with financial institutions	\$ 7,308,271
Investments	30,012,574
South Carolina Local Government Investment Pool	30,270,631
Total cash and investments	<u><u>\$ 67,591,476</u></u>
Cash and cash equivalents	\$ 37,578,902
Investments, restricted	30,012,574
Total cash and investments	<u><u>\$ 67,591,476</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. PROPERTY TAXES

Property taxes are levied by the County on real and personal properties owned on the preceding December 31 of each fiscal year ended June 30. Liens attach to the property at the time the taxes are levied which is usually in October of each year ended June 30. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 - February 1	3% of Tax
February 2 - March 16	10% of Tax
March 17 and Thereafter	15% of Tax Plus Collection Cost.

Current year real and personal taxes become delinquent on March 16. The levy date for motor vehicles taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

The District tax rate to finance general District services for the year ended June 30, 2022, was set at 191 mills for general uses and purposes. Millage was set to cover the District's scheduled debt service requirements at 37 mills.

Property tax revenues are recognized when they become available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District considers this to be sixty days. The property taxes receivable consists of all delinquent property taxes, less an allowance for uncollectible taxes.

The District is given an appropriation for property taxes by the County at the beginning of each fiscal year. The District reported taxes receivable as follows at June 30, 2022:

Delinquent taxes receivable	\$ 11,415,344
Less: Allowance for uncollectable amounts	(6,587,582)
Total	<u><u>\$ 4,827,762</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 2,023,838	\$ 1,365,561	\$ (2,873,313)	\$ 516,086
Total	<u>2,023,838</u>	<u>1,365,561</u>	<u>(2,873,313)</u>	<u>516,086</u>
Capital assets, being depreciated:				
Land improvements	8,206,118	211,020	-	8,417,138
Buildings and improvements	216,446,639	2,700,263	-	219,146,902
Furniture and fixtures	1,873,986	-	-	1,873,986
Vehicles and equipment	25,800,368	865,882	(48,341)	26,617,909
Total	<u>252,327,111</u>	<u>3,777,165</u>	<u>(48,341)</u>	<u>256,055,935</u>
Less accumulated depreciation for:				
Land improvements	6,132,456	227,881	-	6,360,337
Buildings and improvements	112,724,732	5,172,604	-	117,897,336
Furniture and fixtures	682,352	31,446	-	713,798
Vehicles and equipment	21,605,774	966,902	(48,341)	22,524,335
Total	<u>141,145,314</u>	<u>6,398,833</u>	<u>(48,341)</u>	<u>147,495,806</u>
Total capital assets, being depreciated, net	<u>111,181,797</u>	<u>(2,621,668)</u>	<u>-</u>	<u>108,560,129</u>
Total capital assets, net	<u>\$ 113,205,635</u>	<u>\$ (1,256,107)</u>	<u>\$ (2,873,313)</u>	<u>\$ 109,076,215</u>

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Instruction	\$ 3,130,949
Support services	3,267,884
Total depreciation expense - governmental activities	<u>\$ 6,398,833</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. SHORT-TERM DEBT

Summary of Changes in Short-term Debt:

On September 23, 2021, the District issued a general obligation bond in the amount of \$6,000,000 with a premium of \$76,680 and issue costs of \$35,353. The bond carries an interest rate of 3.00% with a maturity date of March 1, 2022. The District recorded \$79,000 in interest expense on the bond for the year ending June 30, 2022.

On September 29, 2021, the District issued a tax anticipation note in the amount of \$12,000,000 with a premium of \$190,680 and issue costs of \$36,395. The note carries an interest rate of 5.00% and with a maturity date of April 15, 2022. The District recorded \$196,000 in interest expense on the note for the year ending June 30, 2022.

On April 28, 2022, the District issued a bond anticipation note in the amount of \$10,000,000. The note carries an interest rate of 1.14%. On May 19, 2022, as part of the 2022 Special Obligation Bond Issuance, funds were deposited into an escrow account to defease the bond. At June 30, 2022 the escrow account balance was \$10,016,444 and on July 27, 2022, the bond was paid in full with the funds in the escrow account. The District recorded \$28,183 in interest expense on the note for the year ending June 30, 2022.

The following is a summary of activity of the short-term obligations of the District during the fiscal year:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax Anticipation Note	\$ -	\$12,000,000	\$ (12,000,000)	\$ -
2022 Bond Anticipation Note	-	10,000,000	(10,000,000)	-
2021 General Obligation Bond	-	6,000,000	(6,000,000)	-
Total other short-term debt	<u>\$ -</u>	<u>\$28,000,000</u>	<u>\$ (28,000,000)</u>	<u>\$ -</u>

NOTE 6. LONG-TERM DEBT

The District has issued General Obligation (GO) Bonds, Refunding Bonds and Other Obligations as of June 30, 2022. They are briefly described as follows:

Issue	Interest Rates	Maturity	Original Issue	Outstanding Amount
General Obligation and Refunding Bonds				
2012 GO Refunding Bonds (District 3)	2.00 - 5.00%	2023	\$ 8,750,000	\$ 2,215,000
2014 GO Refunding Bonds (District 3)	.50- 3.00%	2025	5,645,000	2,555,000
2009 GO Refunding Bonds (District 4)	2.20 - 4.00%	2023	7,780,000	240,000
2013 GO Refunding Bonds (District 4)	2.00 - 5.00%	2027	12,345,000	2,555,000
2016A GO Refunding Bonds (District 4)	5.00%	2024	8,000,000	3,630,000
2016 GO Refunding Bonds (District 5)	4.00 - 5.00%	2025	14,715,000	7,220,000
Other Obligations				
2006 QZAB Bonds (District 5)	5.44%	2023	4,207,370	4,204,370
2006 QZAB Bonds (District 4)	0%	2023	400,000	400,000
2022 GO Limited Obligation Bonds	3.00%	2044	41,000,000	41,000,000
			<u>\$ 102,842,370</u>	<u>\$ 64,019,370</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Constitutionally, the District is limited in the amount of debt it can hold to eight percent of the assessed value of all taxable property within the District. This constitutional debt limit does not include any debt existing prior to November 30, 1982, or any debt approved by referendum. At June 30, 2022, the District is within its debt limit.

On May 19, 2022 the District issued \$41,000,000 in Special Obligation Bonds to finance District-wide upgrades to improve energy efficiency and generate cost savings through reduced energy consumption. The bonds bear interest at a rate of 5% with semiannual payments beginning December 1, 2022 and ending July 1, 2044. The energy savings from the upgrades will be used to pay down the bonds as the amounts become due.

General obligation bonds of the District are backed by the full faith, credit, and taxing power of the District.

Changes in Long-term Liabilities:

The following is a summary of changes in the District's long-term obligations for the year ended June 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
2011 GO Bonds (District 3)	\$ 1,430,000	\$ -	\$ (1,430,000)	\$ -	\$ -
2012 GO Refunding Bonds (District 3)	3,160,000	-	(945,000)	2,215,000	2,215,000
2014 GO Refunding Bonds (District 3)	3,050,000	-	(495,000)	2,555,000	780,000
2006 QZAB Bonds (District 4)	400,000	-	-	400,000	400,000
2009 GO Refunding Bonds (District 4)	475,000	-	(235,000)	240,000	240,000
2013 GO Refunding Bonds (District 4)	3,390,000	-	(835,000)	2,555,000	875,000
2016A GO Refunding Bonds (District 4)	4,740,000	-	(1,110,000)	3,630,000	1,390,000
2017 GO Bonds (District 4)	478,000	-	(478,000)	-	-
2006 QZAB Bonds (District 5)	4,204,370	-	-	4,204,370	4,204,370
2011 GO Refunding Bonds (District 5)	2,020,000	-	(2,020,000)	-	-
2016 GO Refunding Bonds (District 5)	7,400,000	-	(180,000)	7,220,000	2,310,000
2022 Limited Obligation Bonds	-	41,000,000	-	41,000,000	-
Total bonds payable	30,747,370	41,000,000	(7,728,000)	64,019,370	12,414,370
Premiums	1,789,345	2,211,769	(961,549)	3,039,565	-
Total bonds payable, net	32,536,715	43,211,769	(8,689,549)	67,058,935	12,414,370
Compensated absences	1,518,314	649,198	(571,431)	1,596,081	399,020
Net pension liability	192,925,704	17,219,498	(50,417,127)	159,728,075	-
Net OPEB liability	167,149,354	34,604,562	(13,514,026)	188,239,890	-
Total other long-term debt	361,593,372	52,473,258	(64,502,584)	349,564,046	399,020
Governmental activities:					
Long-term liabilities	\$392,340,742	\$93,473,258	\$ (72,230,584)	\$413,583,416	\$ 12,813,390

Compensated absences typically have been liquidated in the general fund. General obligation bonds have been liquidated through funds accumulated in the debt service fund. Net pension and OPEB liabilities typically have been liquidated in the general fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

The annual debt service requirements to maturity for general obligation bonds and the interest, which will become payable in the fiscal year indicated are as follows:

Year Ending June 30,	Bonds and Other Obligations		
	Principal	Interest	Total
2023	\$ 12,414,370	\$ 2,912,221	\$ 15,326,591
2024	7,100,000	2,497,638	9,597,638
2025	2,655,000	2,171,388	4,826,388
2026	720,000	2,068,856	2,788,856
2027	870,000	2,044,819	2,914,819
2028-2032	4,665,000	9,691,500	14,356,500
2033-2037	10,305,000	8,003,000	18,308,000
2038-2042	17,100,000	4,715,750	21,815,750
2043-2044	8,190,000	619,249	8,809,249
Total	<u>\$ 64,019,370</u>	<u>\$ 34,724,421</u>	<u>\$ 98,743,791</u>

NOTE 7. RETIREMENT PLANS

Description of the Entity:

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers and manages the various retirement systems and retirement programs of the state of South Carolina. PEBA has an 11-member Board of Directors, appointed by the governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA board decisions regarding the funding of the South Carolina Retirement Systems and serves as a co-trustee of the Systems in conducting that review. Effective July 1, 2017, the Retirement Funding and Administration Act of 2017 assigned the PEBA Board of Directors as the custodian of the Retirement Trust Funds and assigned PEBA and the Retirement Systems Investment Commission (RSIC) as co-trustees of the Retirement Trust Funds.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems' fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plans. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Description of the Entity (Continued):

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR of the state.

Plan Descriptions:

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four third party record keepers.

South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters of the state and its political subdivisions.

Membership:

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Membership (Continued):

ORP. As an alternative to membership in SCRS, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly at or after the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

PORS. To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by state statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits:

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

SCRS. A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Benefits (Continued):

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

PORS. A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions:

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and the PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the Board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Contributions (Continued):

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the Board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

Required employee contribution rates for fiscal year 2021-2022 are as follows:

- Required employee contribution rates for SCRS and ORP are as follows:

South Carolina Retirement System		
	Fiscal year ended June 30, 2022	Fiscal year ended June 30, 2021
Employee class two	9.00%	9.00%
Employee class three	9.00%	9.00%

- Required employee contribution rates for PORS are as follows:

Police Officers Retirement System		
	Fiscal year ended June 30, 2022	Fiscal year ended June 30, 2021
Employee class two	9.75%	9.75%
Employee class three	9.75%	9.75%

- Required employer contribution rates for SCRS are as follows:

South Carolina Retirement System		
	Fiscal year ended June 30, 2022	Fiscal year ended June 30, 2021
Employer class two	16.41%	15.41%
Employer class three	16.41%	15.41%
Employer incidental death benefit	0.15%	0.15%

- Required employer contribution rates for PORS are as follows:

Police Officers Retirement System		
	Fiscal year ended June 30, 2022	Fiscal year ended June 30, 2021
Employer class two	18.84%	17.84%
Employer class three	18.84%	17.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Contributions (Continued):

- Required employee and employer contribution rates for ORP are as follows:

	South Carolina Optional Retirement Program	
	<u>Fiscal year ended June 30, 2022</u>	<u>Fiscal year ended June 30, 2021</u>
Employee	9.00%	9.00%
Employer	16.41%	15.41%
Employer incidental death benefit	0.15%	0.15%

Actuarial Assumptions and Methods:

Actuarial valuations of the ongoing plan 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 regarding the net pension liability 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. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The District's measurement date for the net pension liability reported at June 30, 2022, is June 30, 2021. The June 30, 2021, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In FY 2021, the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code. The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2021.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry Age	Entry Age
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11% (varies by service)	3.5% to 10.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2020.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

Assumptions used in the determination of the June 30, 2021, TPL are as follows:

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%
General Employees	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%

Net Pension Liability:

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability for both SCRS and PORS as follows:

	SCRS	PORS
Employer's net pension liability	<u>\$ 159,421,486</u>	<u>\$ 306,589</u>

The District's proportion of the net pension liability was based on contributions to SCRS and PORS, respectively, during the fiscal year ended June 30, 2021. At June 30, 2021, the District's proportion for SCRS was 0.736655%, which was an increase of 0.0123767% from its proportion measured at June 30, 2020. At June 30, 2021, the District's proportion for PORS was 0.0011916%, which was an increase from its proportion measured at June 30, 2020, which was 0.00962%.

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. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 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 and is summarized in the table on the following page. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Long-term Expected Rate of Return (Continued):

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity	9.0%	9.68%	0.87%
Private Debt	7.0%	5.47%	0.39%
Real assets	12.0%		
Real estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.05%	0.15%
	100%		
Total expected real return			5.18%
Inflation for actuarial purposes			2.25%
Total expected nominal return			7.43%

Discount Rate:

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the 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 TPL.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Sensitivity Analysis:

The following table presents the District's net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's net pension liability would be if it were calculated using the discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

<u>South Carolina Retirement System</u>			
Sensitivity of the Net Position Liability to Changes in the Discount Rate			
Fiscal Year	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
2022	\$ 208,822,298	\$ 159,421,486	\$ 118,359,194

<u>Police Officers Retirement System</u>			
Sensitivity of the Net Position Liability to Changes in the Discount Rate			
Fiscal Year	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
2022	\$ 444,822	\$ 306,589	\$ 193,356

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and Pension Expense:

For the year ended June 30, 2022, the District's combined pension expense was \$6,578,349. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,715,561	\$ 215,161
Changes of assumptions	8,726,209	-
Net difference between projected and actual earnings on pension plan investments	-	23,158,072
Changes in proportion and differences between employer contributions and proportionate share of contributions	84,352,912	93,654,919
Employer contributions subsequent to the measurement date	14,824,867	-
Total	<u>\$ 110,619,549</u>	<u>\$ 117,028,152</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and Pension Expense (Continued):

Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,430	\$ 955
Changes of assumptions	21,867	-
Net difference between projected and actual earnings on pension plan investments	-	68,736
Changes in proportion and differences between employer contributions and proportionate share of contributions	207,090	168,614
Employer contributions subsequent to the measurement date	34,921	-
Total	<u>\$ 274,308</u>	<u>\$ 238,305</u>

District contributions subsequent to the measurement date of \$14,824,867 and \$34,921 reported as deferred outflows of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

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

Year ended June 30:	SCRS	PORS
2023	\$ (5,475,746)	\$ 15,144
2024	(4,147,700)	882
2025	(2,944,575)	7,299
2026	(8,665,449)	(22,243)
Total	<u>\$ (21,233,470)</u>	<u>\$ 1,082</u>

Payable to Pension Plan:

At June 30, 2022, the District had \$4,815,714 in outstanding payables to the plans for legally required contributions. This amount is reported in the statement of net position with withholdings and benefits payable.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RETIREMENT PLANS (CONTINUED)

Optional Retirement Program:

As an alternative to membership in SCRS, certain State, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program. Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers and are governed by the terms of the contracts that those providers issue. The District contributed \$345,324 to the plan as of June 30, 2022.

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview:

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. "PEBA - Insurance Benefits" is a state agency responsible for the administration and management of the state's employee insurance programs, other postemployment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other postemployment benefits (OPEB).

Plan Description:

The Other Post-Employment Benefits Trust Fund (OPEB Trust) refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF), established by the State of South Carolina as Act 195, which became effective May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans.

In accordance with Act 195, the SCRHITF is 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Description:

The SCRHITF is a cost-sharing multiple-employer defined benefit OPEB plan. Article 5 of the State Code of Laws defines the plan and authorizes the Trustee to at any time adjust the plan, including its benefits and contributions, as necessary to insure the fiscal stability of the plan. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental benefits to retired State and school district employees and their covered dependents.

Benefits:

The SCRHITF is a healthcare plan that covers retired employees of the state of South Carolina, including all agencies, and public school districts. 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.

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 on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2022 and 2021 was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF 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. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued):

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities. For the year ended June 30, 2022, the District recognized \$35,744 as revenue from a contribution made by a non-employer contributing entity.

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.

PEBA - Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. The information is publicly available through the PEBA - Insurance Benefits' link on PEBA's website at 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 fund financial information is also included in the ACFR of the state.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. 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.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2020
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75 net of OPEB Plan investment expense; including inflation
Single Discount Rate:	1.92% as of June 30, 2021
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years
Retiree Participation:	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
Notes:	There were no benefit changes during the year; The discount rate changed from 2.45% as of June 30, 2020, to 1.92% as of June 30, 2021; demographic and salary increases assumptions were updated to reflect the 2020 SCRS experience study and health care trends rates were reset to better reflect the plans anticipated experience.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Roll Forward Disclosure:

The actuarial valuation was performed as of June 30, 2020. Update procedures were used to roll forward the total OPEB liability to June 30, 2021 (measurement date used for the District's reporting as of June 30, 2022).

Net OPEB Liability:

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period.

At June 30, 2022, the District reported a liability for its proportionate share of the net OPEB liability of \$188,239,890 for the SCRHITF. The net OPEB liability was measured as of June 30, 2021. The District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2021. At June 30, 2021, the District's proportion of the total net OPEB liability was 0.903992%, which was a decrease of 0.0021969% from its proportion measured as of June 30, 2020. The plan's fiduciary net position as a percentage of total OPEB liability was 7.48% as of June 30, 2021.

Single Discount Rate:

The Single Discount Rate of 1.92% 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).

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Long-term Expected Rate of Return:

The long-term expected rate of returns represent 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:

South Carolina Retiree Health Insurance Plan			
Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.55%
Total expected weighted real return			0.55%
Inflation for actuarial purposes			2.25%
Total expected nominal return			2.80%
Investment return assumption			2.75%

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis:

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 1.92%, 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:

<u>South Carolina Retiree Health Insurance Plan</u> <u>Sensitivity of the Net OPEB Liability to Changes in the Discount Rate</u>			
<u>Fiscal Year</u>	<u>1% Decrease (0.92%)</u>	<u>Current Discount Rate (1.92%)</u>	<u>1% Increase (2.92%)</u>
2022	\$ 226,875,627	\$ 188,239,890	\$ 157,780,370

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:

<u>South Carolina Retiree Health Insurance Plan</u> <u>Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate</u>			
<u>Fiscal Year</u>	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
2022	\$ 151,019,054	\$ 188,239,890	\$ 237,835,418

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources and OPEB Expense:

For the year ended June 30, 2022, the District recognized OPEB expense of \$18,666,458. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,809,384	\$ 4,824,885
Changes of assumptions	38,270,064	4,532,568
Net difference between projected and actual earnings on pension plan investments	-	50,901
Changes in proportion and differences between employer contributions and proportionate share of contributions	18,832,583	5,470,459
Employer contributions subsequent to the measurement date	5,876,088	-
Total	<u>\$ 66,788,119</u>	<u>\$ 14,878,813</u>

District contributions subsequent to the measurement date of \$5,876,088 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2022, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2023	\$ 7,842,508
2024	7,759,160
2025	9,205,433
2026	9,279,680
2027	8,933,490
Thereafter	3,012,947
	<u>\$ 46,033,218</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS

The interfund transfers during the year ended June 30, 2022, consisted of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Education Improvement Act Fund	\$ 3,359,584	Special Projects Fund	\$ -
Food Service Fund	635,632		-
Special Projects Fund	2,525,750		-
	<u>\$ 6,520,966</u>		<u>\$ -</u>
Food Service Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 635,632
Debt Service Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	Capital Projects Fund	\$ 45,938,656
Capital Projects Fund			
Transfers from	Amount	Transfers to	Amount
Debt Service Fund	\$ 45,938,656		\$ -
Education Improvement Act Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 3,359,584
Special Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ -	General Fund	\$ 2,525,750
TOTAL	<u><u>\$ 52,459,622</u></u>		<u><u>\$ 52,459,622</u></u>

Transfers are primarily used to move funds from:

1. Special Revenue - Special Projects and Pupil Activity Funds to cover related expenditures paid from General Fund.
2. The Special Revenue - Special Projects and Food Service Funds to the General Fund for allowable indirect costs.
3. The EIA Fund to the General Fund for allowable transfers of EIA specified revenues.
4. Debt Service Fund to Capital Projects Fund for amounts allocated for capital project from proceeds of issuance of debt.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2022, is as follows:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 1,972,957
Special Project Fund	-	6,984,742
EIA Fund	1,220,177	-
Debt Service Fund	382,753	-
Food Service Fund	1,484,736	-
Capital Projects Fund	5,870,033	-
Total	<u>\$ 8,957,699</u>	<u>\$ 8,957,699</u>

Interfund payables and receivables are generally short-term in nature and are the result of the following:

- With the exception of several small bank accounts, the majority of the District's cash is maintained in a Concentration account and the Pool, both of which are shown as assets of the General Fund. The portions of those accounts belonging to other funds are shown as intercompany receivables and payables.
- The General Fund funds the expenditures of the Special Revenue Fund and reflects an intercompany receivable for the amount expended until reimbursement is received from the funding source.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The District participates with other school districts in the South Carolina School Boards Insurance Trust/Workers' Compensation Trust Fund (SCSBIT/WCTF), where it is covered for property and casualty losses and worker's compensation. The SCSBIT/WCTF is a public-entity risk pool currently operating as a common risk management and insurance program for member school districts. The District pays an annual premium for its workers' compensation insurance coverage based upon the total payroll of the District for each plan year. The SCSBIT/WCTF is self-sustaining through member premiums and any deficiencies can be charged back to the member districts should a fund deficit arise. The District has not reduced its insurance coverage by major categories of risk from that of prior years, and no settlements in excess of insurance coverage have been made in the past three years.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS, CONTINGENCIES, AND CLAIMS PAYABLE

Commitments

The District has outstanding contractual commitments on uncompleted projects as follows at June 30, 2022:

<u>Project</u>	<u>Expenditures to Date</u>	<u>Estimated Total Project</u>
STC Van Conversion	\$ 12,801	\$ 24,998
Feasibility Facility Assessment	36,778	73,556
Sheridan Elementary Window Replacement	466,506	483,429
	<u>\$ 516,085</u>	<u>\$ 581,983</u>

Contingencies

The Special Revenue Fund reports the activities of the Federal Projects and Office of General Education which are funded with federal and state funds. These programs are subject to financial and compliance audits by their grantors. Upon audit, should it be determined that the District has failed to comply with applicable requirements of the grants, then some or all of the grant expenditures may be deemed to be disallowed and a portion of the grant revenue may become reimbursable to the grantor. The District is of the opinion that any reimbursements, should they materialize, will be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion on management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

Claims Payable

On January 27, 2022, a former district employee plead guilty to defrauding the District utilizing various components of a fraudulent purchasing scheme. The source of the funds that were used in the fraud were federal Coronavirus Relief Funds (CRF), passed through the South Carolina Department of Education.

As a result of the fraud, management of the District believes it is probable it will have to repay these funds and estimates its liability to the State of South Carolina to be \$548,400. This amount has been accrued as a claim payable in the District's statement of net position.

NOTE 13. LEGAL COMPLIANCE

All schedules and exhibits are presented in the level of detail as required by the South Carolina Department of Education. Account numbers are presented on the combining fund statements and supporting schedules as required.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. TAX ABATEMENTS

The State of South Carolina has enacted Fee-in-Lieu of Tax Acts and Special Source Revenue Credit Acts as part of Title 12 of the South Carolina Code of Laws in support of economic development. The legislation allows the County to enter into negotiated fee-in-lieu of tax (FILOT) arrangements with entities in exchange for making investments in facilities and jobs in the County. The FILOT's typically include millage caps and reduced assessment ratios for entities who commit to certain investment and employment targets. Some FILOT's also include Special Source Revenue Credits which further reduce the negotiated fee by a percentage for some time period. As of June 30, 2022, the County has active FILOT agreements within the District's geographic area which resulted in net tax abatements of approximately \$8,485,000.

NOTE 15. SUBSEQUENT EVENTS

The District has evaluated subsequent events through November XX, 2022, the date the financial statements were available for issuance.

On October 12, 2022, the District issued a general obligation bond in the amount of \$4,000,000 with issuance costs of \$38,000. The bond carries an interest rate of 3.13% with a maturity date of September 1, 2026.

On September 29, 2022, the District issued a tax anticipation note in the amount of \$10,000,000 with a premium of \$53,000 and issue costs of \$36,994. The note carries an interest rate of 5.00% and with a maturity date of April 14, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

ORANGEBURG COUNTY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	0.736655%	\$ 159,421,486	\$ 81,478,486	195.7%	60.7%
2020	0.724279%	192,606,547	77,462,192	248.6%	50.7%
2019	0.802434%	183,228,550	85,405,942	214.5%	54.4%
2018	0.818559%	183,413,963	85,868,172	213.6%	54.1%
2017	0.820989%	184,818,278	83,791,406	220.6%	53.3%
2016	0.882898%	182,176,586	83,520,064	218.1%	52.9%
2015	0.896526%	170,031,017	84,939,615	200.2%	57.0%
2014	0.932894%	160,613,591	85,839,306	187.1%	59.6%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	0.01192%	\$ 306,589	\$ 180,077	170.3%	70.4%
2020	0.00962%	319,157	173,938	183.5%	58.8%
2019	0.01196%	342,863	187,496	182.9%	62.7%
2018	0.00935%	264,966	101,848	260.2%	61.7%
2017	0.00813%	222,671	91,946	242.2%	60.9%
2016	0.00500%	126,875	63,770	199.0%	60.4%
2015	0.00650%	141,776	80,584	175.9%	64.6%
2014	0.00701%	134,086	84,238	159.2%	67.5%

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

ORANGEBURG COUNTY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retirement System						
<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>	
2022	\$ 14,824,867	\$ 14,824,867	\$ -	\$ 90,337,276	16.41%	
2021	12,678,052	12,678,052	-	81,478,486	15.56%	
2020	13,137,191	13,137,191	-	77,462,192	16.96%	
2019	12,316,988	12,316,988	-	85,405,942	14.42%	
2018	11,511,604	11,511,604	-	85,868,172	13.41%	
2017	9,577,687	9,577,687	-	83,791,406	11.43%	
2016	9,131,077	9,131,077	-	83,520,064	10.93%	
2015	9,161,740	9,161,740	-	84,939,615	10.79%	

South Carolina Police Officers Retirement System						
<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>	
2022	\$ 34,921	\$ 34,921	\$ -	\$ 185,355	18.84%	
2021	32,486	32,486	-	180,077	18.04%	
2020	31,726	31,726	-	173,938	18.24%	
2019	32,291	32,291	-	187,496	17.22%	
2018	16,541	16,541	-	101,848	16.24%	
2017	15,586	15,586	-	91,946	16.95%	
2016	8,462	8,462	-	63,770	13.27%	
2015	10,806	10,806	-	80,584	13.41%	

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

ORANGEBURG COUNTY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

Notes to the schedule:

The schedule will present 10 years of information once it is accumulated.

Actuarial assumptions used in determining the statutorily required contribution are as follows:

System	SCRS	PORS
Calculation date	July 1, 2019	July 1, 2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year Smoothed	5-year Smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	28 years maximum, closed period	28 years maximum, closed period
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service	3.50% plus step-rate increases for members with less than 15 years of service
Mortality	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 125% and females rates are multiplied by 111%.

ORANGEBURG COUNTY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retiree Health Plan

Plan Year Ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	District's covered payroll	District's share of the net OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2021	0.903992%	\$ 188,238,890	\$ 81,658,563	230.5%	7.48%
2020	0.925961%	167,149,354	85,383,468	195.8%	8.39%
2019	0.970341%	146,730,353	85,593,438	171.4%	8.44%
2018	0.969030%	141,287,335	85,970,020	164.3%	7.94%
2017	0.994758%	134,738,342	83,886,352	160.6%	7.60%
2016	0.994758%	143,927,864	83,583,834	172.2%	6.62%

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

ORANGEBURG COUNTY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retiree Health Plan						
<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>	
2022	\$ 5,876,088	\$ 5,876,088	\$ -	\$ 92,945,068	6.32%	
2021	5,175,947	5,175,947	-	81,658,563	6.34%	
2020	5,334,592	5,334,592	-	85,383,468	6.25%	
2019	5,174,411	5,174,411	-	85,593,438	6.05%	
2018	4,728,350	4,728,350	-	85,970,020	5.50%	
2017	4,471,143	4,471,143	-	83,886,352	5.33%	

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Local	\$ 48,373,775	\$ 52,239,243	\$ 3,865,468
Intergovernmental	75,023,883	72,545,065	(2,478,818)
Total revenues	123,397,658	124,784,308	1,386,650
Expenditures:			
Current			
Instruction	67,990,501	61,018,915	6,971,586
Support services	56,479,826	53,512,189	2,967,637
Intergovernmental	3,525,575	3,525,379	196
Debt service			
Interest	232,395	232,395	-
Total expenditures	128,228,297	118,288,878	9,939,419
Excess (deficiency) of revenues over (under) expenditures	(4,830,639)	6,495,430	11,326,069
Other Financing Sources			
Premiums on bonds	-	190,680	190,680
Transfers in	4,830,639	6,520,966	1,690,327
Total other financing sources	4,830,639	6,711,646	1,881,007
Net change in fund balances	\$ -	13,207,076	\$ 13,207,076
Fund balance, July 1, 2021		12,019,991	
Fund balance, June 30, 2022		\$ 25,227,067	

OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

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

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
1000 Revenue from Local Sources			
1100 Taxes:			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 44,100,775	\$ 46,105,009	\$ 2,004,234
1140 Penalties & Interest on Taxes (Independent)	-	454,626	454,626
1200 Revenues from Local Governmental Units Other than LEAs:			
1210 Ad Valorem Taxes Delinquent (Dependent)	-	7,837	7,837
1280 Revenue in Lieu of Taxes	3,400,000	4,723,304	1,323,304
1300 Tuition:			
1310 Tuition from Regular Day School	-	2,400	2,400
1320 From Other LEAs for Regular Day School	522,000	670,923	148,923
1500 Earnings on Investments:			
1510 Interest on Investments	321,000	98,586	(222,414)
1900 Other Revenues from Local Sources:			
1910 Rentals	-	4,818	4,818
1920 Contributions and Donations	-	119	119
1993 Receipt of Insurance	-	38,246	38,246
1999 Revenue from Other Local Sources	30,000	133,375	103,375
Total Local Sources	48,373,775	52,239,243	3,865,468
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3130 Special Programs			
3131 Handicapped Transportation	-	2,710	2,710
3160 School Bus Driver's Salary	1,719,352	1,633,445	(85,907)
3161 EAA Bus Driver Salary and Fringe	-	27	27
3162 Transportation Workers' Compensation	104,051	104,051	-
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	14,654,808	12,892,664	(1,762,144)
3181 Retiree Insurance (No Carryover Provision)	4,073,612	4,012,238	(61,374)
3186 State Aid to Classrooms - Teacher Salary Increase	2,395,955	3,457,435	1,061,480
3300 Education Finance Act:			
3310 Full-Time Programs			
3311 Kindergarten	1,295,191	1,204,527	(90,664)
3312 Primary	4,163,026	3,880,175	(282,851)
3313 Elementary	7,630,967	6,970,027	(660,940)
3314 High School	2,802,556	2,490,617	(311,939)
3315 Trainable Mentally Handicapped	123,365	106,902	(16,463)
3316 Speech Handicapped (Part-Time Program)	2,325,472	1,986,662	(338,810)
3317 Homebound	3,112	6,904	3,792
3320 Part-Time Programs			
3321 Emotionally Handicapped	78,809	63,348	(15,461)
3322 Educable Mentally Handicapped	246,920	235,617	(11,303)
3323 Learning Disabilities	1,639,573	1,509,827	(129,746)
3324 Hearing Handicapped	97,538	96,087	(1,451)
3325 Visually Handicapped	63,400	59,216	(4,184)
3326 Orthopedically Handicapped	12,543	23,117	10,574
3327 Pre-Career and Career Technology	3,726,931	3,712,882	(14,049)
3330 Other EFA Programs			
3331 Autism	666,278	601,621	(64,657)
3332 High Achieving Students	139,495	108,591	(30,904)
3334 Limited English Proficiency	94,882	97,556	2,674
3350 Residential Treatment Facilities (RTF)			
3351 Academic Assistance	1,448,387	316,170	(1,132,217)
3352 Pupils in Poverty	3,639,298	3,378,112	(261,186)
3353 Dual Credit Enrollment	109,702	105,047	(4,655)
3392 NBS Excess Formula	-	75,310	75,310
3800 State Revenue In Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	7,193,794	6,937,940	(255,854)

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES (CONTINUED)			
3000 Revenue from State Sources (Continued)			
3820 Homestead Exemption (Tier 2)	\$ 2,000,000	\$ 2,222,965	\$ 222,965
3825 Reimbursement for Property Tax Relief (Tier 3)	9,803,642	10,175,399	371,757
3830 Merchant's Inventory Tax	672,308	672,308	-
3840 Manufacturers Depreciation Reimbursement	1,050,000	1,436,786	386,786
3890 Other State Property Tax Revenues	281,285	1,116,571	835,286
3900 Other State Revenue:			
3993 PEBA on Behalf	767,631	852,211	84,580
Total State Sources	<u>75,023,883</u>	<u>72,545,065</u>	<u>(2,478,818)</u>
TOTAL REVENUE ALL SOURCES	<u>123,397,658</u>	<u>124,784,308</u>	<u>1,386,650</u>
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	4,355,566	2,627,650	1,727,916
200 Employee Benefits	1,583,075	1,215,830	367,245
300 Purchased Services	75,492	75,492	-
400 Supplies and Materials	46,462	44,211	2,251
500 Capital Outlay	62	-	62
112 Primary Programs:			
100 Salaries	7,499,665	6,850,296	649,369
200 Employee Benefits	2,991,268	2,682,179	309,089
300 Purchased Services	372,177	366,247	5,930
400 Supplies and Materials	77,026	75,525	1,501
113 Elementary Programs:			
100 Salaries	14,509,202	13,347,225	1,161,977
200 Employee Benefits	5,673,127	5,071,359	601,768
300 Purchased Services	1,078,584	1,078,584	-
400 Supplies and Materials	155,564	141,967	13,597
500 Capital Outlay	1,588	-	1,588
600 Other Objects	645	645	-
114 High School Programs:			
100 Salaries	8,983,027	8,116,703	866,324
200 Employee Benefits	3,781,689	2,926,251	855,438
300 Purchased Services	547,695	547,695	-
400 Supplies and Materials	132,056	115,682	16,374
500 Capital Outlay	680	-	680
600 Other Objects	1,167	1,167	-
115 Career and Technology Education Programs:			
100 Salaries	2,515,933	2,318,338	197,595
200 Employee Benefits	1,082,292	1,060,741	21,551
300 Purchased Services	51,863	51,863	-
400 Supplies and Materials	61,967	61,809	158
500 Capital Outlay	2,000	-	2,000
600 Other Objects	502	502	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	265,475	265,475	-
200 Employee Benefits	127,574	127,574	-
300 Purchased Services	166	166	-
122 Trainable Mentally Handicapped:			
100 Salaries	421,203	421,203	-
200 Employee Benefits	195,942	219,167	(23,225)
300 Purchased Services	895	895	-

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)			
100 INSTRUCTION (CONTINUED)			
120 Exceptional Programs (Continued):			
123 Orthopedically Handicapped:			
100 Salaries	\$ 74,514	\$ 74,514	\$ -
200 Employee Benefits	31,629	31,629	-
300 Purchased Services	24,160	24,160	-
124 Visually Handicapped:			
100 Salaries	84,836	84,836	-
200 Employee Benefits	32,185	32,185	-
126 Speech Handicapped:			
100 Salaries	691,936	691,936	-
200 Employee Benefits	297,051	297,051	-
300 Purchased Services	89,857	89,857	-
400 Supplies and Materials	244	244	-
127 Learning Disabilities:			
100 Salaries	3,621,396	3,536,240	85,156
200 Employee Benefits	1,523,229	1,500,004	23,225
300 Purchased Services	21,953	21,953	-
400 Supplies and Materials	26,924	26,924	-
128 Emotionally Handicapped:			
100 Salaries	984,856	984,856	-
200 Employee Benefits	347,567	347,567	-
300 Purchased Services	710	710	-
130 Pre-School Programs:			
134 Pre-School Handicapped-Self-Contained (5 year olds):			
100 Salaries	145,170	145,170	-
200 Employee Benefits	54,394	54,394	-
136 Pre-School Handicapped-Itinerant (3-and 4 Yr.-Olds):			
300 Purchased Services	90	90	-
140 Special Programs:			
141 Gifted and Talented-Academic:			
100 Salaries	327,171	327,171	-
200 Employee Benefits	138,142	138,142	-
300 Purchased Services	24,742	24,742	-
400 Supplies and Materials	5,864	3,529	2,335
600 Other Objects	2,650	2,650	-
145 Homebound:			
100 Salaries	239,396	239,396	-
200 Employee Benefits	64,423	64,423	-
147 CDEP			
100 Salaries	947,255	947,255	-
200 Employee Benefits	401,905	401,905	-
300 Purchased Services	32,613	32,613	-
400 Supplies and Materials	2,533	533	2,000
148 Gifted and Talented- Artistic:			
100 Salaries	7,338	7,338	-
200 Employee Benefits	2,457	2,457	-
300 Purchased Services	25,585	25,585	-
400 Supplies and Materials	40,662	18,634	22,028
500 Capital Outlay	-	-	-
600 Other Objects	13,678	13,678	-
149 Other Special Programs:			
300 Purchased Services	81,008	49,863	31,145
400 Supplies and Materials	9,558	7,200	2,358
600 Other Objects	280	280	-

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)			
100 INSTRUCTION (CONTINUED)			
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	\$ 355,472	\$ 355,472	\$ -
200 Employee Benefits	110,024	110,024	-
300 Purchased Services	271	271	-
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	75,563	75,563	-
200 Employee Benefits	8,386	8,386	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	99,173	99,173	-
200 Employee Benefits	31,658	31,658	-
180 Adult/Continuing Education Programs:			
181 Adult Basic Education Programs:			
300 Purchased Services	273,036	248,885	24,151
400 Supplies and Materials	250	250	-
183 Adult English Literacy (ESL):			
400 Supplies and Materials	3,139	3,139	-
188 Parenting/Family Literacy:			
100 Salaries	16,080	16,080	-
200 Employee Benefits	4,986	4,986	-
400 Supplies and Materials	873	873	-
Total Current Expenditures	<u>67,988,171</u>	<u>61,018,915</u>	<u>6,969,256</u>
Total Capital Outlay	<u>2,330</u>	<u>-</u>	<u>2,330</u>
TOTAL INSTRUCTION	<u>67,990,501</u>	<u>61,018,915</u>	<u>6,971,586</u>
200 SUPPORT SERVICES			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	403,773	403,773	-
200 Employee Benefits	217,807	217,807	-
300 Purchased Services	1,601	1,601	-
400 Supplies and Materials	1,974	474	1,500
212 Guidance Services:			
100 Salaries	3,149,470	3,055,467	94,003
200 Employee Benefits	1,317,406	1,317,406	-
300 Purchased Services	7,283	7,283	-
400 Supplies and Materials	21,064	19,564	1,500
213 Health Services:			
100 Salaries	1,169,510	1,169,510	-
200 Employee Benefits	549,336	549,336	-
300 Purchased Services	20,720	20,720	-
400 Supplies and Materials	33,098	29,248	3,850
214 Psychological Services:			
100 Salaries	93,708	93,708	-
200 Employee Benefits	35,029	35,029	-
215 Exceptional Program Services:			
100 Salaries	-	-	-
300 Purchased Services	59,207	5,327	53,880
400 Supplies and Materials	8,071	-	8,071

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)			
200 SUPPORT SERVICES (CONTINUED)			
210 Pupil Services (Continued):			
217 Career Specialist Services:			
100 Salaries	\$ 84,100	\$ 84,100	\$ -
200 Employee Benefits	37,258	37,258	-
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	361,893	361,893	-
200 Employee Benefits	187,277	187,277	-
300 Purchased Services	280,243	275,006	5,237
400 Supplies and Materials	75,727	72,969	2,758
500 Capital Outlay	25,900	-	25,900
600 Other Objects	1,274	1,274	-
222 Library and Media Services:			
100 Salaries	2,140,206	2,140,206	-
200 Employee Benefits	980,237	980,237	-
300 Purchased Services	10,525	10,525	-
400 Supplies and Materials	27,364	24,533	2,831
500 Capital Outlay	1,500	-	1,500
600 Other Objects	200	200	-
223 Supervision of Special Programs:			
100 Salaries	373,720	287,313	86,407
200 Employee Benefits	165,655	141,962	23,693
300 Purchased Services	10,532	10,532	-
600 Other Objects	150	150	-
224 Improvement of Instruction - Inservice and Staff Training			
200 Employee Benefits	1,816	1,816	-
300 Purchased Services	8,313	8,313	-
400 Supplies and Materials	24,746	24,746	-
600 Other Objects	30	30	-
230 General Administration Services:			
231 Board of Education:			
100 Salaries	70,131	70,131	-
200 Employee Benefits	25,064	25,064	-
300 Purchased Services	334,432	251,855	82,577
400 Supplies and Materials	30,093	10,923	19,170
600 Other Objects	45,470	45,470	-
232 Office of the Superintendent:			
100 Salaries	380,774	380,774	-
200 Employee Benefits	149,986	149,986	-
300 Purchased Services	128,114	111,193	16,921
400 Supplies and Materials	81,441	56,327	25,114
600 Other Objects	47,913	47,913	-
233 School Administration:			
100 Salaries	8,670,418	8,562,767	107,651
200 Employee Benefits	3,645,663	3,644,470	1,193
300 Purchased Services	62,291	62,291	-
400 Supplies and Materials	162,531	159,947	2,584
500 Capital Outlay	30	-	30
600 Other Objects	2,787	2,787	-

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)			
200 SUPPORT SERVICES (CONTINUED)			
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	\$ 101,964	\$ 101,964	\$ -
200 Employee Benefits	25,812	25,812	-
300 Purchased Services	188	188	-
252 Fiscal Services:			
100 Salaries	653,701	549,000	104,701
200 Employee Benefits	260,843	239,694	21,149
300 Purchased Services	121,308	33,344	87,964
400 Supplies and Materials	316,500	150,303	166,197
500 Capital Outlay	5,000	-	5,000
600 Other Objects	215,691	8,440	207,251
254 Operation and Maintenance of Plant:			
100 Salaries	4,893,113	4,712,468	180,645
200 Employee Benefits	2,274,971	2,274,971	-
300 Purchased Services	3,225,238	3,035,018	190,220
400 Supplies and Materials	4,425,242	4,425,183	59
600 Other Objects	35	35	-
255 Student Transportation (State Mandated):			
100 Salaries	3,820,522	3,747,674	72,848
200 Employee Benefits	1,438,084	1,438,084	-
300 Purchased Services	63,291	61,021	2,270
400 Supplies and Materials	67,999	59,690	8,309
500 Capital Outlay	31,420	25,560	5,860
600 Other Objects	380	380	-
256 Food Services:			
100 Salaries	53,006	53,006	-
200 Employee Benefits	667,010	667,010	-
400 Supplies and Materials	1,327	1,327	-
257 Internal Services:			
100 Salaries	42,029	42,029	-
200 Employee Benefits	18,458	18,458	-
258 Security:			
100 Salaries	156,976	156,976	-
200 Employee Benefits	70,744	70,744	-
300 Purchased Services	609,145	573,613	35,532
400 Supplies and Materials	2,556	2,500	56
500 Capital Outlay	2,093	-	2,093
260 Central Support Services:			
262 Planning:			
600 Other Objects	37,200	37,200	-
263 Information Services:			
100 Salaries	51,260	51,260	-
200 Employee Benefits	25,918	25,918	-
300 Purchased Services	161,869	115,000	46,869
400 Supplies and Materials	19,333	16,009	3,324
500 Capital Outlay	96	-	96
600 Other Objects	1,141	1,141	-
264 Staff Services:			
100 Salaries	789,711	583,539	206,172
200 Employee Benefits	265,219	268,226	(3,007)
300 Purchased Services	421,515	396,581	24,934
400 Supplies and Materials	123,794	119,594	4,200
600 Other Objects	19,161	19,161	-

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)			
200 SUPPORT SERVICES (CONTINUED)			
260 Central Support Services (Continued):			
266 Technology and Data Processing Services:			
100 Salaries	\$ 933,558	\$ 607,601	\$ 325,957
200 Employee Benefits	479,610	479,610	-
300 Purchased Services	1,036,225	787,545	248,680
400 Supplies and Materials	297,054	152,170	144,884
500 Capital Outlay	87,505	-	87,505
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	1,543,305	1,543,305	-
200 Employee Benefits	461,749	461,749	-
300 Purchased Services	166,996	74,974	92,022
400 Supplies and Materials	252,741	131,055	121,686
500 Capital Outlay	7,791	-	7,791
600 Other Objects	7,568	7,568	-
Total Expenditures, Excluding Capital Outlay	56,318,491	53,486,629	2,831,862
Total Capital Outlay	161,335	25,560	135,775
TOTAL SUPPORT SERVICES	<u>56,479,826</u>	<u>53,512,189</u>	<u>2,967,637</u>
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units	75,000	74,819	181
416 LEA Payments to Charter Schools	3,450,575	3,450,560	15
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>3,525,575</u>	<u>3,525,379</u>	<u>196</u>
500 Debt Services			
620 Interest	232,395	232,395	-
TOTAL DEBT SERVICES	<u>232,395</u>	<u>232,395</u>	<u>-</u>
TOTAL EXPENDITURES	<u>128,228,297</u>	<u>118,288,878</u>	<u>9,939,419</u>
OTHER FINANCING SOURCES (USES):			
5999 Other Financing Sources	-	190,680	190,680
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	3,381,684	3,359,584	(22,100)
5280 Transfer from Other Funds Indirect Cost	1,448,955	3,161,382	1,712,427
TOTAL OTHER FINANCING SOURCES	<u>4,830,639</u>	<u>6,711,646</u>	<u>1,881,007</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	13,207,076	<u>\$ 13,207,076</u>
FUND BALANCE, JULY 1, 2021		12,019,991	
FUND BALANCE, JUNE 30, 2022		<u>\$ 25,227,067</u>	

SPECIAL REVENUE FUND – SPECIAL PROJECTS

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

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

Purpose of Special Revenue Subfunds:

Title I. Title I funds are used for programs to benefit the educationally disadvantaged. Guidelines are set by the Federal Government.

IDEA and Preschool Handicapped. IDEA and Preschool Handicapped funds are provided for the purpose of educating the handicapped. Guidelines are set by the Federal Government.

Occupational Education. The purpose of these funds is to provide vocational education. Guidelines are set by the Federal Government.

Drug Free. The purpose of these funds is to assist districts in establishing, operating or improving local programs of drug and violence prevention. Guidelines are set by the Federal Government.

Other State Restricted Grants. The purpose of these funds varies. Guidelines are set by the South Carolina General Assembly.

Other Special Revenue Programs. The purpose of these funds varies. Guidelines are set by the grantor/donors.

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
REVENUES:								
1000 Revenue from Local Sources:								
1500 Earnings on Investments:								
1510 Interest on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (478)	\$ -	\$ (478)
1700 Other Revenue from Local Sources:								
1710 Admissions	-	-	-	-	-	349,105	-	349,105
1720 Bookstore sales	-	-	-	-	-	1,549	-	1,549
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	91,274	-	91,274
1740 Student Fees	-	-	-	-	-	29,779	-	29,779
1790 Other Pupil Activity Income	-	-	-	-	-	315,186	-	315,186
1900 Other Revenue from Local Sources:								
1920 Contributions and Donations Private Sources	-	-	-	-	-	1,396	-	1,396
1930 Medicaid	-	-	-	-	-	-	7,703	7,703
1999 Revenue from Other Local Sources	-	-	-	-	-	977	1,056,512	1,057,489
Total Local Sources	-	-	-	-	-	788,788	1,064,215	1,853,003
2000 Revenue from Intergovernmental Sources:								
2300 Payments from Non-profit Entities	-	-	-	-	-	-	1,312,818	1,312,818
Total Intergovernmental Sources	-	-	-	-	-	-	1,312,818	1,312,818
3000 Revenue from State Sources:								
3100 Restricted Grants:								
3110 Occupational Education:								
3118 EEDA Career Specialist	-	-	-	-	613,857	-	-	613,857
3120 General Education:								
3127 Student Health and Fitness	-	-	-	-	82,502	-	-	82,502
3130 Special Programs:								
3134 Child Development Education Pilot	-	-	-	-	10,000	-	-	10,000
3135 Reading Coaches	-	-	-	-	768,433	-	-	768,433
3136 Student Health and Fitness - Nurses	-	-	-	-	487,581	-	-	487,581
3143 GEER CERDEP Summer	-	-	-	-	60,823	-	-	60,823
3190 Miscellaneous Restricted State Grants:								
3193 Education License Plates	-	-	-	-	2,876	-	-	2,876
3199 Other State Restricted Grants	-	-	-	-	-	-	1,288,643	1,288,643
Total State Sources	-	-	-	-	2,026,072	-	1,288,643	3,314,715

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
REVENUES (CONTINUED):								
4000 Revenue from Federal Sources:								
4200 Occupational Education:								
4210 Perkins Aid, Title I	\$ -	\$ -	\$ -	\$ 409,560	\$ -	\$ -	\$ -	\$ 409,560
4300 Elementary and Secondary Education Act:								
4310 Title I	8,005,781	-	-	-	-	-	590,703	8,596,484
4312 Rural & Low Income, Title VI	-	-	-	-	-	-	251,139	251,139
4341 Language Instruction for Limited English Proficient and Immigrant Students	-	-	-	-	-	-	16,620	16,620
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-	-	-	-	-	9,289	9,289
4351 Improving Teacher Quality	-	-	-	-	-	-	683,598	683,598
4500 Programs for Children with Disabilities:								
4510 IDEA	-	2,158,810	-	-	-	-	50,890	2,209,700
4520 Preschool	-	-	155,896	-	-	-	-	155,896
4900 Other Federal Sources:								
4924 21st Century Community Learning Centers	-	-	-	-	-	-	251,335	251,335
4931 ARP - IDEA	-	-	-	-	-	-	8,755	8,755
4933 ARP - Preschool	-	-	-	-	-	-	3,487	3,487
4974 ESSER III	-	-	-	-	-	-	4,540,128	4,540,128
4975 CARES Act	-	-	-	-	-	-	944,353	944,353
4977 ESSER II	-	-	-	-	-	-	11,969,534	11,969,534
4997 Title IV - SSAE	-	-	-	-	-	-	620,690	620,690
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	463,196	463,196
Total Federal Sources	8,005,781	2,158,810	155,896	409,560	-	-	20,403,717	31,133,764
TOTAL REVENUE ALL SOURCES	8,005,781	2,158,810	155,896	409,560	2,026,072	788,788	24,069,393	37,614,300
EXPENDITURES:								
100 INSTRUCTION:								
110 General Instruction:								
111 Kindergarten Programs:								
100 Salaries	-	-	-	-	-	-	45,500	45,500
200 Employee Benefits	-	-	-	-	-	-	13,149	13,149
300 Purchased Services	-	-	-	-	-	-	123,400	123,400
400 Supplies and Materials	49,775	-	-	-	-	-	916	50,691
112 Primary Programs:								
100 Salaries	426,560	-	-	-	3,411	-	407,504	837,475
200 Employee Benefits	205,723	-	-	-	-	-	136,822	342,545
400 Supplies and Materials	435,742	-	-	-	-	-	477,945	913,687
113 Elementary Programs:								
100 Salaries	195,183	12,673	-	-	54,531	-	530,680	793,067
200 Employee Benefits	84,914	4,178	-	-	24,560	-	161,627	275,279
300 Purchased Services	18,184	-	-	-	-	-	184,548	202,732
400 Supplies and Materials	703,395	-	-	-	2,876	-	269,603	975,874

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
110 General Instruction (Continued):								
114 High School Programs:								
100 Salaries	\$ 68,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 561,278	\$ 629,937
200 Employee Benefits	33,858	-	-	-	-	-	88,529	122,387
300 Purchased Services	22,656	-	-	-	-	-	348,362	371,018
400 Supplies and Materials	62,024	-	-	-	-	-	474,331	536,355
115 Vocational Programs:								
100 Salaries	-	-	-	20,661	-	-	31,776	52,437
200 Employee Benefits	-	-	-	16,213	-	-	11,885	28,098
300 Purchased Services	-	-	-	21,317	-	-	-	21,317
400 Supplies and Materials	-	-	-	44,418	-	-	-	44,418
500 Capital Outlay	-	-	-	47,689	-	-	-	47,689
120 Exceptional Programs:								
121 Educable Mentally Handicapped:								
100 Salaries	-	45,394	-	-	-	-	1,000	46,394
200 Employee Benefits	-	18,657	-	-	-	-	322	18,979
122 Trainable Mentally Handicapped:								
100 Salaries	-	106,628	-	-	-	-	-	106,628
200 Employee Benefits	-	42,488	-	-	-	-	-	42,488
400 Supplies and Materials	-	-	-	-	-	-	682	682
123 Orthopedically Handicapped:								
300 Purchased Services	-	85,785	-	-	-	-	-	85,785
124 Visually Handicapped:								
300 Purchased Services	-	36,683	-	-	-	-	-	36,683
126 Speech Handicapped:								
100 Salaries	-	64,567	-	-	-	-	14,795	79,362
200 Employee Benefits	-	35,662	-	-	-	-	4,744	40,406
300 Purchased Services	-	331,148	-	-	-	-	3,678	334,826
400 Supplies and Materials	-	-	-	-	-	-	5,129	5,129
EXPENDITURES (CONTINUED):								
120 EXCEPTIONAL PROGRAMS (CONTINUED):								
127 Learning Disabilities:								
100 Salaries	-	212,651	-	-	-	-	86,365	299,016
200 Employee Benefits	-	112,648	-	-	-	-	22,275	134,923
300 Purchased Services	-	119,491	-	-	-	-	6,761	126,252
400 Supplies and Materials	-	46,702	-	-	-	-	4,084	50,786
128 Emotionally Handicap								
100 Salaries	-	85,933	-	-	-	-	8,000	93,933
200 Employee Benefits	-	44,626	-	-	-	-	1,204	45,830

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
130 Preschool Handicapped Programs:								
133 Preschool Handicapped Self-Contained (5 Year Olds):								
100 Salaries	\$ -	\$ -	\$ 12,848	\$ -	\$ -	\$ -	\$ 2,000	\$ 14,848
200 Employee Benefits	-	-	3,333	-	-	-	187	3,520
136 Preschool Handicapped Itinerant (3 & 4 Year Olds):								
100 Salaries	-	11,238	100,380	-	-	-	3,000	114,618
200 Employee Benefits	-	-	28,688	-	-	-	737	29,425
140 Special Programs:								
141 Gifted and Talented Academic:								
400 Supplies and Materials	-	-	-	-	-	-	69,730	69,730
600 Other Objects	-	-	-	-	-	-	50,716	50,716
147 CDEPP								
100 Salaries	-	-	-	-	35,225	-	14,060	49,285
200 Employee Benefits	-	-	-	-	11,328	-	4,294	15,622
400 Supplies and Materials	-	-	-	-	11,254	-	-	11,254
148 Gifted and Talented Artistic:								
100 Salaries	-	-	-	-	-	-	7,575	7,575
200 Employee Benefits	-	-	-	-	-	-	2,353	2,353
149 Other Special Programs								
100 Salaries	-	-	-	-	-	-	70,250	70,250
200 Employee Benefits	-	-	-	-	-	-	31,888	31,888
160 Other Exceptional Programs:								
161 Autism:								
100 Salaries	-	15,984	-	-	-	-	-	15,984
200 Employee Benefits	-	8,187	-	-	-	-	-	8,187
170 Summer School Programs:								
171 Primary Summer School:								
100 Salaries	192,944	-	-	-	-	-	272,839	465,783
200 Employee Benefits	58,198	-	-	-	13,016	-	74,808	146,022
172 Elementary Summer School:								
100 Salaries	210,963	-	-	-	-	-	396,818	607,781
200 Employee Benefits	62,809	-	-	-	-	-	103,348	166,157
400 Supplies and Materials	29,831	-	-	-	-	-	96,655	126,486
173 High School Summer School:								
100 Salaries	193,695	-	-	72,431	-	-	524,198	790,324
200 Employee Benefits	59,763	-	-	23,354	-	-	146,688	229,805
300 Purchased Services	-	-	-	-	-	-	26,669	26,669

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
170 Summer School Programs (Continued):								
174 Gifted and Talented Summer School:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,107	\$ 128,107
200 Employee Benefits	-	-	-	-	-	-	41,237	41,237
400 Supplies and Materials	-	-	-	-	-	-	182	182
175 Instructional Programs Beyond Regular School Day								
100 Salaries	2,320	-	-	12,500	-	-	439,023	453,843
200 Employee Benefits	649	-	-	1,603	-	-	126,083	128,335
300 Purchased Services	-	-	-	-	-	-	25,976	25,976
400 Supplies and Materials	-	-	-	-	-	-	126,941	126,941
180 Adult/Continuing Educational Programs:								
183 Adult Education Literacy:								
300 Purchased Services	-	-	-	-	-	-	5,590	5,590
400 Supplies and Materials	-	-	-	-	-	-	7,441	7,441
188 Parenting/Family Literacy:								
100 Salaries	615,969	-	-	-	-	-	221,390	837,359
200 Employee Benefits	305,955	-	-	-	-	-	101,148	407,103
300 Purchased Services	556	-	-	-	-	-	4,053	4,609
400 Supplies and Materials	95,435	-	-	-	-	-	24,901	120,336
190 Instructional Pupil Activity:								
600 Other Objects	-	-	-	-	-	-	950	950
Total Expenditures, Excluding Capital Outlay	4,135,760	1,441,323	145,249	260,186	156,201	-	7,178,729	13,317,448
Total Capital Outlay	-	-	-	-	-	-	-	-
TOTAL INSTRUCTION	4,135,760	1,441,323	145,249	260,186	156,201	-	7,178,729	13,317,448
200 SUPPORTING SERVICES:								
210 Pupil Services:								
211 Attendance and Social Work Services:								
100 Salaries	57,843	-	-	-	-	-	99,270	157,113
200 Employee Benefits	30,554	-	-	-	-	-	43,844	74,398
400 Supplies and Materials	5,885	-	-	-	-	-	-	5,885
212 Guidance:								
100 Salaries	-	-	-	-	-	-	506,330	506,330
200 Employee Benefits	-	-	-	-	-	-	225,229	225,229
300 Purchased Services	-	-	-	-	-	-	86,421	86,421
400 Supplies and Materials	43,998	-	-	-	-	-	2,814	46,812

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
200 SUPPORTING SERVICES (CONTINUED) :								
210 Pupil Services (Continued):								
213 Health:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ 328,439	\$ -	\$ 1,627,114	\$ 1,955,553
200 Employee Benefits	-	-	-	-	138,045	-	237,795	375,840
300 Purchased Services	-	21,520	-	-	-	-	203,080	224,600
400 Supplies and Materials	-	738	-	-	-	-	3,490	4,228
214 Psychological:								
100 Salaries	-	219,597	-	-	-	-	27,408	247,005
200 Employee Benefits	-	83,493	-	-	-	-	13,019	96,512
300 Purchased Services	-	12,000	-	-	-	-	1,492	13,492
400 Supplies and Materials	-	2,068	-	-	-	-	-	2,068
215 Exceptional Program Services:								
100 Salaries	-	-	-	-	-	-	146,711	146,711
200 Employee Benefits	-	-	-	-	-	-	59,555	59,555
217 Career Specialist Services:								
100 Salaries	-	-	-	-	415,464	-	84,452	499,916
200 Employee Benefits	-	-	-	-	198,392	-	31,677	230,069
220 Instructional Staff Services:								
221 Improvement of Instruction:								
100 Salaries	1,413,618	-	-	-	565,843	-	433,212	2,412,673
200 Employee Benefits	557,724	-	-	-	202,591	-	170,880	931,195
300 Purchased Services	22,368	-	-	-	-	-	114,701	137,069
400 Supplies and Materials	1,110	-	-	-	-	-	72,881	73,991
222 Library and Media:								
400 Supplies and Materials	-	-	-	-	-	-	997	997
223 Supervision of Special Programs:								
100 Salaries	152,112	127,351	-	-	-	-	1,252,962	1,532,425
200 Employee Benefits	69,791	52,868	-	-	-	-	528,147	650,806
300 Purchased Services	336	56,665	-	-	-	-	64,392	121,393
400 Supplies and Materials	3,173	7,335	-	-	-	-	20,410	30,918
224 Improvement of Instruction-In-service and Staff Training:								
100 Salaries	97,713	-	-	-	-	-	55,194	152,907
200 Employee Benefits	30,012	-	-	-	-	-	13,246	43,258
300 Purchased Services	624,080	-	-	55,572	-	-	372,492	1,052,144
400 Supplies and Materials	39,445	-	-	-	-	-	47,682	87,127

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
200 SUPPORTING SERVICES (CONTINUED) :								
230 General Administration Services								
232 Office of Superintendent								
400 Supplies and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,872	\$ 13,872
233 School Administration								
100 Salaries	-	-	-	-	-	-	119,565	119,565
200 Employee Benefits	-	-	-	-	-	-	40,513	40,513
250 Finance and Operations Services:								
251 Student Transportation:								
100 Salaries	136,368	-	-	-	-	-	111,876	248,244
200 Employee Benefits	49,356	-	-	-	-	-	33,249	82,605
300 Purchased Services	25,000	-	-	-	-	-	23,428	48,428
252 Fiscal Services								
100 Salaries	-	-	-	-	-	-	319,820	319,820
200 Employee Benefits	-	-	-	-	-	-	121,720	121,720
254 Operations and Maintenance of Plant:								
100 Salaries	-	-	-	-	-	-	1,183,364	1,183,364
200 Employee Benefits	-	-	-	-	-	-	550,174	550,174
300 Purchased Services	-	-	-	-	-	-	723,159	723,159
400 Supplies and Materials	-	-	-	-	-	-	479,330	479,330
500 Capital Outlay	-	-	-	-	-	-	571,809	571,809
255 Student Transportation:								
100 Salaries	-	-	-	-	-	-	197,066	197,066
200 Employee Benefits	-	-	-	-	-	-	70,172	70,172
300 Purchased Services	-	-	-	-	-	-	72,524	72,524
256 Food Services:								
100 Salaries	-	-	-	-	-	-	66,032	66,032
200 Employee Benefits	-	-	-	-	-	-	21,293	21,293
300 Purchased Services	-	-	-	-	-	-	187	187
400 Supplies and Materials	-	-	-	-	-	-	73,420	73,420
500 Capital Outlay	-	-	-	-	-	-	38,673	38,673
258 Student Transportation:								
100 Salaries	-	-	-	-	-	-	111,833	111,833
200 Employee Benefits	-	-	-	-	-	-	47,845	47,845
400 Supplies and Materials	-	-	-	-	-	-	185,000	185,000
260 Central Support Services:								
263 Information Services								
100 Salaries	-	-	-	-	-	-	129,985	129,985
200 Employee Benefits	-	-	-	-	-	-	53,790	53,790
300 Purchased Services	-	-	-	-	-	-	7,200	7,200

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
200 SUPPORTING SERVICES (CONTINUED) :								
260 Central Support Services (Continued):								
264 Staff Services:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 339,377	\$ 339,377
200 Employee Benefits	-	-	-	-	-	-	128,831	128,831
300 Purchased Services	-	-	-	-	-	-	1,012,248	1,012,248
266 Technology and Data Processing Services:								
100 Salaries	-	-	-	-	-	-	771,615	771,615
200 Employee Benefits	-	-	-	-	-	-	106,801	106,801
300 Purchased Services	-	-	-	-	-	-	360,191	360,191
400 Supplies and Materials	-	-	-	-	-	-	299,135	299,135
500 Capital Outlay	-	-	-	-	-	-	1,050	1,050
270 Support Services - Pupil Activity:								
271 Pupil Service Activities:								
100 Salaries	-	-	-	-	-	119,217	-	119,217
200 Employee Benefits	-	-	-	-	-	35,212	-	35,212
300 Purchased Services	-	-	-	-	-	104,857	8,848	113,705
400 Supplies and Materials	-	-	-	-	-	188,338	1,074	189,412
600 Other Objects	42,023	-	-	72,967	-	55,027	13,275	183,292
272 Enterprise Activities:								
100 Salaries	-	-	-	-	-	274	-	274
200 Employee Benefits	-	-	-	-	-	26	-	26
300 Purchased Services	-	-	-	-	-	2,938	-	2,938
400 Supplies and Materials	-	-	-	-	-	38,099	-	38,099
600 Other Objects	-	-	-	-	-	10,150	-	10,150
273 Trust and Agency Activities:								
300 Purchased Services	-	-	-	-	-	13,089	-	13,089
400 Supplies and Materials	-	-	-	-	-	192,086	-	192,086
600 Other Objects	-	-	-	-	-	60,762	-	60,762
Total Expenditures, Excluding Capital Outlay	3,402,509	583,635	-	128,539	1,848,774	820,075	14,917,568	21,701,100
Total Capital Outlay	-	-	-	-	-	-	38,673	38,673
TOTAL SUPPORT SERVICES	3,402,509	583,635	-	128,539	1,848,774	820,075	14,956,241	21,739,773

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Title I	IDEA	Preschool Handicapped	CATE	Other Restricted State Grants	Pupil Activity Programs	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):								
300 COMMUNITY SERVICES:								
360 Other Community Services:								
300 Purchased Services	\$ 48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48
600 Other Objects	-	-	-	-	-	-	8,744	8,744
Total Expenditures, Excluding Capital Outlay	48	-	-	-	-	-	8,744	8,792
Total Capital Outlay	-	-	-	-	-	-	-	-
TOTAL COMMUNITY SERVICES	48	-	-	-	-	-	8,744	8,792
410 INTERGOVERNMENTAL EXPENDITURES:								
411-720 Payments to State Department of Education	-	-	-	-	-	-	101,484	101,484
412-720 Payments to Other Governmental Units	-	-	-	-	21,097	-	-	21,097
414-720 Medicaid Payments to SCDE	-	-	-	-	-	-	-	-
416-720 Payments to Nonprofit Entities	-	-	-	-	-	-	30,157	30,157
419-720 Payments to PEBA	-	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL EXPENDITURES	-	-	-	-	21,097	-	131,641	152,738
TOTAL EXPENDITURES	7,538,317	2,024,958	145,249	388,725	2,026,072	820,075	22,275,355	35,218,751
OTHER FINANCING SOURCES (USES):								
431-791 Special Revenue Indirect Cost Transfer	(467,464)	(133,852)	(10,647)	(20,835)	-	-	(1,892,952)	(2,525,750)
TOTAL OTHER FINANCING SOURCES	(467,464)	(133,852)	(10,647)	(20,835)	-	-	(1,892,952)	(2,525,750)
Total Other Financing Sources (Uses)	(467,464)	(133,852)	(10,647)	(20,835)	-	-	(1,892,952)	(2,525,750)
Excess (Deficiency) of Revenues over (under) Expenditures	-	-	-	-	-	(31,287)	(98,914)	(130,201)
FUND BALANCE, JULY 1, 2021	-	-	-	-	-	1,020,202	231,386	1,251,588
FUND BALANCE, JUNE 30, 2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 988,915	\$ 132,472	\$ 1,121,387

ORANGEBURG COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

SUBFUND	REVENUE CODE	PROGRAM	REVENUES	EXPENDITURES	TRANSFERS	DEFERRED REVENUE
919	3193	Education License Plates	\$ 2,876	\$ 2,876	\$ -	\$ -
924	3134	CDEP Expansion	10,000	10,000	-	15,478
928	3118	EEDA Career Specialist	613,857	613,857	-	-
935	3135	Reading Coaches	768,433	768,433	-	-
936	3136	Student Health & Fitness - Nurses	487,581	487,581	-	-
937	3127	Student Health & Fitness	82,502	82,502	-	-
924	3143	GEER CERDEP Summer	60,823	60,823	-	-
		Totals	<u>\$ 2,026,072</u>	<u>\$ 2,026,072</u>	<u>\$ -</u>	<u>\$ 15,478</u>

ORANGEBURG COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

***Other Special Revenue Programs**

209	IDEA - SSIP
210	Title IV, SSAE
212	Extended Year ESY IDEA
217	CARES LEAP and ARC Funds
218	ARP ESSER III
220	CARES Act
224	21st Century Community Learning Centers
225	ESSER II
234	School Improvement Grants
237	Title I School Improvement
238	Title I, School Improvement
239	Comprehensive Support & Improvement
251	Rural and Low-income Program (REAP)
264	English Second Language
267	Supporting Effective Instruction
801	Maps Medicaid
802	Filling Station
803	Speech Medicaid
805	Nursing Medicaid
806	NIET
807	Army JROTC
808	Project MELT - Mellichamp
809	E-RATE
810	SC Child Cares
811	Stems Program - Clemson
812	Back to School Bash
813	Smithsonian
814	Donations - Curriculum & Instruction
815	SCSBIT Risk Control Grant
816	Fy20 Fact Forward ARH - Teen Pregnant
817	SREB Grant
818	Gear Up
819	SC Farm To School
821	HSHP Miscellaneous
822	State Treasurer Unclaimed Property
824	Teacher of the Month
825	DONATIONS
829	SC Council of Competitiveness
830	Rural Recruiting Incentive - Winthrop
832	Save the Children
833	Miscellaneous - Communications Dept
834	Donations - Holly Hill Elementary
835	Donations - St. James Gaillard Elementary
838	Scana Homework Center Vpe
836	Fact Forward ARH
841	Summer Boost Camp
842	Clemson Agricultural Ed (12 MONTH)
844	Student Records
845	Bethune-Bowan Mohawk Mania
846	Donations - Carver Edisto Middle
847	Donations - Robert Howard Middle
848	JAG - SC
849	Donations - Orangeburg Wilkinson High

**ORANGEBURG COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022**

850	Dick Horne/Irene Myers Foundation
852	Tourism Video Production
854	Toyoto - MLK Oratory
855	First Steps
857	Donations - Sheridan Elementary
860	SC Arts Commission Grant
862	Miscellaneous - Operations
865	Donations - Branchville High
866	Technology ID Revenue
868	Donations - Edisto Elementary
869	Donations - Hunter Kinard Tyler High
872	Donations - Mellichamp Elementary
876	Digital Promise Global 1
877	Counseling Initiative
878	Savannah River Nuclear Grant
879	Food Service - No Kid Hungry
880	Profound Mentally Disable
882	School Health Professionals
883	Donations - Edisto High
886	Donations - OCSD Consolidated Technology
888	Msap Grant
890	Winthrop University - CERRA Proviso 1A.54
896	Technology Local Revenue

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT (EIA)

Education Improvement Act. The purpose of these funds is to improve education by providing funds for specific strategies implemented by the Education Improvement Act of 1984, enacted by the South Carolina General Assembly.

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2022

	TOTAL
REVENUES:	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 10,747
3518 Formative Assessment	17,867
3519 Grade 10 Assessment	30,485
3526 Refurbishment of K-8 Science Kits	47,990
3528 Industry Certificates	28,476
3529 Career and Technology Education	384,151
3532 National Board Salary Supplement (No Carryover Provision)	244,613
3533 Teacher of the Year Awards	1,077
3538 Students at Risk of School Failure	1,798,547
3541 Child Development Education Pilot Program (CDEPP)	2,690,901
3550 Teacher Salary Increase (No Carryover Provision)	2,708,877
3555 School Employer Contributions (No Carryover Provision)	650,707
3557 Summer Reading Camp	243,013
3571 Technical Assistance - State Priority Schools	458,434
3577 Teacher Supplies (No Carryover Provision)	226,325
3594 EEDA - Supplemental Programs	116,382
3595 EEDA - Supplies & Materials - Career Awareness	21,890
3597 Aid to Districts	796,173
3599 Other EIA	1,000
TOTAL REVENUE ALL SOURCES	10,477,655
EXPENDITURES:	
100 INSTRUCTION:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	12,761
200 Employee Benefits	2,911
112 Primary Programs:	
100 Salaries	173,526
200 Employee Benefits	74,996
300 Purchased Services	5,930
400 Supplies and Materials	105,600
113 Elementary Programs:	
100 Salaries	711,225
200 Employee Benefits	323,355
300 Purchased Services	803
400 Supplies and Materials	103,611
114 High School Programs:	
100 Salaries	319,868
200 Employee Benefits	148,008
300 Purchased Services	8,711
400 Supplies and Materials	68,716
600 Other Objects	932
115 Career Technology Education Programs:	
100 Salaries	7,500
200 Employee Benefits	2,387
300 Purchased Services	58,928
400 Supplies and Materials	258,705
500 Capital Outlay	59,080

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2022

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
120 Exceptional Programs:	
124 Visually Handicapped:	
100 Salaries	\$ 7,500
200 Employee Benefits	2,400
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	7,500
200 Employee Benefits	2,400
147 CDEP:	
100 Salaries	1,212,514
200 Employee Benefits	517,216
300 Purchased Services	928,670
400 Supplies and Materials	52,289
149 Other Special Programs:	
100 Salaries	100,910
200 Employee Benefits	38,164
400 Supplies and Materials	41,542
600 Other Objects	4,187
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	137,959
200 Employee Benefits	40,870
300 Purchased Services	15,912
172 Elementary Summer School:	
100 Salaries	160,216
200 Employee Benefits	47,376
400 Supplies and Materials	13,975
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	29,760
200 Employee Benefits	8,338
400 Supplies and Materials	39,803
180 Adult/Continuing Educational Programs:	
188 Parenting/Family Literacy:	
200 Employee Benefits	311
Total Expenditures, Excluding Capital Outlay	5,798,285
Total Capital Outlay	59,080
TOTAL INSTRUCTION	5,857,365
200 SUPPORT SERVICES:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	113,901
200 Employee Benefits	56,343
212 Guidance Services:	
100 Salaries	103,695
200 Employee Benefits	32,383
300 Purchased Services	3,071
400 Supplies and Materials	45,326

ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2022

	TOTAL
EXPENDITURES (CONTINUED):	
200 SUPPORT SERVICES (CONTINUED):	
220 Instructional Staff Services:	
221 Improvement of Instruction - Curriculum Development:	
100 Salaries	\$ 7,500
200 Employee Benefits	2,382
300 Purchased Services	362,169
222 Library and Media Services:	
100 Salaries	15,000
200 Employee Benefits	4,768
400 Supplies and Materials	3,577
223 Supervision of Special Programs:	
100 Salaries	27,850
200 Employee Benefits	9,048
224 Improvement of Instruction Inservice and Staff Training:	
100 Salaries	3,625
200 Employee Benefits	1,023
300 Purchased Services	48,892
400 Supplies and Materials	10,229
230 General Administrative Services:	
233 School Administration:	
200 Employee Benefits	180,908
300 Purchased Services	61,190
400 Supplies and Materials	123
250 Finance and Operations Services:	
251 Student Transportation:	
100 Salaries	638
200 Employee Benefits	134
260 Central Support Services:	
266 Technology and Data Processing Services:	
300 Purchased Services	1,000
270 Support Services:	
271 Pupil Activities:	
400 Supplies and Materials	7,514
600 Other Objects	25,936
Total Expenditures, Excluding Capital Outlay	1,128,225
Total Capital Outlay	-
TOTAL SUPPORT SERVICES	1,128,225
400 OTHER CHARGES	
410 Intergovernmental Expenditures	
412-720 Payments to Other State Agencies	132,481
TOTAL EXPENDITURES	7,118,071

**ORANGEBURG COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2022**

	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES):	
Interfund Transfers From (To) Other Funds:	
420 - 710 Transfer to General Fund	<u>\$ (3,359,584)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	-
FUND BALANCE, JULY 1, 2021	<u>-</u>
FUND BALANCE, JUNE 30, 2022	<u><u>\$ -</u></u>

ORANGEBURG COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE BY PROGRAM
EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2022

PROGRAM	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 10,747	\$ 10,747	\$ -	\$ -	\$ 13,901
3518 Formative Assessment	17,867	17,867	-	-	50,549
3519 Grade 10 Assessment	30,485	30,485	-	-	39,740
3526 Refurbishment of K-8 Science Kits	47,990	47,990	-	-	39,285
3528 Industry Certificates	28,476	28,476	-	-	49,897
3529 Career and Technology Education	384,151	384,151	-	-	164,998
3532 National Board Salary Supplement (No Carryover Provision)	244,613	244,613	-	-	-
3533 Teacher of the Year Awards	1,077	1,077	-	-	-
3536 Student Health Fitness	-	-	-	-	119,165
3538 Students at Risk of School Failure	1,798,547	1,798,547	-	-	-
3541 Child Development Education Program (CDEP)	2,690,901	2,690,901	-	-	1,243,624
3550 Teacher Salary Increase (No Carryover Provision)	2,708,877	-	-	(2,708,877)	-
3555 School Employer Contributions (No Carryover Provision)	650,707	-	-	(650,707)	-
3557 Summer Reading Camp	243,013	243,013	-	-	6,572
3571 Technical Assistance - State Priority Schools	458,434	458,434	-	-	578,330
3577 Teacher Supplies (No Carryover Provision)	226,325	226,325	-	-	-
3594 EEDA - Supplemental Programs	116,382	116,382	-	-	-
3595 EEDA - Supplies and Materials - Career Awareness	21,890	21,890	-	-	22,136
3597 Aid to Districts	796,173	796,173	-	-	1,465,536
3599 Other EIA	1,000	1,000	-	-	-
TOTALS	\$ 10,477,655	\$ 7,118,071	\$ -	\$ (3,359,584)	\$ 3,793,733

SPECIAL REVENUE FUND – FOOD SERVICE

The food service fund records the financing, operation and maintenance of the Student Nutrition Services fund. The fund's purpose is to provide balanced nutritional meals to District students, some of which are free and reduced meals under the United States Department of Agriculture school breakfast and lunch programs.

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2022

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 7
1600 Food Service:	
1610 Lunch Sales to Pupils	21,920
1620 Breakfast Sales to Pupils	3,526
1630 Special Sales to Pupils	78,747
1640 Lunch Sales to Adults	80,320
1650 Breakfast Sales to Adults	2,035
1660 Special Sales to Adults	10,049
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	4,467
Total Revenue from Local Sources	201,071

4000 Revenue from Federal Sources:

4800 USDA Reimbursement:	
4810 School Lunch Program	5,737,380
4820 Supply Chain Assistance Funding	216,566
4830 School Breakfast Program	2,106,236
4860 Fresh Fruit & Vegetable Program	214,523
4890 Healthy Meals-USDA	95,370
4900 Other Federal Sources:	
4991 USDA Commodities	577,537
Total Revenue from Federal Sources	8,947,612
TOTAL REVENUE ALL SOURCES	9,148,683

EXPENDITURES

256 Food Services:	
100 Salaries	2,612,709
200 Employee Benefits	738,540
300 Purchased Services	247,818
400 Supplies and Materials	3,698,638
500 Capital Outlay	6,632
600 Other Objects	3,185
TOTAL SUPPORT SERVICES	7,307,522

OTHER FINANCING USES

Interfund Transfers (to) Other Funds:

432-791 Food Service Fund Indirect Costs	(635,632)
TOTAL OTHER FINANCING USES	(635,632)

Excess of Revenues over Expenditures and Other Financing (Uses)	1,205,529
FUND BALANCE, JULY 1, 2021	469,379
FUND BALANCE, JUNE 30, 2022	\$ 1,674,908

DEBT SERVICE FUND

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

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022

REVENUES

1000 Revenue from Local Sources

1100 Taxes:	
1110 Ad Valorem Taxes - including Delinquent Taxes	\$ 10,746,886
1140 Penalties and Interest on Taxes	917,933
1200 Revenue from Local Governmental Units Other than LEA's:	
1280 Revenue in Lieu of Taxes (Dependent and Independent)	963,245
1500 Earnings on Investments:	
1510 Interest on Investments	11,640
	<u>11,640</u>
Total Local Sources	<u>12,639,704</u>

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	607,943
3830 Merchant's Inventory Tax	141,748
3840 Manufacturer's Depreciation Reimbursement	188,299
3890 Motor Carrier Vehicle Tax	235,243
	<u>235,243</u>
Total State Sources	<u>1,173,233</u>

TOTAL REVENUE ALL SOURCES	<u>13,812,937</u>
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EXPENDITURES

500 DEBT SERVICE

610 Redemption of Principal	7,728,000
620 Interest	1,205,453
690 Other Objects (includes Fees for Servicing Bonds)	555,133
	<u>555,133</u>
Total Debt Service	<u>9,488,586</u>

TOTAL EXPENDITURES	<u>9,488,586</u>
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OTHER FINANCING SOURCES (USES)

5110 Premium on Bonds Sold	2,288,629
5120 Proceeds of General Obligation Bonds	41,000,000

Interfund Transfers, (to) Other Funds:

424 Transfer to Capital Projects	(45,938,656)
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TOTAL OTHER FINANCING (USES)	<u>(2,650,027)</u>
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Excess of Revenues over Expenditures	1,674,324
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FUND BALANCE, JULY 1, 2021	<u>4,436,545</u>
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FUND BALANCE, JUNE 30, 2022	<u><u>\$ 6,110,869</u></u>
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CAPITAL PROJECTS FUND

The capital projects fund is used to record the proceeds from the sale of long-term general obligation bonds and other revenues used for facilities acquisition and construction. The fund balance is restricted for the completion of specific projects.

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 55,388
1900 Other Revenue from Local Sources:	
1993 Receipt of Insurance Proceeds	296,325
1999 Revenue from Other Local Sources	<u>14,636</u>
Total Local Sources	<u>366,349</u>
TOTAL REVENUE ALL SOURCES	<u>366,349</u>

EXPENDITURES

250 Finance and Operations	
253 Facilities Acquisition and Construction:	
300 Purchased Services	4,291,638
400 Supplies and Materials	294,916
500 Capital Outlay:	
520 Construction Services	1,107,522
540 Equipment	344,844
550 Vehicles	192,342
258 Security:	
300 Purchased Services	161,238
400 Supplies and Materials	671
260 Central Support Services	
266 Technology and Data Processing Services:	
300 Purchased Services	1,565,872
400 Supplies and Materials	1,094,751
500 Capital Outlay	<u>654,190</u>
TOTAL CAPITAL OUTLAY	<u>9,707,984</u>
TOTAL EXPENDITURES	<u>9,707,984</u>
Interfund Transfers, from Other Funds:	
5240 Transfer from Debt Service	<u>45,938,656</u>
TOTAL OTHER FINANCING SOURCES	<u>45,938,656</u>
Excess of Revenues over Expenditures	36,597,021
FUND BALANCE, JULY 1, 2021	<u>8,239,170</u>
FUND BALANCE JUNE 30, 2022	<u><u>\$ 44,836,191</u></u>

ORANGEBURG COUNTY SCHOOL DISTRICT
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2022

Location	Location Description	Education Level	Cost Type	Total Expenditures
000	District Office	Non-School	Central	\$ 55,884,088
007	STAR	Alternative School	School	978,977
010	Bethune-Bowman Middle High	High School	School	4,156,082
012	Bethune-Bowman Elementary	Elementary School	School	2,953,076
018	Holly Hill-Roberts Middle	Middle School	School	5,000,877
019	Holly Hill Elementary	Elementary School	School	4,670,175
021	St. James-Gaillard Elementary	Elementary School	School	2,951,523
022	Vance-Providence Elementary	Elementary School	School	2,932,751
024	Edisto High	High School	School	6,261,650
025	Carver Edisto Middle	Middle School	School	4,811,873
026	Edisto Primary	Elementary School	School	5,882,539
027	Robert E Howard Middle	Middle School	School	4,671,203
028	Orangeburg Wilkinson High	High School	School	10,183,368
034	Marshall Elementary	Elementary School	School	5,944,382
036	Brookdale Elementary	Elementary School	School	3,422,365
037	William J Clark Middle	Middle School	School	6,416,438
039	Sheridan Elementary	Elementary School	School	5,029,417
040	Whittaker Elementary	Elementary School	School	3,922,488
042	North Middle High	High School	School	3,700,716
044	Dover Elementary	Elementary School	School	3,532,308
047	Elloree Elementary	Elementary School	School	5,534,615
048	Lake Marion High	High School	School	8,212,295
049	Branchville High	High School	School	3,672,678
051	Lockett Elementary	Elementary School	School	2,721,521
053	Edisto Elementary	Elementary School	School	4,331,938
054	Hunter Kinard Tyler High	High School	School	3,799,564
055	Hunter Kinard Tyler Elementary	Elementary School	School	2,632,863
056	Rivelon Elementary	Elementary School	School	2,924,174
057	Mellichamp Elementary	Elementary School	School	3,044,241
601	High School for Health Profession	High School	School	780,197
995	Cope Area Career Center	Career Center	School	1,445,882
996	Orangeburg Consolidated School District Technology	Career Center	School	2,792,254
997	Lake Marion Technology Center	Career Center	School	1,931,274
Total Expenditures/Disbursement for All Funds				<u>\$ 187,129,792</u>

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

General Fund	\$ 118,288,878
Special Revenue Fund	35,218,751
Special Revenue EIA Fund	7,118,071
Special Revenue Food Service Fund	7,307,522
Debt Service Fund	9,488,586
Capital Projects Fund	9,707,984
Total Expenditures/Disbursements for All Funds	<u>\$ 187,129,792</u>

ORANGEBURG COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL
GOVERNMENT
JUNE 30, 2022

<u>Program</u>	<u>Project Number</u>	<u>Revenue/ Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department or Federal Government</u>
Teacher Supply	n/a	377/3577	Unspent Funds	\$2,750
Summer CERDEP	n/a	924/3143	Unspent Funds	\$83,948

COMPLIANCE SECTION



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

**To the Chair and Members of the Board of Trustees
Orangeburg County School District
Orangeburg, South Carolina**

We have audited, 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, the financial statements of the governmental activities, the discretely presented component unit, and each major fund of the **Orangeburg County School District** (the "District") as of and for the year ended June 30, 2022, 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, 2022. Our report includes a reference to other auditors who audited the financial statements of Orangeburg High School for Health Professions as described in our report on the District's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on 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 District'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.

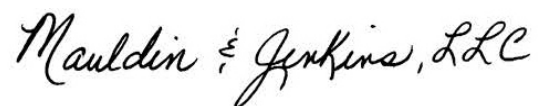
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC".

Columbia, South Carolina
November 30, 2022

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

To the Chair and Members of the Board of Trustees
Orangeburg County School District
Orangeburg, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Orangeburg County School District's** (the "District") compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 30, 2022

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal AL Number	Pass-through Grantor's Number	Total Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>				
	Passed through S.C. Department of Education			
201	Title I	84.010	H63010100120	\$ 1,285,508
201	Title I	84.010	H63010100121	1,504,897
201	Title I	84.010	H63010100122	5,215,375
237	Title I Targeted School Improvement	84.010	H63010100119	191,117
237	Title I Targeted School Improvement	84.010	H63010100120	165,383
237	Title I Targeted School Improvement	84.010	H63010100121	57,792
239	Title I Comprehensive School Improvement	84.010	H63010100119	19,443
239	Title I Comprehensive School Improvement	84.010	H63010100120	11,888
239	Title I Comprehensive School Improvement	84.010	H63010100121	145,080
	Total for Title I			8,596,484
203	Individuals with Disabilities Education Act	84.027	H63010100922	1,355,803
204	Individuals with Disabilities Education Act	84.027	H63010100921	803,007
230	COVID 19 - IDEA American Rescue Plan	84.027X	H63010ARP922	8,755
212	IDEA	84.027	ESY	50,890
205	Special Education - Preschool Grants	84.173	H63010100821	17,189
205	Special Education - Preschool Grants	84.173	H63010100822	138,707
233	Special Education - Preschool Grants	84.173X	H63010ARP822	3,487
	Total IDEA Cluster			2,377,838
Passed through SC Department of Education:				
208	Vocational Education-subprogram 01	84.048	H63010107121	1,841
208	Vocational Education-subprogram 02	84.048	H63010107121	58,952
208	Vocational Education-subprogram 04	84.048	H63010107121	11,599
208	Vocational Education-subprogram 06	84.048	H63010107121	41,024
208	Vocational Education-subprogram 11	84.048	H63010107121	36,487
208	Vocational Education-subprogram 15	84.048	H63010107121	9,224
207	Vocational Education-subprogram 02	84.048	H63010107122	33,040
207	Vocational Education-subprogram 03	84.048	H63010107122	127,577
207	Vocational Education-subprogram 04	84.048	H63010107122	37,372
207	Vocational Education-subprogram 06	84.048	H63010107122	23,028
207	Vocational Education-subprogram 11	84.048	H63010107122	11,202
207	Vocational Education-subprogram 15	84.048	H63010107122	11,611
207	SREB	84.048	H63010107122	6,600
224	21st Century	84.287	H63010006920	84,271
224	21st Century	84.287	H63010006922	167,063
251	Title VI	84.358	H63010007020	42,992
251	Title VI	84.358	H63010007021	208,147
264	Title II - English Language Acquisition	84.365	H63010006721	13,209
264	Title II - English Language Acquisition	84.365	H63010006722	3,410
267	Title II Part A Improving Teacher Quality	84.367	H63010006821	49,198
267	Title II Part A Improving Teacher Quality	84.367	H63010006822	634,399
210	Title IV - Student Support and Academic Enrichment	84.424A	H53010100320	18,413
210	Title IV - Student Support and Academic Enrichment	84.424A	H53010100321	186,528
210	Title IV - Student Support and Academic Enrichment	84.424A	H53010100322	415,749
232	McKinney Veto	84.196A	H6301018919	9,289
218	COVID 19 - ESSER III	84.425U	H63010497523	4,540,128
220	COVID 19 - SC Cares (COVID-19 Emergency Funding)	84.425D	H63010497520	944,353
225	COVID 19 - SC CARES ESSER II MDCC	84.425D	H63010497522	9,159
225	COVID 19 - ESSER II	84.425D	H63010497522	11,960,375
Direct Programs:				
813	Smithsonian Institute	84.411C	N/A	150
	Total U.S. Department of Education			30,670,717

ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal AL Number	Pass-through Grantor's Number	Total Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed through SC Department of Education:				
Non-cash Assistance:				
	Commodities	10.555	N/A	\$ 577,537
600,680	School breakfast program	10.553	H63010103222	2,106,236
600,680	School lunch program	10.555	H63010103222	5,737,380
605	Fresh Fruits and Vegetables	10.582	N/A	214,523
608	Healthy Meals	10.555	N/A	95,370
611	Supply Chain Assistance	10.555	N/A	216,566
	Total for Child Nutrition Cluster			8,947,612
	Total U.S. Department of Agriculture			8,947,612
<u>U.S. FEDERAL COMMUNICATIONS COMMISSION</u>				
Direct Programs:				
809	Emergency Connectivity	32.009	N/A	162,036
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Direct Programs:				
800	Teen Pregnancy Prevention Program	93.297	N/A	855
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Programs				
807	U.S. Department of Defense - ROTC	12.000	N/A	300,154
	TOTAL EXPENDITURE OF FEDERAL AWARDS			\$ 40,081,374

Notes

- (1) **Basis of Presentation**
The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Orangeburg County School District (the "District") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net position, or cash flows of the District.
- (2) **Summary of Significant Accounting Policies**
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.
- (3) The District has a restricted indirect cost rate that is used for its federal programs and did not use the 10% de Minimis indirect cost rate allowed under the Uniform Guidance and covered in 2 CFR Part 200.414.

**ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516 (a)	None

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/10.582	Department of Agriculture, School Nutrition Cluster
84.425D/84.425U	Department of Education, COVID-19 Elementary and Secondary School Emergency Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs	\$ 1,202,441
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Orangeburg County School District qualified as a low risk auditee	No
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II. Financial Statement Audit Findings	None Reported
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III. Federal Awards Findings and Questioned Costs	None Reported
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**ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

2021-001. Restatement of Prior Year Balances

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of operations of the District.

Condition: Internal controls were not sufficient to timely detect certain material misstatements in the District's financial statements for the fiscal year ended June 30, 2020.

Effects: As a result of the process to identify the District's capital assets balances as of June 30, 2020, a restatement to the beginning balance of the District's governmental activities net position in the amount of \$15,847,740 was necessary to properly report the capital asset balances that should have been reflected in the District's June 30, 2020 financial statements.

Status: Resolved

2021-002. Financial Closeout and Reporting

Criteria: Internal controls should be in place to ensure the District and their external accountants perform timely and accurate financial closeout procedures in order for the District to produce its monthly and annual financial statements.

Condition: Internal controls were not sufficient to detect certain misstatements in the District's year-end balances that were submitted for audit.

Effects: Audit adjustments totaling approximately \$66,721,270 were required to correctly report current year balances in accordance with generally accepted accounting principles (GAAP).

Status: Resolved

2021-003. Internal Controls over the Procurement Process

Criteria: The District has adopted a formal Procurement Policy in accordance with applicable laws and regulations in the State of South Carolina. The Procurement Policy specifies all steps that must be taken throughout the procurement process, regardless of the type of procurement. In the event, however, that the District identifies a vendor that already has a pre-approved contract with the State Department of Education (SDE), the District does not have to go through all procurement steps and can utilize the vendor that has already been approved and provided with the statewide contract from SDE.

Condition: The District elected to purchase media equipment to outfit classrooms for the virtual learning environment from a vendor with an approved statewide contract. However, the purchases were not made from that vendor as a third party was used to make the purchases on the District's behalf.

**ORANGEBURG COUNTY SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

Effects: The former District employee was placed on administrative leave when the irregularities were identified and ultimately, after a federal investigation, plead guilty of defrauding the District of approximately \$550,000. The District's internal controls did not identify that the process for using a preapproved state contract had been circumvented and that a third party vendor was being paid instead of the vendor approved by SDE. Additionally, these were federal dollars misused in the theft and the District has reported a claim payable liability for the potential repayment to the grantor.

Status: Resolved

2021-004. Cash Management Requirements Related to U.S. Department of Agriculture, Child Nutrition Cluster (Assistance Listing #10.553 and #10.555)

Criteria: The Child Nutrition Cluster provides the District with funding to operate its school breakfast, lunch, and snack programs. Each month, the District prepares reports showing the number of meals and snacks served at all locations and based on the predetermined reimbursement rate, is paid by the South Carolina Department of Education for those meals based on the number served. The District is required to maintain records that support the number of meals served and claimed for reimbursement.

Condition: The District did not maintain proper documentation to support the number of meals claimed and reimbursed by the State Department of Education.

Effect: The District was unable to support the meal counts used in requesting reimbursement during the fiscal year ended June 30, 2021.

Status: Resolved

2021-005. Procurement Requirements Related to U.S. Department of Agriculture, Child Nutrition Cluster (Assistance Listing #10.553 and 10.555) and U.S. Department of Education, Special Education Cluster (Assistance Listing #84.027 and #84.173)

Criteria: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), states that non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

Condition: During our testing of procurement, suspension, and debarment related to the above two (2) major federal programs, we noted the District did not retain documentation to support its check of the excluded parties list system to ensure the District was not entering into covered transactions with parties who had been suspended or debarred.

Effect: Not performing a verification check for covered transactions, by using the System for Award Management website (SAM.gov) and retaining the results of that search has caused the District to not be in compliance with requirements of its federal award programs.

Status: Resolved