

MARION COUNTY SCHOOL DISTRICT
Marion, South Carolina

**BASIC FINANCIAL
STATEMENTS AND
SUPPLEMENTAL INFORMATION**

June 30, 2014

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Marion County School District
Marion, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Marion County School District, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Marion County School District as of June 30, 2014, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 10 and pages 40 and 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Marion County School District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations and is also not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014, on our consideration of Marion County School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Marion County School District's internal control over financial reporting and compliance.

Kenneth Cobb & Company P.C.
Mullins, South Carolina

November 13, 2014

Marion County School District
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended June 30, 2014

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2014.

The report consists of a series of financial statements and notes to those statements. These begin by reporting on the District as a whole and then reporting with more specific detail.

Financial Highlights

The District's net position decreased by \$1,641,895 (including the prior period adjustments) or 3.5%. Program revenues accounted for \$33,587,785 or 69.7% of total revenues, and general revenues accounted for \$14,618,460 or 30.3%.

The general fund reported a positive fund balance of \$3.6 million.

Reporting the District as a Whole - Government Wide Statements

The *Statement of Net Positions* and *Statement of Activities* report on the District as a whole, reporting on all assets, liabilities, revenues and expenses on an accrual basis of accounting. This is similar to the basis of accounting used by private businesses. These statements present both an aggregate view of the District's finances and a long-term view of those finances. These two statements report the District's net assets and changes in those assets. This tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. However, other non-financial factors such as property tax base, student enrollment, facility conditions and other factors must also be considered regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 13 and provide information about the most significant funds - not the District as a whole. These statements tell how services were financed in the short-term as well as what remains for future spending. The District's types of funds and accounting basis are described in the notes to the financial statements. The fund financial statements also look at the District's major funds with all other funds presented in total in one column. The major funds of Marion County School District are the general fund, the EIA funds, the special revenue funds, and the capital projects fund.

Governmental Funds

The majority of the District's programs are reported in governmental funds using the modified accrual basis of accounting. These statements provide a short-term view of the District's general governmental operations and the basic services it provides. The relationship between these financial statements and the government wide financial statements referenced above are reconciled on pages 15 and 18.

Marion County School District
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended June 30, 2014

Reporting the District's Most Significant Funds (continued)

Fiduciary Funds

The fiduciary funds are used to report assets held in a trustee or agent capacity. This includes the scholarship trusts and student activity agency funds.

An Analysis of Fiscal Year 2014 and 2013

	Net Position Governmental Activities		Variance Favorable/ (Unfavorable)
	<u>2014</u>	<u>2013</u>	
Current and other Assets	\$ 14,883,475	\$ 13,796,233	\$ 1,087,242
Restricted Investments	2,490,621	2,574,516	(83,895)
Capital Assets	<u>35,696,369</u>	<u>37,366,549</u>	<u>(1,670,180)</u>
Total Assets	<u>53,070,465</u>	<u>53,737,298</u>	<u>(666,833)</u>
Current Liabilities	5,948,489	4,438,303	(1,510,186)
Long Term Liabilities	<u>2,073,660</u>	<u>2,608,784</u>	<u>535,124</u>
Total Liabilities	<u>8,022,149</u>	<u>7,047,087</u>	<u>(975,062)</u>
Net Position			
Invested in Capital Assets	33,324,830	34,470,282	(1,145,452)
Restricted	4,249,493	4,132,263	117,230
Unrestricted	<u>7,473,993</u>	<u>8,087,666</u>	<u>(613,673)</u>
Total Net Position	<u>\$ 45,048,316</u>	<u>\$ 46,690,211</u>	<u>\$ (1,641,895)</u>

Net assets may serve over time as a useful indicator of a government's financial position. In the case of Marion County School District, assets exceed liabilities by \$45 million at the close of the most recent fiscal year.

A significant portion of the District's net position (74%) reflects its investment in capital assets less any related debt used to acquire those assets that are still outstanding. The District used capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Marion County School District
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended June 30, 2014

An Analysis of Fiscal Year 2014 and 2013 (continued)

The "Restricted" portion of the District's net position (9.4%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing activities.

The District is able to report a positive net position in all categories.

	Governmental Activities		Variance Favorable/ (Unfavorable)
	<u>Fy 2014</u>	<u>Fy 2013</u>	
Revenues			
Program Revenues			
Charges for Services	\$ 389,659	\$ 417,110	\$ (27,451)
Operating Grants	<u>33,198,126</u>	<u>33,471,212</u>	<u>(273,086)</u>
Total Program Revenue	<u>33,587,785</u>	<u>33,888,322</u>	<u>(300,537)</u>
General Revenues			
Property Taxes	8,902,096	9,877,801	(975,705)
State Revenue in Lieu of Taxes	5,514,093	5,964,598	(450,505)
Interest Earnings	22,077	21,157	920
Miscellaneous	<u>180,194</u>	<u>136,557</u>	<u>43,637</u>
Total General Revenues	<u>14,618,460</u>	<u>16,000,113</u>	<u>(1,381,653)</u>
Total Revenues	<u>48,206,245</u>	<u>49,888,435</u>	<u>(1,682,190)</u>
Expenses			
Instruction	27,167,715	29,388,762	2,221,047
Support Services	21,190,708	21,392,508	201,800
Community Services	3,231	7,778	4,547
Interest and Other Charges	305,841	233,593	(72,248)
Intergovernmental	138,123	181,850	43,727
Depreciation	<u>1,018,061</u>	<u>1,047,461</u>	<u>29,400</u>
Total Expenses	<u>49,823,679</u>	<u>52,251,952</u>	<u>(2,428,273)</u>
Excess Revenues over/(under) Expenses	(1,617,434)	(2,363,517)	746,083
Special Items & Transfers	<u>(40,320)</u>	<u>1,195</u>	<u>(41,515)</u>
Change in Net Position	(1,657,754)	(2,362,322)	704,568
Net Position, Beginning	46,690,211	48,372,765	(1,682,554)
Prior Period Adjustment	<u>15,859</u>	<u>679,768</u>	<u>(663,909)</u>
Net Position, Ending	<u>\$ 45,048,316</u>	<u>\$ 46,690,211</u>	<u>\$ (1,641,895)</u>

Marion County School District
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended June 30, 2014

An Analysis of Fiscal Year 2014 and 2013 (continued)

Governmental Activities

Net position of the District's governmental activities decreased by \$1,657,754 (excluding the prior period adjustment). The decrease in net assets is primarily the result of local and state tax collections that were less than the anticipated budget.

Total program revenues decreased by \$301 thousand primarily the result of local and state tax collections that were less than the anticipated budget.

General revenues decreased by \$1.4 million. Total expenses decreased by \$2.4 million with the largest portion of this decrease coming from staff reductions and consolidation of duties.

The District's Funds

The District's governmental funds (as presented on the balance sheet on pages 13-14 report a combined fund balance of \$12,032,146 which is below last year's total of \$12,521,045 (as adjusted for the prior period adjustments). The schedule below indicates the fund balances and the total change in fund balances as of June 30, 2014 and 2013.

	June 30, <u>2014</u>	June 30, <u>2013</u>	Increase (Decrease)
Major Governmental			
General	\$ 3,576,687	\$ 3,890,452	\$ (313,765)
Capital Projects	3,705,387	3,999,924	(294,537)
Special Revenue	2,881,899	2,715,233	166,666
Debt Service	<u>1,868,173</u>	<u>1,915,436</u>	<u>(47,263)</u>
 Total	 <u>\$ 12,032,146</u>	 <u>\$ 12,521,045</u>	 <u>\$ (488,899)</u>

General Fund

The District's general fund balance decreased by \$313,765. This is mainly due to tax collections that were less than the anticipated budget.

Overall expenditures in the general fund decreased by \$1.3 million during the fiscal year 2014. This was largely due to staff reductions and consolidation of duties

Other Funds

The capital projects fund balance decreased \$295 thousand due to approved projects such as security upgrades and lighting projects during the year.

Marion County School District
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended June 30, 2014

General Fund Budget Information

The District's budget is prepared in accordance with South Carolina law and is based on the modified accrual basis of accounting. The most significant budgeted fund is the general fund, and is approved by the Marion County Board of Education. The general fund budget was not amended during fiscal year ended June 30, 2014.

The unfavorable revenue variance was due to tax collections less than budget.

The favorable expenditure variance was due to staff reductions and consolidation of duties.

Capital Assets

The District has \$36 million invested in capital assets net of depreciation. Acquisitions net of deletions for governmental activities totaled \$18 thousand and depreciation was \$1.9 million. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 9).

Debt

At June 30, 2014, the District had \$2.4 million in outstanding bonds and notes payable. The District paid \$552 thousand in principal on bonds outstanding during the fiscal year. Detailed information regarding long-term debt and notes payable activity is included in the notes to the basic financial statements (Note 5).

Under current state statutes, the District's general obligation bond debt issues are subject to a legal limitation based on 8% of the total value of real and personal property. At June 30, 2014, the District's general obligation debt was below the legal limit.

Factors Expected to have an Effect on Future Operations

A declining tax base and a stale economy will continue to affect the tax dollars assessed and collected. The declining federal and state funding for special revenue and EIA funds will have a significant impact on future educational services offered. The continued increase in health care and retirement costs will also decrease the available funds for educational services. The need for technology is never ending. It is a constant rising cost that will have positive and negative effects on future operations.

Contacting the District's Financial Management

This financial report is designed to provide the reader with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Marion County School District at 719 North Main Street, Marion, South Carolina 29571.

Marion County School District
STATEMENT OF NET POSITION
June 30, 2014

	Governmental Activities
ASSETS	
Cash	\$6,020,271
Investments	4,500,071
Accounts receivable	41,372
Due from state/federal governments	3,724,318
Due from other agencies	64,220
Taxes receivable	498,925
Inventories	34,298
Investments-restricted	2,490,621
Buildings & Improvements	59,247,896
Land	2,168,458
Furniture, fixtures & equipment	12,195,869
Accumulated depreciation	(37,915,854)
TOTAL ASSETS	<u>53,070,465</u>
LIABILITIES	
Accounts payable	323,837
Accruals/deductions	3,800,767
Due to state/federal governments	2,475
Due to other agencies	149,752
Revenues received in advance	1,080,185
Obligations payable less than 1 year	591,473
Obligations payable more than 1 year	2,073,660
TOTAL LIABILITIES	<u>8,022,149</u>
NET POSITION	
Net Investment in capital assets	33,324,830
Restricted for:	
Debt Service	1,868,173
Special Revenue	2,342,415
Permanent Fund - Marion High Library	
Nonexpendable	10,000
Expendable	28,905
Unrestricted for:	
General Fund	3,268,027
Special Revenue	500,579
Capital Projects	3,705,387
TOTAL NET POSITION	<u>\$45,048,316</u>

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

Marion County School District
STATEMENT OF ACTIVITIES
Year Ended June 30, 2014

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
Instruction	\$27,167,715	\$189,858	\$22,603,471	\$0	(\$4,374,386)
Support services	21,190,708	199,801	9,398,548	0	(11,592,359)
Community services	3,231	0	3,231	0	0
Intergovernmental	305,841	0	1,192,876	0	887,035
Interest and other charges	138,123	0	0	0	(138,123)
Depreciation *	1,018,061	0	0	0	(1,018,061)
TOTAL	\$49,823,679	\$389,659	\$33,198,126	\$0	(16,235,894)
General revenues:					
Property taxes levied for:					
General Purposes					8,343,920
Debt Service					558,176
State revenue in lieu of taxes					
General Purposes					5,441,684
Debt Service					72,409
Unrestricted Investment Earnings					22,077
Miscellaneous					180,194
Total general revenues					14,618,460
Special Items and Transfers					
Payments to/from Fiduciary Funds					(40,320)
					(40,320)
Changes in net position					(1,657,754)
Net position, beginning of year					46,690,211
Prior Period Adjustment					15,859
Net position, end of year					\$45,048,316

* This amount excludes the depreciation that is included in the direct expenses of the various programs. See Note 9.

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

Marion County School District
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2014

	MAJOR GOVERNMENTAL FUNDS				OTHER GOVERNMENTAL FUNDS	Total Governmental Funds
	General	Special Revenue	EIA	Capital Projects	Debt Service	
ASSETS						
Cash	\$5,410,535	\$0	\$0	\$609,736	\$0	\$6,020,271
Investments	4,500,071	0	0	0	0	4,500,071
Investments-restricted	0	665,467	0	0	1,825,154	2,490,621
Accounts receivable	32,216	8,496	0	660	0	41,372
Taxes receivable	484,934	0	0	0	13,991	498,925
Due from state/federal government	67,687	3,224,531	432,100	0	0	3,724,318
Due from other agencies	1,500	62,684	36	0	0	64,220
Due from other funds	2,756,235	2,157,570	0	3,094,991	29,028	8,037,824
Inventory	0	34,298	0	0	0	34,298
TOTAL ASSETS	<u>\$13,253,178</u>	<u>\$6,153,046</u>	<u>\$432,136</u>	<u>\$3,705,387</u>	<u>\$1,868,173</u>	<u>\$25,411,920</u>
LIABILITIES						
Accounts payable	\$279,997	\$43,840	\$0	\$0	\$0	\$323,837
Due to other funds	5,610,793	2,264,178	312,605	0	0	8,187,576
Due to state/federal government	0	0	2,475	0	0	2,475
Payroll deductions payable	357,242	0	0	0	0	357,242
Accrued salaries, taxes & benefits	3,428,459	0	0	0	0	3,428,459
Revenues received in advance	0	963,129	117,056	0	0	1,080,185
TOTAL LIABILITIES	<u>9,676,491</u>	<u>3,271,147</u>	<u>432,136</u>	<u>0</u>	<u>0</u>	<u>13,379,774</u>

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

Marion County School District
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2014

	MAJOR GOVERNMENTAL FUNDS				OTHER GOVERNMENTAL FUNDS	Total Governmental Funds
	General	Special Revenue	EIA	Capital Projects	Debt Service	
FUND BALANCES						
Nonspendable:						
Inventory	\$0	\$27,710	\$0	\$0	\$0	\$27,710
Permanent Fund Principal	0	10,000	0	0	0	10,000
Restricted for:						
Food Service	0	2,185,821	0	0	0	2,185,821
Title I Unemployment	0	128,563	0	0	0	128,563
Pell Program	0	321	0	0	0	321
Debt Service	0	0	0	0	1,868,173	1,868,173
Committed to:						
Unemployment	0	497,493	0	0	0	497,493
Assigned for:						
Capital Projects	0	0	0	3,705,387	0	3,705,387
Library	0	28,905	0	0	0	28,905
Pupil Services	191,176	3,086	0	0	0	194,262
Unassigned:	3,385,511	0	0	0	0	3,385,511
	<u>3,576,687</u>	<u>2,881,899</u>	<u>0</u>	<u>3,705,387</u>	<u>1,868,173</u>	<u>12,032,146</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$13,253,178</u>	<u>\$6,153,046</u>	<u>\$432,136</u>	<u>\$3,705,387</u>	<u>\$1,868,173</u>	<u>\$25,411,920</u>

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

Marion County School District
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

Fund Balances - total governmental funds	\$12,032,146
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The cost of assets is \$73,713,223 and the accumulated depreciation is \$38,016,854.	35,696,369
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.	(15,066)
Long-term liabilities, including compensated absences and leases payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	<u>(2,665,133)</u>
Net Position - Governmental Funds	<u><u>\$45,048,316</u></u>

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

Marion County School District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	MAJOR GOVERNMENTAL FUNDS				OTHER GOVERNMENTAL FUNDS	Total Governmental Funds
	General	Special Revenue	EIA	Capital Projects	Debt Service	
REVENUES						
Local						
Taxes	\$8,343,920	\$0	\$0	\$0	\$558,176	\$8,902,096
Tuition and Fees	189,858	0	0	0	0	189,858
Interest	9,564	9,515	0	1,522	1,476	22,077
Other	81,399	1,113,754	2,945	18,725	0	1,216,823
Intergovernmental	0	201,439	0	0	0	201,439
State						
In Lieu of Property Taxes	5,441,684	0	0	0	72,409	5,514,093
Education Finance Act	11,067,532	0	0	0	0	11,067,532
Education Improvement Act	0	0	4,283,492	0	0	4,283,492
Grants	0	646,829	0	0	0	646,829
Other	6,403,864	255	0	0	0	6,404,119
Federal						
Grants	0	6,912,581	0	0	0	6,912,581
Other	4,475	2,840,831	0	0	0	2,845,306
TOTAL REVENUES	31,542,296	11,725,204	4,286,437	20,247	632,061	48,206,245
EXPENDITURES						
Current						
Instruction	18,137,098	5,236,156	3,153,447	0	0	26,526,701
Support services	14,965,739	2,847,720	207,307	88,997	0	18,109,763
Community service	0	3,231	0	0	0	3,231
Food service	0	2,710,584	0	0	0	2,710,584
Capital Outlay	1,292	75,828	0	225,787	0	302,907
Debt service	0	0	0	0	695,797	695,797
Intergovernmental	38,649	267,192	0	0	0	305,841
TOTAL EXPENDITURES	33,142,778	11,140,711	3,360,754	314,784	695,797	48,654,824

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

Marion County School District
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	MAJOR GOVERNMENTAL FUNDS				OTHER GOVERNMENTAL FUNDS	Total Governmental Funds
	General	Special Revenue	EIA	Capital Projects	Debt Service	
Excess Revenue Over (Under) Expenditures	<u>(\$1,600,482)</u>	<u>\$584,493</u>	<u>\$925,683</u>	<u>(\$294,537)</u>	<u>(\$63,736)</u>	<u>(\$448,579)</u>
OTHER FINANCING SOURCES (USES)						
Transfer to general fund	0	(185)	(925,683)	0	0	(925,868)
Transfer from special revenue	185	0	0	0	0	185
Transfer from pupil activity	0	180	0	0	0	180
Transfer from general fund	0	0	0	0	16,473	16,473
Transfer to debt service fund	(16,473)	0	0	0	0	(16,473)
Transfer to pupil activity funds	(40,500)	0	0	0	0	(40,500)
Transfer from EIA funds	925,683	0	0	0	0	925,683
Indirect costs	<u>417,822</u>	<u>(417,822)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>1,286,717</u>	<u>(417,827)</u>	<u>(925,683)</u>	<u>0</u>	<u>16,473</u>	<u>(40,320)</u>
Excess Revenue and Other Sources (Uses) Over (Under) Expenditures	(313,765)	166,666	0	(294,537)	(47,263)	(488,899)
FUND BALANCE - July 1, 2013	3,874,593	2,715,233	0	3,999,924	1,915,436	12,505,186
Prior period adjustment	<u>15,859</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,859</u>
FUND BALANCE - June 30, 2014	<u><u>\$3,576,687</u></u>	<u><u>\$2,881,899</u></u>	<u><u>\$0</u></u>	<u><u>\$3,705,387</u></u>	<u><u>\$1,868,173</u></u>	<u><u>\$12,032,146</u></u>

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

Marion County School District
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

Total net change in fund balance-governmental funds	(\$488,899)
Amounts reported for governmental activities in the Statement of Activities are different because:	
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 \$1,898,235 differs from capital outlays \$302,907 in the period.	(1,595,327)
The District's policy records only fixed assets greater than \$5,000 as depreciable assets on the Statement of Net Assets. Assets less than \$5,000 are reclassified from capital outlay to supplies on the Statement of Activities.	(74,852)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and therefore, is not reflected in the Statement of Activities.	551,473
Interest on long term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is the difference between the June 30, 2014 accrued interest in the amount of \$15,066 and the June 30, 2013 accrued interest in the amount of \$21,267.	6,201
The increase in the liability for compensated absences does not require the use of current or contribute to financial resources and therefore, is not reported as an expenditure in the governmental funds.	(56,350)
Change in Net Position of Governmental Activities	<u><u>(\$1,657,754)</u></u>

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

Marion County School District
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2014

	Private-Purpose Trusts	Agency Funds
ASSETS		
Accounts receivable	\$0	\$1,438
Due from general fund	0	149,752
Investments-restricted	119,614	0
	<u>119,614</u>	<u>0</u>
TOTAL ASSETS	<u>119,614</u>	<u>\$151,190</u>
LIABILITIES		
Accounts Payable	0	\$9,697
Due to Student Groups	0	141,493
	<u>0</u>	<u>151,190</u>
TOTAL LIABILITIES	<u>0</u>	<u>\$151,190</u>
NET POSITION		
Held in trust for scholarships		
Nonexpendable	49,091	
Expendable	70,523	
	<u>119,614</u>	
TOTAL NET POSITION	<u>\$119,614</u>	

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

Marion County School District
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2014

	<u>Private-Purpose Trusts</u>
ADDITIONS	
Interest on investments	\$239
Contributions and donations	<u>1,450</u>
TOTAL ADDITIONS	<u>1,689</u>
DEDUCTIONS	
Scholarships Awarded	<u>4,400</u>
TOTAL DEDUCTIONS	<u>4,400</u>
CHANGE IN NET ASSETS	(2,711)
NET POSITION - July 1, 2013	<u>122,325</u>
NET POSITION - June 30, 2014	<u><u>\$119,614</u></u>

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

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Marion County School District have been prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

Beginning with the fiscal year ended June 30, 2002 the financial statements included:

A Management's Discussion and Analysis (MD&A) providing an analysis of the District's overall financial position and results of operations.

Financial statements prepared using full-accrual accounting for all of the District's activities.

A change in the fund financial statements to focus on the major funds.

Reporting Entity

This report includes all of the funds of Marion County School District. It includes all activities considered to be part of (controlled by or dependent on) the District under GASB Statement No. 14, the Financial Reporting Entity and GASB Statement No. 39, determining whether certain organizations are component units.

Marion County School District is a separately chartered entity from the county and cities in which it exists. The school system was established by an act of the State Legislature that designated an elected Board of Trustees as the governing authority for the school district. The Board consists of seven members elected from the seven single-member election districts of Marion County. The regular term of office for each trustee is four years.

Taxes are collected by Marion County and distributed to the school district. The school system also receives funds from the state and federal governments.

Fund Accounting

The accounts of the District are organized and reported 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 District functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts.

Funds are classified into the following categories: governmental and fiduciary.

Governmental fund types are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and liabilities (except for those accounted for in the Fiduciary Funds) are accounted for through governmental funds.

GASB Statement No. 34 establishes criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category) for the determination of major funds. In addition, management has determined that select funds should be reported as major. Non-major funds are combined in a single column in the fund financial statements.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

The following are the School District's major governmental funds:

General Fund - The General fund is the general operating fund of the District and accounts and reports for all financial resources of the District not accounted for and reported in another fund. All general tax revenue and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures are paid from the General Fund.

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The School District has two Special Revenue Funds:

- A. The Special Revenue Fund is used to account for financial resources provided by federal, state, and local projects and grants.
- B. The Special Revenue Fund - Education Improvement Act (EIA) Fund is used to account for the revenue from the South Carolina Education Improvement Act of 1984 which is legally required by the state to be accounted for as a specific revenue source.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition, construction, or renovation of capital facilities and other capital assets by the District.

Other Governmental Funds

Debt Service Fund - The Debt Service Fund is used to account and report the accumulation of financial resources that are restricted, committed or assigned to expenditures for the payment of, general long-term debt including capital lease obligations, principal, interest and related costs.

Other Fund Types

Fiduciary Funds - Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governments. These include private purpose trust and agency funds. Private-purpose trust funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust agreement, and are accounted for in essentially the same manner as proprietary funds. Agency funds are purely custodial and thus do not involve measurement of results of operations. The agency funds account for the receipt and disbursement of monies from student activity organizations. These organizations exist with the explicit approval of and are subject to revocation by the County Board. This accounting reflects the District's agency relationship with the student activity organizations.

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

The Marion High School Library Fund accounts for amounts contributed to the School District for the purposes of providing monies for the High School Library. Initial contributions to this fund are recorded as principal and may not be expended. Earnings from investments are recorded as income and are available for the stated fund purposes.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

Non-Current Governmental Assets/Liabilities

GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Assets.

Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationships between the government-wide statements and the statements for governmental funds. Accordingly, in the government-wide statements all of the District's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statements of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. The District does not allocate indirect expenses. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes and revenues not classified as program revenues are presented as general revenues of the District.

Fund Financial Statements—Fund financial statements report detailed information about the District. Their focus is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type. The Fund financial statements are prepared using either the modified accrual basis for governmental funds or the accrual basis for proprietary and fiduciary funds.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds 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.

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

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

Revenues, Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions is recorded on the accrual basis when the change takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Taxes receivable are reported net of the reserve for uncollectibles. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, investment earnings, tuition, grants, and student fees.

Revenues Received in Advance

The District reports revenue received in advance on its statement of net position and governmental funds balance sheet. In subsequent periods, the liability for revenues received in advance is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

Expenditures/Expenses

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave, which is reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by the employees.

Deferred Outflows and Inflows of Resources

The Statement of Net Position may report deferred outflows of resources following the assets section and deferred inflows of resources following the liabilities section. Deferred outflows of resources represents a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. The District had no deferred outflows or inflows to report for fiscal year 2014.

Deposits and Investments

The District is authorized by state statute to invest in the following:

1. obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States;

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

2. obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
3. (i) general obligations of the state of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long term, unenhanced, unsecured debt rating in one of the top two rating categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
4. savings and loan associations to the extent that the same are insured by an agency of the federal government,
5. certificates of deposits where collaterally secured by securities of the type described in 1 & 2 above held by a third party escrow agent or custodian, of a market value not less than the amounts of the certificates of deposit so secured, including interest; provided however, such collateral shall not be required to the extent the same are insured by an agency of the federal government,
6. repurchase agreements when collateralized by securities as set forth in this section, and
7. no load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (a) limited to obligations described in items (1), (2), (3) and (5) and (6) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

Inventories

Inventories are valued at cost which approximates market, using the first in, first out (FIFO) method except for commodities received from the USDA which are stated at values assigned by the USDA. The costs of inventories are recorded as expenditures at the time of purchase and significant inventories on hand at year end are recorded as assets.

Capital Assets and Depreciation

General capital assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000 or with a useful life of less than 1 year. The District does not possess any infrastructure. All reported capital assets, with the exception of land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Useful Life
Land	Not Depreciated
Land Improvements	20-50 Years
Buildings and Improvements	10-50 Years
Furniture and Equipment	3-10 Years
Vehicles	3-10 Years
Construction in Progress	Not Depreciated

Property Tax Calendar

The property taxes are collected by the county and remitted to the District. The District's property tax calendar is as follows:

January	1 - property tax assessment
October	1 - levy of property taxes
January	16 - penalties are added to property taxes
March	17 - execution of property taxes

New vehicle property taxes are assessed and levied by the County Auditor. Payment on new vehicles purchased from a dealer are due within 120 days of purchase. Other vehicle property taxes are assessed and levied in the month the vehicle is scheduled for license renewal with the South Carolina Department of Transportation and payment is due before the end of the month of the scheduled renewal.

Sick Leave and Annual Leave

Employees of the District are permitted to accumulate sick leave up to a maximum of 90 days. Sick leave is accumulated at a rate of 1 1/4 days of sick leave for each month of active service. If an employee retires, they are paid for up to 15 days of accumulated annual leave at the employees daily rate of pay. If an employee leaves the employ of the District other than by retirement, there would be no restitution for any unused days.

All District employees who are 12 month employees accrue leave at the rate of 5/6th day per month for a total of 10 days per year. Employees may carry over a maximum of 15 unused annual leave days to the next fiscal year.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

Net Position/Fund Balance

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested in capital assets (net of related debt), restricted and unrestricted.

Net Investment In Capital Assets – This category groups all capital assets, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net assets of the District, not restricted for any project or purpose.

The District has adopted GASB Statement No. 54, which defines how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of the District policy, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can be used only for specific purposes determined by a formal action by School Board of Trustees, the District's highest level of decision making authority. Commitments may be modified or rescinded only through policies approved by the Board.

Assigned - Amounts that are intended to be used for specific purposes that are considered neither restricted nor committed. These fund balances may be assigned by the Superintendent for specific purposes. The assigned designation may be reversed by the Superintendent or the Board of Trustees.

Unassigned - All amounts not included in other spendable classifications.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 14). As discussed earlier, restricted funds are used first as appropriate.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

NOTE 2 - CASH AND INVESTMENTS

The total carrying values of cash by financial statement category are as follows:

Cash	\$ 6,020,271
Cash-Restricted	2,610,235
Investments	<u>4,500,071</u>
Total	<u>\$ 13,130,577</u>

The accounts are insured and the respective financial institutions provide proof of collateral to the District for the significant amounts in excess of F.D.I.C. insurance ceilings.

At June 30, 2014, the bank balance of the District's deposits was \$9,781,529. (The difference between bank balances and book balances is due to petty cash and outstanding deposits and checks). The following chart shows the bank where these funds were deposited and a breakdown of FDIC insurance coverage, securities pledged and any uncollateralized amounts. (The securities pledged were held by the bank or its agent but not in the District's name).

	Bank <u>Balance</u>	FDIC <u>Insurance</u>	Pledged Securities & <u>Letter of Credit</u>	Uncollateralized <u>Amount</u>
<u>Deposit With</u>				
Anderson Brothers Bank	\$ 7,654,378	\$ 250,000	\$6,005,886	\$ 1,398,492
First Citizens Bank	1,260,834	250,000	1,305,539	0
Pee Dee Federal	<u>866,317</u>	250,000	610,000	6,317
	<u>\$ 9,781,529</u>			

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

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

The District has not adopted policies that limit the District's allowable deposits or investments and that addresses the specific types of risk to which the government is exposed.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 2 - CASH AND INVESTMENTS - (continued)

The District's cash and deposits are subject to the following risk, which is examined in more detail as follows:

Custodial Credit Risk is the risk that an entity will not be able to recover the value of its collateral securities that are in the possession of an outside party if the counterparty fails. The District does not have a policy for custodial credit risk. As of June 30, 2014, \$7,626,720 of the District's bank balances of \$9,781,529 was collateralized with securities held by the pledging financial institution or its agent, but not in the District's name.

NOTE 3 - DEPOSITS - RESTRICTED

Starting in fiscal year 1979, the District established a self-insurance fund to provide for unemployment compensation. The monies are set aside from the General Fund and the Federal Projects to provide for these benefits. The general fund unemployment fund totals \$497,493 and the Federal Projects fund totals \$128,563. The District held \$506 in a bank account restricted for the PELL program. These are recorded in the special revenue funds.

The District acts as trustee for six private scholarships. They total \$119,614 and are recorded in the Fiduciary Fund.

The District received a private donation which is restricted for the benefit of the Marion High School library. Only the earnings from this donation may be spent. This donation plus earnings at June 30, 2014 total \$38,905 and is recorded as a permanent fund.

The Marion County Board of Education established a fund to collect funds to make the balloon payment due on the lease for Creek Bridge High School. These funds contained \$1,825,154 at June 30, 2014.

NOTE 4 - AGENCY FUND - DUE TO STUDENT GROUPS

This amount shows funds which have been designated for the use of student projects.

NOTE 5 - GENERAL OBLIGATION BONDS AND NOTES PAYABLE AND CAPITAL LEASES PAYABLE

On May 27, 2004 the District issued \$4,045,000 in General Obligation Bonds with an average interest rate of 3.71% to advance refund \$3,900,000 of outstanding 1993 series bonds with an average interest rate of 5.66%.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$105,275. This difference reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2014 using the effective-interest method. Bond issuance costs of \$39,275 are also being charged to operations through the year 2014. The remaining costs were charged to operations for the fiscal year ended June 30, 2013 due to the bond defeasance.

On July 11, 2012 the Marion County School District transferred \$1,360,167.50 to Wells Fargo to establish an irrevocable trust fund to defease the Marion School District Seven general obligation refunding bonds series 2003 and the Marion School District One general obligation bonds series 2004. The breakdown of the funds deposited in the trust fund is as follows:

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 5 - GENERAL OBLIGATION BONDS AND NOTES PAYABLE AND CAPITAL LEASES PAYABLE - (continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2003	\$ 275,000.00	\$ 13,767.50	\$ 288,767.50
Series 2004	<u>1,010,000.00</u>	<u>61,400.00</u>	<u>1,071,400.00</u>
	<u>\$ 1,285,000.00</u>	<u>\$ 75,167.50</u>	<u>\$ 1,360,167.50</u>

The irrevocable trust funds (the "Defeasance Fund") are to be held by the escrow agent as a trust fund separate and apart from all other funds of the School District. The amounts on deposit in the Defeasance Fund shall be held in cash and un-invested. The escrow agent shall transfer on or before the respective due dates there of sufficient moneys to be paid on each principal and interest payment date. The Defeasance Fund should provide amounts sufficient to pay principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and the defeased bonds are not included in the District's financial statements.

The defeased bonds were paid in full as of June 30, 2014.

On October 19, 2009, Marion School District One obtained a no interest loan for \$29,226 from the SC Energy Office as part of an ARRA award to install digital controls on HVAC units at Johnakin Middle and Easterling Primary Schools. As part of the consolidation process, this debt was assumed by the Marion County School District. The loan will be repaid in 4 annual installments of \$5,573 due November 1 of each year starting in 2011 and ending in calendar year 2014. The payment has been funded by the general fund in prior years.

The following schedule shows principal requirements until maturity:

Year Ended <u>6/30</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014				\$5,573
2015	\$5,573	\$5,573	\$0	0

On October 13, 2010 Marion School District Two obtained a no interest loan for \$22,292 from the SC Energy Office as part of an ARRA award to install digital controls on HVAC units in Palmetto Middle School and McCormick Elementary School and to network the energy management system. As part of the consolidation process, this debt was assumed by the Marion County School District. The loan will be repaid in 4 annual installments of \$7,306 each year beginning November 1, 2011 and ending November 1, 2014. The payment has been funded by the general fund in prior years.

The following schedule shows principal requirements until maturity:

Year Ended <u>6/30</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014				\$7,306
2015	\$7,306	\$7,306	\$0	0

In October 2010, Marion School District Seven obtained a no interest loan for \$14,375 from the SC Energy Office as part of an ARRA award to install digital controls on HVAC units at Johnakin Middle and Easterling Primary Schools. As part of the consolidation process, this debt was assumed by the Marion County School District. The loan will be repaid in 4 annual installments of \$3,594 due November 1 of each year starting in 2011 and ending in 2015. The payment has been funded by the general fund in prior years.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

**NOTE 5 - GENERAL OBLIGATION BONDS AND NOTES PAYABLE AND CAPITAL LEASES PAYABLE -
(continued)**

The following schedule shows principal requirements until maturity:

<u>Year Ended</u> <u>6/30</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014				\$3,594
2015	\$3,594	\$3,594	\$0	0

On May 15, 2002, Marion County Board of Education signed a Ground Lease Agreement with BB&T to lease for the consideration (ground lease rent) of \$6,500,000 the property (and any improvements) on which the Creek Bridge High School was constructed. The lease commenced on May 15, 2002 ends on May 15, 2032. As part of the consolidation process, this debt was assumed by the Marion County School District. Simultaneously with the delivery of the Ground Lease, BB&T is leasing back the property to the Marion County School District pursuant to a Lease Agreement dated May 15, 2002. This lease commenced on May 15, 2002 and ended on the next succeeding June 30. The lease term will be automatically renewed at the end of the original term and each renewal term thereof shall be for a period of one additional year, however the final renewal term, if applicable, shall end on May 15, 2032.

The Lease Agreement's shall terminate upon the earliest of any of the following events:

1. The last day of the Fiscal Year during which there occurs an event of non-appropriation, or the expiration of the grace period;
2. The purchase by the School District of all of the bank's interest in the property, under Article XI of the Lease Agreement;
3. An event of default and termination of the Lease Term by the Bank under Article XIII of the Lease Agreement;
4. May 15, 2032, which date constitutes the last day of the final renewal term or the date by which all base rent and additional rent required hereunder shall have been paid in full, whichever is later.

If the lease is terminated, the School District will deliver the property back to the bank. The obligations of the School District under this lease do not constitute a pledge of the full faith, credit or taxing power of the School District within the meaning of any state constitutional or statutory provision. The lease requires annual payments commencing May 15, 2003 through May 15, 2017. The lease carries an interest rate of 5.00% per annum. The last payment in the year 2017 includes a balloon payment of \$1,202,250. In prior years the District funded these capital lease payments with additional tax revenues.

The following schedule shows principal and interest requirements until maturity:

<u>Year Ended</u> <u>6/30</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014				\$2,340,000
2015	\$ 692,000	\$ 575,000	\$ 117,000	1,765,000
2016	708,250	620,000	88,250	1,145,000
2017	<u>1,202,250</u>	<u>1,145,000</u>	<u>57,250</u>	0
	<u>\$ 2,602,500</u>	<u>\$ 2,340,000</u>	<u>\$ 262,500</u>	

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 5 - GENERAL OBLIGATION BONDS AND NOTES PAYABLE AND CAPITAL LEASES PAYABLE - (continued)

The following is a summary of changes in long-term debt for the year ended June 30, 2014.

	<u>6/30/2013</u>	<u>Additions</u>	<u>Principal</u>	<u>Interest</u>	<u>6/30/2014</u>	<u>Due Within One Year</u>
Energy Notes	\$ 32,946	0	\$ 16,473	\$ 0	\$ 16,473	\$ 16,473
Capital Leases	<u>2,875,000</u>	<u>0</u>	<u>535,000</u>	<u>143,750</u>	<u>2,340,000</u>	<u>575,000</u>
	<u>\$ 2,907,946</u>	<u>\$ 0</u>	<u>\$ 551,473</u>	<u>\$ 143,750</u>	<u>2,356,473</u>	<u>\$ 591,473</u>
Compensated Absences					<u>308,660</u>	
					<u>\$ 2,665,133</u>	

The annual requirements to amortize all debt outstanding as of June 30, 2014 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 591,473	\$ 117,000	\$ 708,473
2016	620,000	88,250	708,250
2017	<u>1,145,000</u>	<u>57,250</u>	<u>1,202,250</u>
	<u>\$ 2,356,473</u>	<u>\$ 262,500</u>	<u>\$ 2,618,973</u>

There was no short term debt issued during the fiscal year and none outstanding at June 30, 2014.

In prior years, the District entered into capital leases for the acquisition of school facilities and improvements. The lease meets the criteria of a capital lease as defined by SFAS No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee

Capital assets acquired by leases have been capitalized in the statement of net assets for governmental activities in the amount of \$7,009,000. The lease balances at June 30, 2014 was \$2,340,000. The amortization of capital assets under capital leases is included in depreciation expense

NOTE 6 - RETIREMENT

Plan Description - Substantially all School District employees are members of the South Carolina Retirement System ("SCRS"). The South Carolina Retirement System is a cost-sharing multi-employer defined benefit pension plan (the "Plan") administered by the South Carolina Retirement Systems; a division of the South Carolina State Budget and Control Board. The Plan offers retirement and disability benefits, cost of living adjustments on an adhoc basis, life insurance benefits and survivor benefits. The Plan's provisions are established under Title 9 of the South Carolina Code of Laws. A Comprehensive Annual Financial Report containing basic financial statements and required supplementary information for the Plan is issued and publicly available on their website at www.retirement.sc.gov or by writing the South Carolina Retirement System, Post Office Box 11960, Columbia, South Carolina 29211-1960.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 6 - RETIREMENT - (continued)

Funding Policy - Both employees and employers are required to contribute to the Plan under authority of Title 9 of the South Carolina Code of Laws. Employee contributions to the Plan are 7.5% of salary for SCRS. Employers are required to contribute at the following actuarially determined rates, which are 10.45% for SCRS. In addition to the above rates, participating employers of the South Carolina Retirement System contribute 4.92% and 0.15% of payroll to provide retiree health and dental insurance and group life insurance benefits for active participants of the SCRS.

The School District contributed amounts equal to 100% of the required contributions for employers:

Employer Contribution	Amount For Retirement	% of Covered Payroll	Amount For Retiree Insurance Surcharge	% of Covered Payroll	Amount For Death Benefits	% of Covered Payroll
6/30/14	\$2,793,140	10.45%	\$1,315,048	4.92%	\$40,093	.15%
6/30/13	\$2,788,527	10.45%	\$1,214,143	4.55%	\$40,027	.15%
6/30/12	\$2,559,451	9.385%	\$1,172,555	4.3%	\$49,903	.15%

Employee Contributions	Amount	% of Covered Payroll
6/30/14	\$1,999,342	7.5%
6/30/13	\$1,867,913	7.0%
6/30/12	\$1,772,469	6.5%

Other Retirement Plan

The State of South Carolina also provides an optional retirement plan ("State ORP"). It is a governmental plan administered as a qualified plan pursuant to Section 401(a) of the Internal Revenue Code. The State ORP is a defined contribution plan that provides retirement and survivor benefits as an alternative to the SCRS. The South Carolina legislative body has authority for establishing and amending plan provisions through the State appropriation bill. The legislative body also has authority for establishing or amending employee contributions. The South Carolina Retirement System and the Budget and Control Board have the authority for establishing and amending the employer contribution rates. Employees may choose between the State ORP plan or the SCRS. Employee contributions to the ORP Plan are 7.0% of salary. For ORP participants, employers contribute 5.45% of salary plus 5.07% of payroll to the SCRS to provide retiree health and dental insurance and group life insurance benefit for active participants and 5% to the selected ORP providers.

SCRS Employer Contribution	Amount For Retirement	% of Covered Payroll	Amount For Retiree Insurance Surcharge	% of Covered Payroll	Amount For Death Benefits	% of Covered Payroll
6/30/14	\$10,570	5.45%	\$9,542	4.92%	\$291	.15%
6/30/13	\$11,456	5.45%	\$9,564	4.55%	\$315	.15%
6/30/12	\$12,522	4.385%	\$12,280	4.3%	\$428	.15%

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 6 - RETIREMENT - (continued)

ORP Providers Employer Contribution	Amount For Retirement	% of Covered Payroll	ORP Providers Employee Contribution	% of Covered Payroll
6/30/14	\$9,698	5.0%	\$13,577	7.5%
6/30/13	\$10,510	5.0%	\$14,714	7.0%
6/30/12	\$14,278	5.0%	\$18,161	6.5%

Post Retirement Benefits

Plan Description - In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to certain retired State and school district employees and their covered dependents. All permanent full-time and certain permanent part-time employees of the District are eligible to receive these benefits. The State provides post-employment health and dental benefits to employees who retire from State service or who have terminated with at least twenty years of service. They must meet one or more of the eligibility requirements: age, length of service or hire date. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit.

For new hires May 2, 2009 and after, retirees are eligible for benefits if they have established twenty-five years of service for 100% employer funding and fifteen through twenty-four years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system. Basic long-term disability benefits (BLTD) are provided to active state, public school district and participating local government employees approved for disability.

One may obtain complete financial statements for the benefit plans and the trust funds from Employee Insurance Program, 1201 Main Street, Suite 300, Columbia, South Carolina 29201.

Funding Policies - Section 1-11-710 and 1-11-720 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment health care and long-term disability benefits be funded through annual appropriations by the General Assembly for active employees to the EIP and participating retirees to the SBCB except the portion funded through the pension surcharge and provided from other applicable sources of the EIP for its active employees who are not funded by state general fund appropriations. Employers participating in the RMP are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget; 4.92%, 4.55%, and 4.3% of annual covered payroll for 2014, 2013, and 2012, respectively. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The School District paid \$1,324,590, \$1,223,707, and \$1,184,835 applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal years ended June 30, 2014, 2013, and 2012, respectively. For each of these years, the School District paid 100% of the required employer actuarially determine rates.

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

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Grants - The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual funds included herein or on the overall financial position of the District at June 30, 2014.

Unemployment - The School District does not participate in the unemployment reserve fund for the State of South Carolina Employment Security Commission. The District pays unemployment claims as incurred. This is a common procedure for school districts.

Litigation - In the normal course of operation, the District may from time to time, become a party to legal claims and disputes. As of June 30, 2014 the District has been named in lawsuits or potential lawsuits.

NOTE 8 - RISKS AND UNCERTAINTIES

The District is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Management believes such coverage is sufficient to preclude any significant uninsured losses for covered risks. The District also pays insurance premiums to certain commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy in accord with the insurance policy and benefit program limits.

Several state funds accumulate assets and the State assumes substantially all risks for the following:

1. Claims of covered public employees for health and dental insurance benefits (South Carolina Budget and Control Board Insurance Division).
2. Claims for general liability, property and casualty loss and workers compensation (South Carolina School Boards Insurance Trust).

Employees elect health coverage through either an HMO or through the State self-insured plan. All other coverages listed above are through applicable State self-insured plans, except dependent and optional life premiums which are remitted through the State to commercial carriers.

The District obtains coverage for its property and casualty insurance through the South Carolina School Boards Insurance Trust.

The District believes it is more economical to manage its workers compensation claims through the South Carolina School Boards Insurance Trust Fund (SCSBIT/WCTF), a public entity risk pool comprised of member school districts in the State of SC. The entity is operating as a common risk management and insurances program. The District pays an annual premium to SCSBIT/WCTF for its workers compensation insurance coverage based upon the total payroll of the District for each year. The agreement for formation of the SCSBIT/WCTF provides that the SCSBIT/WCTF will be self-sustaining through member premiums and deficiencies can be charged back to the member districts in the event a fund deficit arises. Insurance settlements have not exceeded insurance coverage for the past three years.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 8 - RISKS AND UNCERTAINTIES - (continued)

The District has recorded insurance premium expenditures in the applicable functional expenditures categories of the unrestricted current funds. These expenditures do not include estimated claims losses and estimable premium adjustments.

The District has not reported a supplemental premium assessment expenditure and the related liability at June 30, 2014, because the requirements of GASB Statement 10, which states that a liability for supplemental assessments must be reported if information prior to issuance of financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2014 and the amount of the premium is reasonably estimable, have not been satisfied.

In management's opinion, supplemental premium assessments, if any, would not be significant enough to have a material effect on the financial position of the District.

During the year ended June 30, 2014 the District did not reduce insurance coverages from coverage levels of the prior year. No settlements have exceeded coverage levels in place during the fiscal years ended June 30, 2014, 2013, or 2012.

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 2,168,458	\$ 0	\$ 0	\$ 2,168,458
Total capital assets not being depreciated	<u>\$ 2,168,458</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,168,458</u>
Capital assets being depreciated				
Buildings & improvements	\$ 59,243,445	\$ 214,451	\$ 210,000	\$ 59,247,896
Furniture, fixtures, and equipment	<u>12,182,265</u>	<u>13,604</u>	<u>0</u>	<u>12,195,869</u>
Total capital assets being depreciated	<u>71,425,710</u>	<u>228,055</u>	<u>210,000</u>	<u>71,443,765</u>
Less accumulated depreciation for				
Buildings & improvements	25,841,848	1,463,204	210,000	27,095,052
Furniture, fixtures, and equipment	<u>10,385,771</u>	<u>435,031</u>	<u>0</u>	<u>10,820,802</u>
Total accumulated depreciation	<u>36,227,619</u>	<u>1,898,235</u>	<u>210,000</u>	<u>37,915,854</u>
Total capital assets being depreciated, net	<u>\$ 35,198,091</u>	<u>\$ (1,670,180)</u>	<u>\$ 0</u>	<u>\$ 33,527,911</u>

Depreciation expense was charged to the functions as follows:

Instruction	\$ 584,675
Support	295,499
Unallocated	<u>1,018,061</u>
TOTAL DEPRECIATION EXPENSE	<u>\$ 1,898,235</u>

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 9 - CAPITAL ASSETS - (continued)

Capitalization of Interest

During the current period, the District did not have any capitalized interest. Interest cost incurred and charged to expense in the current period totaled \$143,750.

NOTE 10 - RELATED PARTIES

The District is not aware of any related party transactions that would have a material effect on these financial statements.

NOTE 11 - INTERFUND TRANSFERS

<u>Transfer From</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Debt Service Fund	\$ 16,473	To fund debt repayment and fees
	Agency Funds	<u>40,500</u>	To supplement funding
		<u>56,973</u>	
Special Revenue Funds	General Fund	417,822	To fund indirect costs
	General Fund	<u>185</u>	To transfer administrative reimbursement
		<u>418,007</u>	
EIA Funds	General Fund	<u>925,683</u>	To fund the teacher salary supplements and related fringe
		<u>\$ 1,400,663</u>	
Agency Fund	W/I Agency Funds	\$ 56,763	To supplement funding
	Food Service	<u>180</u>	
		<u>\$ 56,943</u>	

NOTE 12 - INTERFUND BALANCES

Balances due to/from other funds at June 30, 2014 represent short-term loans:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	EIA	\$ 312,605
	Fiduciary Funds	149,752
	Special Revenue Funds	<u>2,264,178</u>
		<u>2,756,235</u>
Capital Projects Fund	General Fund	3,094,991
Special Revenue Funds	General Fund	2,157,570
Debt Service	General Fund	<u>29,028</u>
		<u>\$ 8,037,824</u>

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 13 - RELATED ORGANIZATIONS

GASB Statement No. 39, requires certain legally separate tax-exempt organizations for which the primary government is not financially accountable to be included in the financial reporting entity if certain criteria are met. The standard is directed principally towards fund-raising organizations, such as foundations, parent teacher organizations (PTO's) and booster clubs. The District reviewed its relationship with its related organizations and determined they should not be included in the reporting entity because their economic resources are not significant to the District.

NOTE 14 - TAXES RECEIVABLE

At June 30, 2014 Marion County School District had total taxes receivable of \$1,335,605. Of this amount, \$836,680 is deemed doubtful for collection or deferred for future years.

NOTE 15 - RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

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

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

The effect of implementation of this Statement has not been determined at this time, but it is anticipated that it will materially decrease the School District's unrestricted net position. This Statement is required to be implemented by the School District no later than the fiscal year ending June 30, 2015.

In November 2013, the GASB issued GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68." The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

NOTE 16 - SUBSEQUENT EVENTS

The District is not aware of any subsequent events occurring after the District's year end, June 30, 2014, that will have a material effect on the financial statements. Subsequent events have been evaluated through the date in which the financial statements were available to be issued which was November 13, 2014.

Marion County School District
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2014

NOTE 17 - PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$15,859 was recorded in the general fund to correct the beginning balance of a liability.

Marion County School District
BUDGETARY COMPARISON SCHEDULE
Budget (GAAP Basis) and Actual - General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Local	\$9,486,743	\$9,486,743	\$8,624,741	(\$862,002)
State	23,196,537	23,196,537	22,913,080	(283,457)
Federal	9,499	9,499	4,475	(5,024)
TOTAL REVENUES	32,692,779	32,692,779	31,542,296	(1,150,483)
EXPENDITURES				
Current				
Instruction	18,336,993	18,336,993	18,137,098	199,895
Support Services	15,422,419	15,422,419	14,965,739	456,680
Intergovernmental	10,000	10,000	38,649	(28,649)
Capital Outlay				
Instruction	0	0	511	(511)
Support Services	35,968	35,968	781	35,187
TOTAL EXPENDITURES	33,805,380	33,805,380	33,142,778	662,602
Excess/(Deficiency) of Revenues Over Expenditures	(1,112,601)	(1,112,601)	(1,600,482)	(487,881)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	1,112,601	1,112,601	1,286,717	174,116
TOTAL OTHER FINANCING SOURCES (USES)	1,112,601	1,112,601	1,286,717	174,116
Excess/(Deficiency) of Revenues & Other Sources (Uses) Over Expenditures	0	0	(313,765)	(313,765)
FUND BALANCE - July 1, 2013	3,683,417	3,683,417	3,683,417	0
Prior Period Adjustment	0	0	15,859	15,859
FUND BALANCE - June 30, 2014	\$3,683,417	\$3,683,417	\$3,385,511	(\$297,906)

Note 1 - An annual budget for the General Fund is approved by the Marion County Board of Education. All appropriations lapse at fiscal year-end. The basis of accounting is modified accrual.

Marion County School District
BUDGETARY COMPARISON SCHEDULE
Budget (GAAP Basis) and Actual - Special Revenue Funds
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Federal	\$7,666,895	\$7,782,249	\$6,669,184	(\$1,113,065)
TOTAL REVENUES	7,666,895	7,782,249	6,669,184	(1,113,065)
EXPENDITURES				
Current				
Instruction	4,577,217	4,849,597	4,240,677	608,920
Support Services	2,803,177	2,649,046	2,187,194	461,852
Community Services	3,000	3,000	657	2,343
Intergovernmental	8,901	8,901	7,823	1,078
TOTAL EXPENDITURES	7,392,295	7,510,544	6,436,351	1,074,193
Excess/(Deficiency) of Revenues Over Expenditures	274,600	271,705	232,833	(38,872)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(274,600)	(271,705)	(232,833)	38,872
TOTAL OTHER FINANCING SOURCES (USES)	(274,600)	(271,705)	(232,833)	38,872
Excess/(Deficiency) of Revenues & Other Sources (Uses) Over Expenditures	0	0	0	0
FUND BALANCE - July 1, 2013	0	0	0	0
FUND BALANCE - June 30, 2014	\$0	\$0	\$0	\$0

Note 1 - Special revenue fund budgets are approved by the grantor agency, not the local board of trustees. Only those funds with approved budgets are included in this schedule. The basis of accounting is modified accrual.

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

Board of Trustees
Marion County School District
Marion, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Marion County School District, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Marion County School District's basic financial statements and have issued our report thereon dated November 13, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Marion County School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Marion County School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Marion County School 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings

and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. We consider the deficiencies listed as items #2014-001, #2014-002, and #2014-003 to be significant deficiencies in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to the management Marion County School District, in a separate letter dated November 13, 2014.

Marion County School District's Responses to Findings

Marion County School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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.



Mullins, South Carolina

November 13, 2014

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

Board of Trustees
Marion County School District
Marion, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the Marion County School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Marion County School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Marion County School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Marion County School District's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Marion County School 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, 2014.

Report on Internal Control Over Compliance

Management of Marion County School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Marion County School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items #2014-001 and #2014-002 to be significant deficiencies.

Marion County School District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kenneth Cobb & Company P.C.
Mullins, South Carolina

November 13, 2014

Marion County School District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2014

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed through SDE:				
Child Nutrition Cluster				
Non-Cash Assistance (Commodities)				
600	National School Lunch Program	10.555	N/A	\$163,975
Cash Assistance				
600	School Breakfast Program	10.553	N/A	757,274
600	National School Lunch Program	10.555	N/A	1,939,635
Cash Assistance- Subtotal				2,696,909
600	Fresh Fruit & Vegetable Program	10.582	N/A	28,645
600	Fresh Fruit & Vegetable Program	10.582	14FV097	6,044
				34,689
Total U.S. Department of Agriculture				\$2,895,573
<u>U.S. DEPARTMENT OF LABOR</u>				
Passed through the SC Department of Employment & Workforce				
862	Jobs for America's Graduates	17.259	13JAG104	61,604
Total U.S. Department of Labor				61,604
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed through SDE:				
243	Adult Education	84.002	14-EA097	53,929
243	Adult Education	84.002	13-EA097-03	4,611
243	Adult Education	84.002	12-EA097-03	9,096
				67,636
201	Title I	84.010	14-BA097	3,321,834
237	School Improvement	84.010	13-BM097	101,029
237	School Improvement	84.010	12-BJ059	2,896
				3,425,759
203	IDEA	84.027A	14-CA097	1,053,056
204	IDEA	84.027A	13-CA097	918,365
205	Preschool Handicapped	84.173	14-CG097	39,143
206	Preschool Handicapped	84.173	13-CG097	19,535
212	Extended School Year	84.173	N/A	11,112
				2,041,211
207	CATE - Subprogram-01	84.048	14-VA097	17,275
207	CATE - Subprogram-03	84.048	14-VA097	5,000
207	CATE - Subprogram-04	84.048	14-VA097	9,755
207	CATE - Subprogram-05	84.048	14-VA097	3,325
207	CATE - Subprogram-06	84.048	14-VA097	1,263
207	CATE - Subprogram-08	84.048	14-VA097	2,126
207	CATE - Subprogram-10	84.048	14-VA097	9,457
207	CATE - Subprogram-11	84.048	14-VA097	55,828
				104,029
820	PELL	84.063	N/A	154,262
232	McKinney Vento	84.196A	12FH097	10,000
224	21st Century Community Learning Centers Grant	84.287	14-CL097	141,830
224	21st Century Community Learning Centers Grant	84.287	13-CL097	17,664
				159,494

Marion County School District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2014

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
251	Rural and Low Income Schools	84.358	14-BS097	\$89,305
251	Rural and Low Income Schools	84.358	13-BS097	6,461
251	Rural and Low Income Schools	84.358	12-BS060	7,802
				<u>\$103,566</u>
264	Limited English Proficiency	84.365	13- BP097	13,374
264	Limited English Proficiency	84.365	14- BP097	787
264	Limited English Proficiency	84.365	12- BP097	3,842
				<u>18,003</u>
267	Improving Teacher Quality	84.367A	14-TQ097	448,655
267	Improving Teacher Quality	84.367A	13-TQ097	21,474
				<u>470,129</u>
				<u>6,554,089</u>
	Passed through the SC Commission on Higher Education			
821	SC GEAR UP	84.334S	P334S110019	218,865
829	HEAP	84.378A	P378A100048	3,857
				<u>222,722</u>
	Total U.S. Department of Education			<u>6,776,811</u>
	<u>U.S. DEPARTMENT OF DEFENSE</u>			
	Direct Programs:			
297	JROTC-Marine Corps	N/A	N/A	73,196
296	JROTC-Army	N/A	N/A	62,574
				<u>135,770</u>
	<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
	Passed through the SC Department of Emergency Management			
100	Disaster Grants - Public Assistance	97.036	N/A	4,475
				<u>4,475</u>
	TOTAL FEDERAL ASSISTANCE			<u><u>\$9,874,233</u></u>

- (1) The accompanying schedule of expenditures of federal awards is a summary of the activity of the District's federal awards programs presented on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
- (2) Non monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.
- (3) The District has loans to the SC Energy office through the ARRA Energy Program that had an outstanding balances at June 30, 2014 of \$16,473.
- (4) The District provided funding under grant #14-BP097 Limited English Proficiency to the following subrecipients:

Florence School District Three \$7,823

Marion County School District
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2013 to June 30, 2014

I. SUMMARY OF AUDITOR'S RESULTS

- a. The auditor's report expresses an unqualified opinion on the financial statements of Marion County School District.
- b. Three significant deficiencies disclosed during the audit of the financial statements of Marion County School District are reported in the *Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. None of these significant deficiencies are considered to be material weaknesses.
- c. No instances of noncompliance material to the financial statements of Marion County School District were disclosed during the audit.
- d. Two significant deficiencies pertaining to major federal award programs are disclosed in the *Independent Auditor's Report on Compliance for each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*. These significant deficiencies are not reported as material weaknesses.
- e. The auditor's report on compliance for the major federal awards programs for Marion County School District expresses an unmodified opinion on all major programs.
- f. Audit findings that are required to be reported in accordance with Section 510 (a) of OMB Circular A-133 are reported in this schedule.
- g. The programs tested as major programs included:

USDA School Lunch and Breakfast Program	CFDA Nos. 10.553, 10.555
Title One	CFDA Nos. 84.010, 84.389
IDEA Program Cluster	CFDA Nos. 84.027, 84.173
Improving Teacher Quality	CFDA No. 84.367
- h. The threshold for distinguishing Types A and B programs was \$300,000.
- i. Marion County School District was determined to be a low-risk auditee.

II. FINDINGS –FINANCIAL STATEMENTS AUDIT

Significant Deficiency

#2014-001 Preparation of annual financial statements and disclosures (previously reported)

Condition: The District does not prepare its annual financial statements and footnote disclosures. The District staff work with the audit firm in the preparation and subsequently review and approve all statements and disclosures before issuance.

Marion County School District
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2013 to June 30, 2014

Criteria: Internal controls should be in place that provide reasonable assurance that financial statements are free of material misstatements and that the independent auditor is not part of this control system.

Effect: The District relies on the audit firm to prepare the financial statements and disclosures and reviews the final product. Caution must be exercised so that the auditor is not deemed to be part of the internal control system.

Recommendation: The District can accept this condition and concentrate on the review and approval process or prepare all financial statements and disclosures in house or hire an outside source to prepare the financial statements and disclosures.

Response: The District feels that the best plan is to accept this condition and concentrate on the review and approval process.

#2014-002 Inadequate Segregation of Duties (previously reported)

Condition: Due to a small staff size, the District does not have complete segregation of duties.

Criteria: The ideal internal control system would not allow one person to perform a transaction from beginning to end.

Effect: An error in financial reporting may not be detected in a timely manner or the misappropriation of assets could be concealed.

Recommendation: We recommend that the Board and management continue to use supervisory reviews such as monitoring financial statements and budget reports, and segregate duties where cost beneficial to do so.

Response: The Board and management will continue to use supervisory reviews. The District will segregate duties where it is not cost prohibitive.

#2014-003 Purchasing Procedures (previously reported)

Condition: There were numerous instances in which the purchase order was obtained after the purchase had been made or in which no purchase order was obtained at all. In addition, there were instances, in which the proper approvals were not obtained prior to the purchase.

Criteria: District policy requires an approved purchase order for purchases of goods unless the item is specifically excluded from the purchasing policy or it is below the prescribed dollar amount. District policy also requires purchases be approved by supervisory officials.

Effect: Purchases are made without the knowledge or approval of management.

Recommendation: District staff should adhere to the policy.

Response: Purchases will follow the District's policy.

Marion County School District
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2013 to June 30, 2014

III. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

See Section II for conditions #2014-001 through #2014-002.

Pass Through Entities:

SC Department of Education

SC Department of Employment & Workforce

SC Commission on Higher Education

All Federal Programs - see Schedule of Expenditures of Federal Awards for CFDA numbers

Marion County School District
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2014

#2013-1 Preparation of annual financial statements and disclosures (previously reported)

Condition: The District does not prepare its annual financial statements and footnote disclosures. The District staff work with the auditor in the preparation and subsequently reviews and approves all statements and disclosures before issuance.

Recommendation: The District can accept this condition and concentrate on the review and approval process or prepare all financial statements and disclosures in house or hire an outside source to prepare the financial statements and disclosures.

Current Status: This is a continuing condition.

#2013-2 Inadequate Segregation of Duties (previously reported)

Condition: Due to a small staff size, the District does not have complete segregation of duties.

Recommendation: We recommend that the Board and management continue to use supervisory reviews such as monitoring financial statements and budget reports, and segregate duties where cost beneficial to do so.

Current Status: This is a continuing condition.

#2013-4 Daily Deposits

Condition: While testing the District's receipt book procedures, we noted instances in which funds were not deposited in accordance with District policy.

Recommendation: Funds should be deposited as required by District policy.

Current Status: There were no reportable findings for FY 13/14.

#2013-8 Purchasing Procedures

Condition: There were numerous instances in which the purchase order was obtained after the purchase had been made or in which no purchase order was obtained at all. In addition, there were instances, in which the proper approvals were not obtained prior to the purchase.

Recommendation: District staff should adhere to the policy.

Current Status: This is a continuing condition.

#2013-9 Reconcile Payroll and Related Taxes and Benefits to Outside Sources

Condition: There were significant adjustments required at year end to the payroll related taxes and benefit expenditures.

Recommendation: Payroll and payroll related taxes and benefits can be reconciled to outside sources such as federal tax forms (941's), quarterly retirement reports, and monthly health insurance invoices. This would allow management to become aware of any posting problems.

Current Status: There were no reportable findings for FY 13/14.

Marion County School District
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2014

#2013-7 Meals Claimed for Reimbursement Improperly

Condition: There were students in the District's meal accounting software program that were carried forward from the prior year and who did not submit a current year application to participate in the free and reduced lunch program.

Recommendation: The reporting system should be reviewed to ensure that all students being claimed for reimbursement are actually eligible for the reimbursement.

Current Status: There were no reportable findings for FY 13/14.

Marion County School District
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/
 FEDERAL GOVERNMENT
 June 30, 2014

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due To</u>
Teacher Supplies	N/A	3577/377	Unexpended Funds	<u>\$2,475</u>
			Total	<u><u>\$2,475</u></u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
REVENUES:			
1000 Revenue from local sources			
1100 Taxes			
1110 Ad valorem taxes - including delinquent taxes	\$8,859,761	\$8,031,329	(\$828,432)
1140 Penalties & interest on taxes	174,369	136,210	(38,159)
1200 Revenue from local governmental units other than LEA's			
1280 Revenue in lieu of taxes	169,113	176,381	7,268
1300 Tuition			
1310 Tuition from patrons for regular day school	206,000	182,350	(23,650)
1320 From other LEA's for regular day school	4,500	0	(4,500)
1400 Transportation fees			
1410 From patrons for regular day school	0	7,508	7,508
1500 Earnings on investments			
1510 Interest on investments	18,000	9,564	(8,436)
1900 Other revenue from local sources			
1910 Rentals	50,000	46,871	(3,129)
1950 Refund of prior year's expenditures	0	8,395	8,395
1990 Miscellaneous local revenue			
1993 Receipt of insurance proceeds	0	3,977	3,977
1999 Revenue from other local sources	5,000	22,156	17,156
TOTAL LOCAL SOURCES	<u>9,486,743</u>	<u>8,624,741</u>	<u>(862,002)</u>
3000 Revenue from state sources			
3100 Restricted state funding			
3130 Special programs			
3131 Handicapped transportation	0	658	658
3160 School bus driver's salary	319,681	343,252	23,571
3161 EAA Bus Driver Fringe	0	2,057	2,057
3162 Transportation Workers' Compensation	32,430	32,430	0
3180 Fringe benefits employer contributions	4,878,318	4,878,318	0
3181 Retiree insurance	1,083,605	1,083,605	0
3300 Education finance act			
3310 Full-time programs			
3311 Kindergarten	941,798	936,857	(4,941)
3312 Primary	2,142,080	2,274,711	132,631
3313 Elementary	2,417,132	2,654,657	237,525
3314 High School	1,322,008	1,403,217	81,209
3315 Trainable mentally handicapped	111,665	101,762	(9,903)
3316 Speech handicapped	820,426	705,769	(114,657)
3317 Homebound	43,606	32,801	(10,805)
3320 Part-time programs			
3321 Emotionally handicapped	18,515	26,384	7,869
3322 Educable mentally handicapped	145,392	151,617	6,225
3323 Learning disabilities	1,254,421	1,193,307	(61,114)
3324 Hearing handicapped	8,756	12,207	3,451
3325 Visually handicapped	26,506	43,663	17,157
3326 Orthopedically handicapped	13,972	14,517	545
3327 Vocational	1,410,813	1,330,895	(79,918)
3330 Other EFA programs			
3331 Autism	149,005	185,168	36,163
3800 State revenue in lieu of taxes			
3810 Reimbursement for local residential property tax relief	1,866,170	1,866,170	0
3820 Homestead exemption	790,010	748,244	(41,766)
3825 Reimbursement for property tax relief	2,377,559	2,355,685	(21,874)
3827 \$2.5 million bonus	348,630	144,315	(204,315)
3830 Merchant's inventory tax	145,997	145,998	1
3840 Manufacturers depreciation reimbursement	277,073	56,913	(220,160)
3890 Other state property tax revenues	195,311	124,359	(70,952)
3900 Other state revenue			
3999 Revenue from other state sources	55,658	63,544	7,886
TOTAL STATE SOURCES	<u>23,196,537</u>	<u>22,913,080</u>	<u>(283,457)</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
4000 Revenue from federal sources			
4100 Federally impacted areas			
4110 Maintenance and operations (P.L. 874)	\$9,499	\$0	(\$9,499)
4900 Other federal sources			
4999 Revenue from other federal sources	0	4,475	4,475
TOTAL FEDERAL SOURCES	9,499	4,475	(5,024)
 TOTAL REVENUE ALL SOURCES	 32,692,779	 31,542,296	 (1,150,483)
 EXPENDITURES			
100 Instruction			
110 General instruction			
111 Kindergarten programs			
100 Salaries	696,379	709,899	(13,520)
200 Employee benefits	281,788	274,122	7,666
300 Purchased services	10,431	4,416	6,015
400 Supplies and materials	16,732	11,850	4,882
600 Other objects	300	300	0
	1,005,630	1,000,587	5,043
112 Primary programs			
100 Salaries	1,871,912	1,939,769	(67,857)
200 Employee benefits	722,309	745,518	(23,209)
300 Purchased services	32,620	14,456	18,164
400 Supplies and materials	52,178	45,676	6,502
600 Other objects	1,697	2,184	(487)
	2,680,716	2,747,603	(66,887)
113 Elementary programs			
100 Salaries	3,718,041	3,857,154	(139,113)
200 Employee benefits	1,392,813	1,368,959	23,854
300 Purchased services	58,572	36,577	21,995
400 Supplies and materials	83,115	77,832	5,283
600 Other objects	2,373	3,874	(1,501)
	5,254,914	5,344,396	(89,482)
114 High school programs			
100 Salaries	3,404,018	3,480,733	(76,715)
200 Employee benefits	1,232,336	1,204,550	27,786
300 Purchased services	55,594	26,889	28,705
400 Supplies and materials	84,375	53,794	30,581
600 Other objects	3,675	1,949	1,726
	4,779,998	4,767,915	12,083
115 Career and technology education programs			
100 Salaries	795,032	790,542	4,490
200 Employee benefits	405,647	312,149	93,498
300 Purchased services - other than tuition	31,090	25,580	5,510
400 Supplies and materials	83,060	77,963	5,097
500 Capital outlay	0	511	(511)
600 Other objects	2,500	0	2,500
	1,317,329	1,206,745	110,584
117 Driver education program			
100 Salaries	16,240	48,356	(32,116)
200 Employee benefits	3,827	15,553	(11,726)
300 Purchased services	1,200	81	1,119
400 Supplies and materials	1,700	4,630	(2,930)
	22,967	68,620	(45,653)

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
120 Exceptional programs			
121 Educable mentally handicapped			
100 Salaries	\$260,134	\$251,902	\$8,232
200 Employee benefits	139,517	96,930	42,587
400 Supplies and materials	6,854	5,666	1,188
	<u>406,505</u>	<u>354,498</u>	<u>52,007</u>
122 Trainable mentally handicapped			
100 Salaries	167,093	166,497	596
200 Employee benefits	101,450	58,124	43,326
400 Supplies and materials	1,903	661	1,242
	<u>270,446</u>	<u>225,282</u>	<u>45,164</u>
123 Orthopedically handicapped			
100 Salaries	5,992	5,992	0
200 Employee benefits	1,086	980	106
400 Supplies and materials	1,100	539	561
	<u>8,178</u>	<u>7,511</u>	<u>667</u>
124 Visually handicapped			
100 Salaries	5,328	5,328	0
200 Employee benefits	2,018	2,254	(236)
	<u>7,346</u>	<u>7,582</u>	<u>(236)</u>
126 Speech handicapped			
100 Salaries	219,857	185,459	34,398
200 Employee benefits	98,605	68,893	29,712
400 Supplies and materials	5,318	3,462	1,856
600 Other objects	200	0	200
	<u>323,980</u>	<u>257,814</u>	<u>66,166</u>
127 Learning disabilities			
100 Salaries	1,069,794	1,105,826	(36,032)
200 Employee benefits	384,538	352,613	31,925
400 Supplies and materials	4,826	2,888	1,938
	<u>1,459,158</u>	<u>1,461,327</u>	<u>(2,169)</u>
128 Emotionally handicapped			
100 Salaries	19,566	13,617	5,949
200 Employee benefits	4,449	4,470	(21)
400 Supplies and materials	1,115	492	623
	<u>25,130</u>	<u>18,579</u>	<u>6,551</u>
137 Pre-School handicapped self contained (3 & 4 yr. olds)			
100 Salaries	57,889	79,468	(21,579)
200 Employee benefits	21,132	38,077	(16,945)
	<u>79,021</u>	<u>117,545</u>	<u>(38,524)</u>
139 Early childhood programs			
100 Salaries	51,365	138	51,227
200 Employee benefits	11,836	(501)	12,337
400 Supplies and materials	2,596	2,032	564
	<u>65,797</u>	<u>1,669</u>	<u>64,128</u>
140 Special programs			
141 Gifted and talented - academic			
100 Salaries	74,988	74,109	879
200 Employee benefits	27,443	30,274	(2,831)
300 Purchased services	825	76	749
400 Supplies and materials	400	421	(21)
	<u>103,656</u>	<u>104,880</u>	<u>(1,224)</u>
143 Advanced placement			
100 Salaries	19,379	18,994	385
200 Employee benefits	5,613	5,889	(276)
400 Supplies and materials	1,392	1,349	43
	<u>26,384</u>	<u>26,232</u>	<u>152</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
145 Homebound			
100 Salaries	\$62,877	\$37,853	\$25,024
200 Employee benefits	15,557	8,006	7,551
300 Purchased services	20,020	4,709	15,311
400 Supplies and materials	180	203	(23)
	<u>98,634</u>	<u>50,771</u>	<u>47,863</u>
147 CDEPP			
100 Salaries	53,316	58,845	(5,529)
200 Employee Benefits	32,198	20,235	11,963
300 Purchased services	1,330	528	802
400 Supplies and materials	12,500	5,353	7,147
600 Other objects	0	150	(150)
	<u>99,344</u>	<u>85,111</u>	<u>14,233</u>
148 Gifted and talented-artistic			
100 Salaries	7,630	7,686	(56)
200 Employee benefits	3,057	3,452	(395)
	<u>10,687</u>	<u>11,138</u>	<u>(451)</u>
160 Other exceptional programs			
161 Autism			
100 Salaries	131,011	129,434	1,577
200 Employee benefits	57,932	36,699	21,233
300 Purchased services	5,000	0	5,000
400 Supplies and materials	2,135	50	2,085
	<u>196,078</u>	<u>166,183</u>	<u>29,895</u>
170 Summer school programs			
173 High school summer school			
100 Salaries	0	295	(295)
200 Employee benefits	0	71	(71)
	<u>0</u>	<u>366</u>	<u>(366)</u>
175 Instructional programs beyond regular school day			
100 Salaries	2,000	32,070	(30,070)
200 Employee benefits	467	5,705	(5,238)
300 Purchased services	0	3,455	(3,455)
	<u>2,467</u>	<u>41,230</u>	<u>(38,763)</u>
180 Adult/continuing educational programs			
181 Adult basic education programs			
300 Purchased services	2,000	1,381	619
400 Supplies and materials	6,000	1,350	4,650
	<u>8,000</u>	<u>2,731</u>	<u>5,269</u>
182 Adult secondary programs			
300 Purchased services	1,000	93	907
400 Supplies and materials	5,545	3,862	1,683
	<u>6,545</u>	<u>3,955</u>	<u>2,590</u>
188 Parenting			
300 Purchased services	500	0	500
400 Supplies and materials	4,252	0	4,252
	<u>4,752</u>	<u>0</u>	<u>4,752</u>
190 Instructional pupil activity			
100 Salaries	59,112	45,974	13,138
200 Employee benefits	14,219	11,365	2,854
	<u>73,331</u>	<u>57,339</u>	<u>15,992</u>
TOTAL INSTRUCTION	<u>18,336,993</u>	<u>18,137,609</u>	<u>199,384</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
200 Support services			
210 Pupil services			
211 Attendance and social work services			
100 Salaries	\$224,147	\$207,689	\$16,458
200 Employee benefits	89,164	81,648	7,516
300 Purchased services	10,200	13,245	(3,045)
400 Supplies and materials	0	58	(58)
	<u>323,511</u>	<u>302,640</u>	<u>20,871</u>
212 Guidance services			
100 Salaries	675,869	753,300	(77,431)
200 Employee benefits	236,235	253,237	(17,002)
300 Purchased services	9,900	6,500	3,400
400 Supplies and materials	7,630	5,125	2,505
600 Other objects	400	325	75
	<u>930,034</u>	<u>1,018,487</u>	<u>(88,453)</u>
213 Health services			
100 Salaries	206,165	94,878	111,287
200 Employee benefits	99,888	59,570	40,318
300 Purchased services	6,425	4,398	2,027
400 Supplies and materials	12,360	8,981	3,379
	<u>324,838</u>	<u>167,827</u>	<u>157,011</u>
214 Psychological services			
400 Supplies and materials	0	41	(41)
	<u>0</u>	<u>41</u>	<u>(41)</u>
216 Vocational placement services			
100 Salaries	62,726	33,133	29,593
200 Employee benefits	28,079	18,084	9,995
300 Purchased services	4,500	2,043	2,457
400 Supplies and materials	1,500	1,520	(20)
	<u>96,805</u>	<u>54,780</u>	<u>42,025</u>
220 Instructional staff services			
221 Improvement of instruction-curriculum development			
100 Salaries	339,568	320,794	18,774
200 Employee benefits	123,122	108,790	14,332
300 Purchased services	19,600	7,090	12,510
400 Supplies and materials	11,447	10,985	462
600 Other objects	9,079	635	8,444
	<u>502,816</u>	<u>448,294</u>	<u>54,522</u>
222 Library and media services			
100 Salaries	585,633	512,431	73,202
200 Employee benefits	191,101	172,714	18,387
300 Purchased services	27,711	22,714	4,997
400 Supplies and materials	49,733	34,660	15,073
	<u>854,178</u>	<u>742,519</u>	<u>111,659</u>
223 Supervision of special programs			
100 Salaries	161,315	80,125	81,190
200 Employee benefits	66,050	21,649	44,401
300 Purchased services	7,870	13,966	(6,096)
400 Supplies and materials	11,685	3,874	7,811
600 Other objects	640	1,157	(517)
	<u>247,560</u>	<u>120,771</u>	<u>126,789</u>
224 Improvement of instruction-in-service & staff training			
300 Purchased services	15,424	5,654	9,770
400 Supplies and materials	5,072	667	4,405
	<u>20,496</u>	<u>6,321</u>	<u>14,175</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
230* General administration services			
231 Board of education			
100 Salaries	\$88,799	\$95,490	(\$6,691)
200 Employee benefits	14,039	22,447	(8,408)
300 Purchased services	126,367	150,060	(23,693)
318 Audit services	98,307	87,230	11,077
400 Supplies and materials	11,204	12,847	(1,643)
600 Other objects	16,500	14,374	2,126
	<u>355,216</u>	<u>382,448</u>	<u>(27,232)</u>
232 Office of the superintendent			
100 Salaries	311,308	275,579	35,729
200 Employee benefits	100,387	83,055	17,332
300 Purchased services	47,865	16,585	31,280
400 Supplies and materials	11,900	15,846	(3,946)
600 Other objects	5,300	3,361	1,939
	<u>476,760</u>	<u>394,426</u>	<u>82,334</u>
233 School administration			
100 Salaries	1,970,023	2,094,655	(124,632)
200 Employee benefits	718,977	727,396	(8,419)
300 Purchased services	69,274	79,920	(10,646)
400 Supplies and materials	74,565	57,780	16,785
600 Other objects	6,262	4,917	1,345
	<u>2,839,101</u>	<u>2,964,668</u>	<u>(125,567)</u>
250 Finance and operations services			
251 Student transportation (federal/district mandated)			
100 Salaries	0	1,146	(1,146)
200 Employee benefits	0	3,640	(3,640)
300 Purchased services	0	2,655	(2,655)
	<u>0</u>	<u>7,441</u>	<u>(7,441)</u>
252 Fiscal services			
100 Salaries	324,475	323,821	654
200 Employee benefits	118,601	118,283	318
300 Purchased services	44,800	5,364	39,436
400 Supplies and materials	32,844	25,681	7,163
500 Capital outlay	4,500	0	4,500
600 Other objects	10,420	106,493	(96,073)
	<u>535,640</u>	<u>579,642</u>	<u>(44,002)</u>
253 Facilities acquisition & construction			
300 Purchased services	6,800	0	6,800
	<u>6,800</u>	<u>0</u>	<u>6,800</u>
254 Operations and maintenance of plant			
100 Salaries	1,073,577	1,041,114	32,463
200 Employee benefits	493,853	463,187	30,666
300 Purchased services	1,288,929	1,183,736	105,193
321 Public utilities	116,308	87,390	28,918
400 Supplies and materials	368,263	537,233	(168,970)
470 Energy	1,359,221	1,307,409	51,812
500 Capital outlay	18,500	781	17,719
600 Other objects	4,450	365	4,085
	<u>4,723,101</u>	<u>4,621,215</u>	<u>101,886</u>
255 Student transportation (state mandated)			
100 Salaries	578,936	873,264	(294,328)
200 Employee benefits	201,822	241,905	(40,083)
300 Purchased services	82,628	67,798	14,830
400 Supplies and materials	39,100	14,599	24,501
600 Other objects	2,790	3,789	(999)
	<u>905,276</u>	<u>1,201,355</u>	<u>(296,079)</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
256 Food service			
100 Salaries	\$6	\$338	(\$332)
200 Employee benefits	622,807	329,109	293,698
	<u>622,813</u>	<u>329,447</u>	<u>293,366</u>
257 Internal services			
300 Purchased services	22,591	11,280	11,311
400 Supplies and materials	6,037	0	6,037
500 Capital outlay	7,468	0	7,468
600 Other objects	600	0	600
	<u>36,696</u>	<u>11,280</u>	<u>25,416</u>
258 Security			
300 Purchased services	330,262	288,570	41,692
400 Supplies and materials	4,234	514	3,720
	<u>334,496</u>	<u>289,084</u>	<u>45,412</u>
260 Central support services			
263 Information services			
100 Salaries	26,500	26,500	0
200 Employee benefits	10,792	9,296	1,496
300 Purchased services	15,000	2,965	12,035
400 Supplies and materials	6,055	2,035	4,020
	<u>58,347</u>	<u>40,796</u>	<u>17,551</u>
264 Staff services			
100 Salaries	207,805	203,349	4,456
200 Employee benefits	73,357	66,206	7,151
300 Purchased services	31,250	22,868	8,382
400 Supplies and materials	8,200	10,216	(2,016)
600 Other objects	3,900	351	3,549
	<u>324,512</u>	<u>302,990</u>	<u>21,522</u>
266 Technology and data processing services			
100 Salaries	365,476	353,452	12,024
200 Employee benefits	138,007	125,267	12,740
300 Purchased services	114,430	105,959	8,471
400 Supplies and materials	27,737	25,761	1,976
500 Capital outlay	5,500	0	5,500
600 Other objects	0	351	(351)
	<u>651,150</u>	<u>610,790</u>	<u>40,360</u>
270 Support services pupil activity			
271 Pupil services activities			
100 Salaries	175,325	254,660	(79,335)
200 Employee benefits	48,416	59,665	(11,249)
300 Purchased services	9,600	11,500	(1,900)
600 Other objects	54,900	43,433	11,467
	<u>288,241</u>	<u>369,258</u>	<u>(81,017)</u>
TOTAL SUPPORT SERVICES	<u>15,458,387</u>	<u>14,966,520</u>	<u>491,867</u>
400 Other charges			
410 Intergovernmental expenditures			
411 Payment to SC Department of Education			
720 Transits	10,000	0	10,000
412 Payment to other governmental units			
720 Transits	0	38,649	(38,649)
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>10,000</u>	<u>38,649</u>	<u>(28,649)</u>
TOTAL EXPENDITURES	<u>33,805,380</u>	<u>33,142,778</u>	<u>662,602</u>
Excess/(Deficiency) of revenues over expenditures	<u>(1,112,601)</u>	<u>(1,600,482)</u>	<u>(487,881)</u>

Marion County School District
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Budget (GAAP Basis) and Actual
Year Ended June 30, 2014

	Budget	Actual	Variance With Final Budget
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds			
423 Transfer to debt service			
710 Fund modifications	\$0	(\$16,473)	(\$16,473)
426 Transfer to pupil activity			
710 Fund modifications	(40,500)	(40,500)	0
5220 Transfer from special revenue fund	0	185	185
5230 Transfer from EIA	924,101	925,683	1,582
5280 Indirect Costs	229,000	417,822	188,822
	<u>1,112,601</u>	<u>1,286,717</u>	<u>174,116</u>
TOTAL OTHER FINANCING SOURCES (USES)			
	<u>1,112,601</u>	<u>1,286,717</u>	<u>174,116</u>
Excess/(Deficiency) of revenues over expenditures and other financing sources (uses)	0	(313,765)	(313,765)
FUND BALANCE - July 1, 2013	3,683,417	3,683,417	0
Prior period adjustment	0	15,859	15,859
FUND BALANCE - June 30, 2014	<u>\$3,683,417</u>	<u>\$3,385,511</u>	<u>(\$297,906)</u>

Marion County School District
All Special Revenue Funds
COMBINING BALANCE SHEET
June 30, 2014

	Food Service	State and Federal Grants	Special Revenue Education Improvement Act	Total
ASSETS				
Accounts receivable	\$1,617	\$6,879	\$0	\$8,496
Investment - restricted	0	626,562	0	626,562
Due from other Agencies	26,856	35,828	36	62,720
Due from General Fund	2,154,484	0	0	2,154,484
Due from State/Federal Government	9,018	3,215,513	432,100	3,656,631
Inventory	34,298	0	0	34,298
TOTAL ASSETS	\$2,226,273	\$3,884,782	\$432,136	\$6,543,191
LIABILITIES				
Due to General Fund	\$0	\$2,264,178	\$312,605	\$2,576,783
Accounts payable	6,154	37,686	0	43,840
Due to State/Federal Government	0	0	2,475	2,475
Revenues received in advance	6,588	956,541	117,056	1,080,185
TOTAL LIABILITIES	12,742	3,258,405	432,136	3,703,283
FUND BALANCES				
Nonspendable:				
Inventory	27,710	0	0	27,710
Restricted For:				
Pell Program	0	321	0	321
Unemployment	0	128,563	0	128,563
Food Service	2,185,821	0	0	2,185,821
Committed to:				
Unemployment	0	497,493	0	497,493
TOTAL FUND BALANCES	2,213,531	626,377	0	2,839,908
TOTAL LIABILITIES AND FUND BALANCE	\$2,226,273	\$3,884,782	\$432,136	\$6,543,191

Marion County School District
All Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	Food Service	State and Federal Grants	Special Revenue Education Improvement Act	Total
REVENUES				
Local	\$189,223	\$933,895	\$2,945	\$1,126,063
State	255	646,829	4,283,492	4,930,576
Federal	2,840,831	6,912,581	0	9,753,412
Intergovernmental	29,478	171,961	0	201,439
TOTAL REVENUES	3,059,787	8,665,266	4,286,437	16,011,490
EXPENDITURES				
Current				
Instruction	0	5,236,156	3,153,447	8,389,603
Support services	0	2,847,720	207,307	3,055,027
Community services	0	3,231	0	3,231
Food service	2,710,584	0	0	2,710,584
Capital Outlay				
Instruction	0	55,828	0	55,828
Support services	0	20,000	0	20,000
Intergovernmental	0	267,192	0	267,192
TOTAL EXPENDITURES	2,710,584	8,430,127	3,360,754	14,501,465
Excess/(Deficiency) of revenue over expenditures	349,203	235,139	925,683	1,510,025
OTHER FINANCING SOURCES (USES)				
Transfer from Pupil Activity funds	180	0	0	180
Transfer to general fund	0	(185)	(925,683)	(925,868)
Indirect Cost	(184,989)	(232,833)	0	(417,822)
TOTAL OTHER FINANCING SOURCES (USES)	(184,809)	(233,018)	(925,683)	(1,343,510)
Excess/(Deficiency) of revenue over expenditures and other financing sources (uses)	164,394	2,121	0	166,515
FUND BALANCE - July 1, 2013	2,049,137	624,256	0	2,673,393
FUND BALANCE - June 30, 2014	\$2,213,531	\$626,377	\$0	\$2,839,908

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
REVENUES				
1000 Revenue from local sources				
1300 Tuition				
1330 From patrons for adult/continuing education	\$0	\$0	\$0	\$0
1500 Earnings on investments				
1510 Interest on investments	0	0	0	0
1900 Other revenue from local sources				
1920 Contributions and donations from private sources	0	0	0	0
1930 Medicaid	0	0	0	0
1990 Miscellaneous local revenue				
1999 Revenue from other local sources	0	0	0	0
Total local sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2000 Intergovernmental revenue				
2100 Payments from other governmental units	0	0	0	0
Total intergovernmental revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
3000 Revenue from state sources				
3100 Restricted state funding				
3110 Occupational education				
3118 EEDA career specialist	0	0	0	0
3120 General education				
3127 Student health and fitness - PE teachers	0	0	0	0
3130 Special Programs				
3136 Student Health and Fitness - Nurses	0	0	0	0
3177 Summer reading camp	0	0	0	0
3190 Miscellaneous Restricted State Grants				
3199 Other Restricted State Grants	0	0	0	0
3600 Education lottery act revenue				
3607 6-8 Enhancement	0	0	0	0
3610 K-5 Enhancement	0	0	0	0
3699 Other state lottery programs	0	0	0	0
3900 Other state revenue				
3999 Revenue from other state sources	0	0	0	0
Total state sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4000 Revenue from federal sources				
4200 Occupational education				
4210 Perkins Aid, Title I	0	0	0	104,029
4300 Elementary and secondary education act of 1965 (ESEA)				
4310 Title I, Basic state grant programs	3,321,834	0	0	0

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
4312 Rural and low-income school program, Title VI	\$0	\$0	\$0	\$0
4341 Language instruction for limited English proficient & immigrant students	0	0	0	0
4343 McKinney-Vento	0	0	0	0
4351 Improving teacher quality	0	0	0	0
4400 Adult education				
4410 Basic adult education	0	0	0	0
4500 Programs for children with disabilities				
4510 Individuals with disabilities education act (IDEA)	0	1,971,421	0	0
4520 Preschool grants (IDEA)	0	0	58,678	0
4900 Other federal sources				
4924 21st Century community learning centers program	0	0	0	0
4990 Other federal revenue				
4999 Revenue from other federal sources	0	0	0	0
Total federal sources	3,321,834	1,971,421	58,678	104,029
TOTAL REVENUE ALL SOURCES	3,321,834	1,971,421	58,678	104,029
EXPENDITURES				
100 Instruction				
110 General instruction				
111 Kindergarten programs				
100 Salaries	102,881	0	0	0
200 Employee benefits	38,516	0	0	0
400 Supplies and materials	0	0	0	0
	141,397	0	0	0
112 Primary programs				
100 Salaries	369,232	0	0	0
200 Employee benefits	142,926	0	0	0
300 Purchased services	4,959	0	0	0
400 Supplies and materials	177,649	0	0	0
	694,766	0	0	0
113 Elementary programs				
100 Salaries	317,824	0	0	0
200 Employee benefits	117,581	0	0	0
300 Purchased services	13,818	0	0	0
400 Supplies and materials	51,967	0	0	0
600 Other objects	0	0	0	0
	501,190	0	0	0

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
114 High school programs				
100 Salaries	\$197,494	\$0	\$0	\$0
200 Employee benefits	70,387	0	0	0
300 Purchased services	51,035	0	0	0
400 Supplies and materials	122,239	0	0	0
	<u>441,155</u>	<u>0</u>	<u>0</u>	<u>0</u>
115 Career & technology education program				
300 Purchased services other than tuition	0	0	0	9,588
400 Supplies and materials	0	0	0	19,401
500 Capital outlay	0	0	0	55,828
600 Other objects	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>84,817</u>
120 Exceptional programs				
121 Educable mentally handicapped				
100 Salaries	0	196,300	0	0
200 Employee benefits	0	89,286	0	0
300 Purchased services	0	18,743	0	0
400 Supplies and materials	0	8,881	0	0
	<u>0</u>	<u>313,210</u>	<u>0</u>	<u>0</u>
122 Trainable mentally handicapped				
100 Salaries	0	144,109	0	0
200 Employee benefits	0	40,275	0	0
300 Purchased services	0	500	0	0
400 Supplies and materials	0	12,284	0	0
	<u>0</u>	<u>197,168</u>	<u>0</u>	<u>0</u>
123 Orthopedically handicapped				
300 Purchased services	0	20,977	0	0
	<u>0</u>	<u>20,977</u>	<u>0</u>	<u>0</u>
124 Visually Handicapped				
300 Purchased services	0	97,770	0	0
400 Supplies and materials	0	191	0	0
	<u>0</u>	<u>97,961</u>	<u>0</u>	<u>0</u>
125 Hearing handicapped				
300 Purchased services	0	74,276	0	0
	<u>0</u>	<u>74,276</u>	<u>0</u>	<u>0</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
126 Speech handicapped				
100 Salaries	\$0	\$0	\$0	\$0
200 Employee benefits	0	0	0	0
300 Purchased services	0	2,996	0	0
400 Supplies and materials	0	2,440	0	0
	0	5,436	0	0
127 Learning disabilities				
100 Salaries	0	97,422	0	0
200 Employee benefits	0	38,555	0	0
300 Purchased services	0	5,928	0	0
400 Supplies and materials	0	2,546	0	0
	0	144,451	0	0
129 Coordinated Early Intervening Services (CEIS)				
100 Salaries	0	1,275	0	0
200 Employee benefits	0	102	0	0
	0	1,377	0	0
130 Preschool programs				
137 Preschool handicapped self-contained (3&4 yr. olds)				
100 Salaries	0	28,347	43,305	0
200 Employee benefits	0	16,639	15,200	0
300 Purchased services	0	480	173	0
400 Supplies and materials	0	2,241	0	0
	0	47,707	58,678	0
140 Special programs				
145 Homebound				
100 Salaries	0	6,325	0	0
200 Employee benefits	0	507	0	0
	0	6,832	0	0
149 Other special programs				
100 Salaries	0	12,375	0	0
200 Employee benefits	0	4,555	0	0
	0	16,930	0	0

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
160 Other exceptional programs				
161 Autism				
100 Salaries	\$0	\$157,398	\$0	\$0
200 Employee benefits	0	96,571	0	0
300 Purchased services	0	137	0	0
400 Supplies and materials	0	1,602	0	0
	<u>0</u>	<u>255,708</u>	<u>0</u>	<u>0</u>
170 Summer School Program				
171 Primary summer school				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
172 Elementary summer school				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
173 High school summer school				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
175 Instructional programs beyond regular school day				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
300 Purchased services	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
180 Adult/continuing educational programs				
181 Adult basic education programs				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
182 Adult secondary education program				
100 Salaries	\$0	\$0	\$0	\$0
200 Employee benefits	0	0	0	0
300 Purchased services	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
188 Parenting/family literacy				
100 Salaries	48,203	0	0	0
200 Employee benefits	23,830	0	0	0
300 Purchased services	796	0	0	0
400 Supplies and materials	4,700	0	0	0
	<u>77,529</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL INSTRUCTION	<u>1,856,037</u>	<u>1,182,033</u>	<u>58,678</u>	<u>84,817</u>
200 Support services				
210 Pupil services				
211 Attendance and Social Work Services				
300 Purchased services	0	7,233	0	0
	<u>0</u>	<u>7,233</u>	<u>0</u>	<u>0</u>
212 Guidance services				
100 Salaries	22,346	0	0	0
200 Employee benefits	7,166	0	0	0
300 Purchased services	0	0	0	0
400 Supplies and materials	0	0	0	0
	<u>29,512</u>	<u>0</u>	<u>0</u>	<u>0</u>
213 Health services				
100 Salaries	0	56,329	0	0
200 Employee benefits	0	16,771	0	0
	<u>0</u>	<u>73,100</u>	<u>0</u>	<u>0</u>
214 Psychological services				
100 Salaries	0	93,553	0	0
200 Employee benefits	0	43,491	0	0
300 Purchased services	0	92,922	0	0
400 Supplies and materials	0	5,389	0	0
600 Other objects	0	300	0	0
	<u>0</u>	<u>235,655</u>	<u>0</u>	<u>0</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
215 Exceptional program services				
300 Purchased services	\$0	\$116,933	\$0	\$0
	0	116,933	0	0
216 Vocational placement services				
300 Purchased services	0	16,900	0	0
	0	16,900	0	0
217 Career specialist services				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
	0	0	0	0
220 Instructional staff services				
221 Improvement of instruction-curriculum development				
100 Salaries	464,431	0	0	0
200 Employee benefits	148,893	0	0	0
300 Purchased services	15,867	4,372	0	0
600 Other objects	1,542	0	0	0
	630,733	4,372	0	0
222 Library and media				
100 Salaries	26,101	0	0	0
200 Employee benefits	8,273	0	0	0
400 Supplies and materials	7,103	0	0	0
	41,477	0	0	0
223 Supervision of special programs				
100 Salaries	86,697	98,877	0	0
200 Employee benefits	31,312	33,771	0	0
300 Purchased services	5,493	12,791	0	0
400 Supplies and materials	8,191	21,258	0	0
	131,693	166,697	0	0
224 Improvement of instruction-in-service and staff training				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
300 Purchased services	315,353	7,182	0	9,755
400 Supplies and materials	135,703	0	0	0
600 Other objects	9,000	0	0	0
	460,056	7,182	0	9,755

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
250 Finance & operations services				
251 Student transportation (federal/district mandated)				
100 Salaries	\$7,254	\$47,388	\$0	\$0
200 Employee benefits	1,758	29,929	0	0
300 Purchased services	9,000	2,490	0	0
600 Other objects	0	2,333	0	0
	<u>18,012</u>	<u>82,140</u>	<u>0</u>	<u>0</u>
260 Central support services				
266 Technology and data processing services				
300 Purchased services	0	0	0	0
400 Supplies and materials	0	0	0	0
500 Capital outlay	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
270 Support services pupil activity				
271 Pupil service activities				
100 Salaries	0	0	0	0
200 Employee benefits	0	0	0	0
300 Purchased services	0	0	0	9,457
400 Supplies and materials	0	0	0	0
600 Other objects	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,457</u>
TOTAL SUPPORT SERVICES	<u>1,311,483</u>	<u>710,212</u>	<u>0</u>	<u>19,212</u>
300 Community services				
360 Welfare Services				
400 Supplies and materials	657	0	0	0
	<u>657</u>	<u>0</u>	<u>0</u>	<u>0</u>
390 Other community services				
300 Purchased services	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL COMMUNITY SERVICES	<u>657</u>	<u>0</u>	<u>0</u>	<u>0</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	201 Title I BA Projects	203/204 IDEA CA Projects	205/206 Preschool Handicapped CG Projects	207 CATE VA Projects
410 Intergovernmental expenditures				
411-720 Payments to SCDE	\$0	\$0	\$0	\$0
412-720 Payments to other governmental units	0	0	0	0
Total Intergovernmental Expenditures	0	0	0	0
TOTAL EXPENDITURES	3,168,177	1,892,245	58,678	104,029
Excess/(Deficiency) of revenues over expenditures	153,657	79,176	0	0
OTHER FINANCING SOURCES (USES)				
Interfund transfers, from (to) other funds				
420-710 Transfer to general fund	0	0	0	0
431-791 Special revenue fund indirect costs	(153,657)	(79,176)	0	0
TOTAL OTHER FINANCING SOURCES (USES)	(153,657)	(79,176)	0	0
Excess/(Deficiency) of revenues over expenditures and other financing sources (uses)	0	0	0	0
FUND BALANCE - July 1, 2013	0	0	0	0
FUND BALANCE - June 30, 2014	\$0	\$0	\$0	\$0

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
REVENUES				
1000 Revenue from local sources				
1300 Tuition				
1330 From patrons for adult/continuing education	\$0	\$1,095	\$0	\$1,095
1500 Earnings on investments				
1510 Interest on investments	0	0	2,515	2,515
1900 Other revenue from local sources				
1920 Contributions and donations from private sources	0	0	36,955	36,955
1930 Medicaid	0	0	795,269	795,269
1990 Miscellaneous local revenue				
1999 Revenue from other local sources	0	0	98,061	98,061
Total local sources	0	1,095	932,800	933,895
2000 Intergovernmental revenue				
2100 Payments from other governmental units	0	0	171,961	171,961
Total intergovernmental revenue	0	0	171,961	171,961
3000 Revenue from state sources				
3100 Restricted state funding				
3110 Occupational education				
3118 EEDA career specialist	0	122,244	0	122,244
3120 General education				
3127 Student health and fitness - PE teachers	0	50,461	0	50,461
3130 Special Programs				
3136 Student Health and Fitness - Nurses	0	154,633	0	154,633
3177 Summer reading camp	0	19,365		19,365
3190 Miscellaneous Restricted State Grants				
3199 Other Restricted State Grants	0	15,131	0	15,131
3600 Education lottery act revenue				
3607 6-8 Enhancement	0	14,640	0	14,640
3610 K-5 Enhancement	0	196,273	0	196,273
3699 Other state lottery programs	0	64,815	0	64,815
3900 Other state revenue				
3999 Revenue from other state sources	0	0	9,267	9,267
Total state sources	0	637,562	9,267	646,829
4000 Revenue from federal sources				
4200 Occupational education				
4210 Perkins Aid, Title I	0	0	0	104,029
4300 Elementary and secondary education act of 1965 (ESEA)				
4310 Title I, Basic state grant programs	0	0	103,925	3,425,759

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
4312 Rural and low-income school program, Title VI	\$0	\$0	\$103,566	\$103,566
4341 Language instruction for limited English proficient & immigrant students	0	0	18,003	18,003
4343 McKinney-Vento	0	0	10,000	10,000
4351 Improving teacher quality	0	0	470,129	470,129
4400 Adult education				
4410 Basic adult education	67,636	0	0	67,636
4500 Programs for children with disabilities				
4510 Individuals with disabilities education act (IDEA)	0	0	11,112	1,982,533
4520 Preschool grants (IDEA)	0	0	0	58,678
4900 Other federal sources				
4924 21st Century community learning centers program	0	0	159,494	159,494
4990 Other federal revenue				
4999 Revenue from other federal sources	0	0	512,754	512,754
Total federal sources	67,636	0	1,388,983	6,912,581
TOTAL REVENUE ALL SOURCES	67,636	638,657	2,503,011	8,665,266
EXPENDITURES				
100 Instruction				
110 General instruction				
111 Kindergarten programs				
100 Salaries	0	78,616	99,998	281,495
200 Employee benefits	0	24,309	30,399	93,224
400 Supplies and materials	0	6,363	0	6,363
	0	109,288	130,397	381,082
112 Primary programs				
100 Salaries	0	51,106	245,427	665,765
200 Employee benefits	0	19,225	102,649	264,800
300 Purchased services	0	0	673	5,632
400 Supplies and materials	0	12,162	26,954	216,765
	0	82,493	375,703	1,152,962
113 Elementary programs				
100 Salaries	0	37,595	259,286	614,705
200 Employee benefits	0	14,714	89,663	221,958
300 Purchased services	0	2,041	1,615	17,474
400 Supplies and materials	0	14,882	68,085	134,934
600 Other objects	0	125	0	125
	0	69,357	418,649	989,196

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
114 High school programs				
100 Salaries	\$0	\$0	\$220,649	\$418,143
200 Employee benefits	0	0	64,622	135,009
300 Purchased services	0	0	12,508	63,543
400 Supplies and materials	0	0	66,895	189,134
	<u>0</u>	<u>0</u>	<u>364,674</u>	<u>805,829</u>
115 Career & technology education program				
300 Purchased services other than tuition	0	0	0	9,588
400 Supplies and materials	0	0	0	19,401
500 Capital outlay	0	0	0	55,828
600 Other objects	0	0	154,471	154,471
	<u>0</u>	<u>0</u>	<u>154,471</u>	<u>239,288</u>
120 Exceptional programs				
121 Educable mentally handicapped				
100 Salaries	0	0	7,450	203,750
200 Employee benefits	0	0	1,817	91,103
300 Purchased services	0	0	0	18,743
400 Supplies and materials	0	0	0	8,881
	<u>0</u>	<u>0</u>	<u>9,267</u>	<u>322,477</u>
122 Trainable mentally handicapped				
100 Salaries	0	0	0	144,109
200 Employee benefits	0	0	0	40,275
300 Purchased services	0	0	0	500
400 Supplies and materials	0	0	0	12,284
	<u>0</u>	<u>0</u>	<u>0</u>	<u>197,168</u>
123 Orthopedically handicapped				
300 Purchased services	0	0	0	20,977
	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,977</u>
124 Visually Handicapped				
300 Purchased services	0	0	0	97,770
400 Supplies and materials	0	0	0	191
	<u>0</u>	<u>0</u>	<u>0</u>	<u>97,961</u>
125 Hearing handicapped				
300 Purchased services	0	0	0	74,276
	<u>0</u>	<u>0</u>	<u>0</u>	<u>74,276</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
126 Speech handicapped				
100 Salaries	\$0	\$0	\$7,355	\$7,355
200 Employee benefits	0	0	1,737	1,737
300 Purchased services	0	0	161,726	164,722
400 Supplies and materials	0	0	0	2,440
	<u>0</u>	<u>0</u>	<u>170,818</u>	<u>176,254</u>
127 Learning disabilities				
100 Salaries	0	0	425	97,847
200 Employee benefits	0	0	101	38,656
300 Purchased services	0	0	0	5,928
400 Supplies and materials	0	0	0	2,546
	<u>0</u>	<u>0</u>	<u>526</u>	<u>144,977</u>
128 Emotionally handicapped				
129 Coordinated Early Intervening Services (CEIS)				
100 Salaries	0	0	0	1,275
200 Employee benefits	0	0	0	102
	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,377</u>
130 Preschool programs				
137 Preschool handicapped self-contained (3&4 yr. olds)				
100 Salaries	0	0	0	71,652
200 Employee benefits	0	0	0	31,839
300 Purchased services	0	0	0	653
400 Supplies and materials	0	0	0	2,241
	<u>0</u>	<u>0</u>	<u>0</u>	<u>106,385</u>
140 Special programs				
145 Homebound				
100 Salaries	0	0	0	6,325
200 Employee benefits	0	0	0	507
	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,832</u>
149 Other special programs				
100 Salaries	0	0	0	12,375
200 Employee benefits	0	0	0	4,555
	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,930</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
160 Other exceptional programs				
161 Autism				
100 Salaries	\$0	\$0	\$1,045	\$158,443
200 Employee benefits	0	0	251	96,822
300 Purchased services	0	0	0	137
400 Supplies and materials	0	0	0	1,602
	<u>0</u>	<u>0</u>	<u>1,296</u>	<u>257,004</u>
170 Summer School Program				
171 Primary summer school				
100 Salaries	0	12,032	7,952	19,984
200 Employee benefits	0	2,415	1,894	4,309
400 Supplies and materials	0	172	849	1,021
	<u>0</u>	<u>14,619</u>	<u>10,695</u>	<u>25,314</u>
172 Elementary summer school				
100 Salaries	0	0	5,225	5,225
200 Employee benefits	0	0	1,252	1,252
400 Supplies and materials	0	0	932	932
	<u>0</u>	<u>0</u>	<u>7,409</u>	<u>7,409</u>
173 High school summer school				
100 Salaries	0	0	24,199	24,199
200 Employee benefits	0	0	4,822	4,822
400 Supplies and materials	0	0	491	491
	<u>0</u>	<u>0</u>	<u>29,512</u>	<u>29,512</u>
175 Instructional programs beyond regular school day				
100 Salaries	0	0	60,676	60,676
200 Employee benefits	0	0	13,488	13,488
300 Purchased services	0	0	4,661	4,661
400 Supplies and materials	0	0	379	379
	<u>0</u>	<u>0</u>	<u>79,204</u>	<u>79,204</u>
180 Adult/continuing educational programs				
181 Adult basic education programs				
100 Salaries	36,549	3,660	0	40,209
200 Employee benefits	8,724	976	0	9,700
400 Supplies and materials	437	1,764	0	2,201
	<u>45,710</u>	<u>6,400</u>	<u>0</u>	<u>52,110</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
182 Adult secondary education program				
100 Salaries	\$13,879	\$607	\$0	\$14,486
200 Employee benefits	3,756	144	0	3,900
300 Purchased services	2,417	0	5,319	7,736
400 Supplies and materials	0	0	3,809	3,809
	<u>20,052</u>	<u>751</u>	<u>9,128</u>	<u>29,931</u>
188 Parenting/family literacy				
100 Salaries	0	0	0	48,203
200 Employee benefits	0	0	0	23,830
300 Purchased services	0	0	0	796
400 Supplies and materials	0	0	0	4,700
	<u>0</u>	<u>0</u>	<u>0</u>	<u>77,529</u>
TOTAL INSTRUCTION	<u>65,762</u>	<u>282,908</u>	<u>1,761,749</u>	<u>5,291,984</u>
200 Support services				
210 Pupil services				
211 Attendance and Social Work Services				
300 Purchased services	0	0	0	7,233
	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,233</u>
212 Guidance services				
100 Salaries	0	0	0	22,346
200 Employee benefits	0	0	0	7,166
300 Purchased services	0	0	1,370	1,370
400 Supplies and materials	0	0	1,963	1,963
	<u>0</u>	<u>0</u>	<u>3,333</u>	<u>32,845</u>
213 Health services				
100 Salaries	0	111,130	145,508	312,967
200 Employee benefits	0	43,503	40,741	101,015
	<u>0</u>	<u>154,633</u>	<u>186,249</u>	<u>413,982</u>
214 Psychological services				
100 Salaries	0	0	0	93,553
200 Employee benefits	0	0	0	43,491
300 Purchased services	0	0	0	92,922
400 Supplies and materials	0	0	0	5,389
600 Other objects	0	0	0	300
	<u>0</u>	<u>0</u>	<u>0</u>	<u>235,655</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
215 Exceptional program services				
300 Purchased services	\$0	\$0	\$0	\$116,933
	0	0	0	116,933
216 Vocational placement services				
300 Purchased services	0	0	0	16,900
	0	0	0	16,900
217 Career specialist services				
100 Salaries	0	85,935	0	85,935
200 Employee benefits	0	36,310	0	36,310
	0	122,245	0	122,245
220 Instructional staff services				
221 Improvement of instruction-curriculum development				
100 Salaries	0	47,378	1,500	513,309
200 Employee benefits	0	17,437	355	166,685
300 Purchased services	0	0	8,447	28,686
600 Other objects	0	0	0	1,542
	0	64,815	10,302	710,222
222 Library and media				
100 Salaries	0	0	0	26,101
200 Employee benefits	0	0	0	8,273
400 Supplies and materials	0	0	0	7,103
	0	0	0	41,477
223 Supervision of special programs				
100 Salaries	0	4,770	40,037	230,381
200 Employee benefits	0	1,109	17,178	83,370
300 Purchased services	844	0	1,830	20,958
400 Supplies and materials	1,030	914	5,560	36,953
	1,874	6,793	64,605	371,662
224 Improvement of instruction-in-service and staff training				
100 Salaries	0	890	0	890
200 Employee benefits	0	213	0	213
300 Purchased services	0	0	42,192	374,482
400 Supplies and materials	0	0	1,852	137,555
600 Other objects	0	0	0	9,000
	0	1,103	44,044	522,140

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
250 Finance & operations services				
251 Student transportation (federal/district mandated)				
100 Salaries	\$0	\$1,981	\$31,992	\$88,615
200 Employee benefits	0	373	7,433	39,493
300 Purchased services	0	2,392	36,339	50,221
600 Other objects	0	0	183	2,516
	<u>0</u>	<u>4,746</u>	<u>75,947</u>	<u>180,845</u>
260 Central support services				
266 Technology and data processing services				
300 Purchased services	0	1,179	13,940	15,119
400 Supplies and materials	0	0	33,329	33,329
500 Capital outlay	0	0	20,000	20,000
	<u>0</u>	<u>1,179</u>	<u>67,269</u>	<u>68,448</u>
270 Support services pupil activity				
271 Pupil service activities				
100 Salaries	0	200	3,011	3,211
200 Employee benefits	0	35	704	739
300 Purchased services	0	0	8,341	17,798
400 Supplies and materials	0	0	2,206	2,206
600 Other objects	0	0	3,179	3,179
	<u>0</u>	<u>235</u>	<u>17,441</u>	<u>27,133</u>
TOTAL SUPPORT SERVICES	<u>1,874</u>	<u>355,749</u>	<u>469,190</u>	<u>2,867,720</u>
300 Community services				
360 Welfare Services				
400 Supplies and materials	0	0	0	657
	<u>0</u>	<u>0</u>	<u>0</u>	<u>657</u>
390 Other community services				
300 Purchased services	0	0	2,574	2,574
	<u>0</u>	<u>0</u>	<u>2,574</u>	<u>2,574</u>
TOTAL COMMUNITY SERVICES	<u>0</u>	<u>0</u>	<u>2,574</u>	<u>3,231</u>

Marion County School District
Special Revenue Funds
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

	243 Adult Education EA Projects	Designated Restricted State Grants	Other Special Revenue Programs	Total
410 Intergovernmental expenditures				
411-720 Payments to SCDE	\$0	\$0	\$255,620	\$255,620
412-720 Payments to other governmental units	0	0	11,572	11,572
Total Intergovernmental Expenditures	0	0	267,192	267,192
TOTAL EXPENDITURES	67,636	638,657	2,500,705	8,430,127
Excess/(Deficiency) of revenues over expenditures	0	0	2,306	235,139
OTHER FINANCING SOURCES (USES)				
Interfund transfers, from (to) other funds				
420-710 Transfer to general fund	0	0	(185)	(185)
431-791 Special revenue fund indirect costs	0	0	0	(232,833)
TOTAL OTHER FINANCING SOURCES (USES)	0	0	(185)	(233,018)
Excess/(Deficiency) of revenues over expenditures and other financing sources (uses)	0	0	2,121	2,121
FUND BALANCE - July 1, 2013	0	0	624,256	624,256
FUND BALANCE - June 30, 2014	\$0	\$0	\$626,377	\$626,377

Marion County School District
Special Revenue Fund
NOTES TO COMBINING SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

<u>Subfund code</u>	<u>Title</u>
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Designated Restricted State Grants consists of the following:

926	Summer Reading
928	EEDA Career Specialist
936	Student Health & Fitness - Nurses
937	Student Health & Fitness - PE Teachers
955	Adult Education DSS SNAP E & T Program
960	K-5 Enhancement
967	6-8 Enhancement
969	Lottery Technology Coach

Marion County School District
Special Revenue Fund
NOTES TO COMBINING SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

<u>Subfund code</u>	<u>Title</u>
Other Special Revenue Programs consists of the following:	
212	Extended School Year
224	21st Century Community Learning Centers
232	McKinney-Vento
237	Title I - School Improvement
251	Rural and Low-Income School Program, Title VI
264	Title III - Limited English Proficiency
267	Improving Teacher Quality
296	Army JROTC
297	Marine Corps JROTC
800	Unemployment Reserve Fund
801	Unemployment Reserve Fund
802	Unemployment Reserve Fund
805	Wonderworks Clemson/Duke
807	Pathways to Financial Success
808	Acellus Personal Finance
809	Palmetto Alumni
813	Exxon Grant
816	Science South
817	SC Campaign to Prevent Teenage Pregnancy
820	PELL Grant
821	SC GEAR Up
829	Higher Education Awareness Program (HEAP)
840	Teacher Courses
849	McLeod Hospital Grant
851	SC Vocational Rehabilitation Grant
852	Net Lead Grant
856	Adult Education
862	JAG
879	E-rate
968	Medicaid
970	Medicaid

Marion County School District
Special Revenue Fund
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
Year Ended June 30, 2014

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Special Revenue Fund Revenue Received in Advance
919	3193	Education License Plates	\$0	\$0	\$0	\$0	\$1,347
928	3118	EEDA Career Specialist	122,244	122,244	0	0	0
936	3136	Student Health and Fitness - Nurses	154,633	154,633	0	0	0
937	3127	Student Health and Fitness - PE Teachers	50,461	50,461	0	0	9,984
960	3610	K-5 Enhancement	196,273	196,273	0	0	0
967	3607	6-8 Enhancement	14,640	14,640	0	0	9,431
			<u>\$538,251</u>	<u>\$538,251</u>	<u>\$0</u>	<u>\$0</u>	<u>\$20,762</u>

Marion County School District
Education Improvement Act
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL PROGRAMS
Year Ended June 30, 2014

REVENUES

1000 Local revenue	
1900 Revenue from local sources	
1990 Miscellaneous local revenue	
1999 Revenue from other local sources	\$2,945
3000 Revenue from state sources	
3500 Education improvement act	
3502 ADEPT	11,452
3509 Arts in education	24,263
3511 Professional development	34,209
3525 Career and technology education equipment	46,979
3526 Refurbishment of K-8 science kits	18,115
3532 National board certification (NBC) salary supplement	68,991
3533 Teacher of the year awards	1,077
3538 Students at risk of school failure	1,337,069
3541 Child Development Education Pilot Programs (CDEPP)	976,280
3544 High achieving students	55,047
3550 Teacher salary increase	817,047
3555 School employer contributions	108,636
3556 Adult education	148,606
3558 Reading	19,856
3577 Teacher supplies	101,200
3578 High schools that work	34,815
3585 Aid to Districts - Special Education	60,522
3592 Work based learning	21,695
3594 EEDA At Risk supplemental programs	156,818
3597 Aid to Districts	240,815
	<hr/>
TOTAL REVENUES	4,286,437
	<hr/>

EXPENDITURES

100 Instruction	
110 General instruction	
111 Kindergarten programs	
100 Salaries	15,002
200 Employee benefits	11,217
400 Supplies and materials	5,083
	<hr/>
	31,302
	<hr/>

Marion County School District
Education Improvement Act
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL PROGRAMS
Year Ended June 30, 2014

112 Primary programs	
100 Salaries	\$207,647
200 Employee benefits	62,250
300 Purchased services	226
400 Supplies and materials	23,546
	<u>293,669</u>
113 Elementary programs	
100 Salaries	419,377
200 Employee benefits	137,330
300 Purchased services	12,129
400 Supplies and materials	68,881
600 Other objects	200
	<u>637,917</u>
114 High school programs	
100 Salaries	472,605
200 Employee benefits	156,049
300 Purchased services	28,194
400 Supplies and materials	50,740
600 Other objects	400
	<u>707,988</u>
115 Career and technology education programs	
100 Salaries	7,500
200 Employee benefits	1,777
400 Supplies and materials	50,829
	<u>60,106</u>
117 Driver education program	
400 Supplies and materials	550
	<u>550</u>
120 Exceptional programs	
121 Educable mentally handicapped	
100 Salaries	50,803
200 Employee benefits	16,122
400 Supplies and materials	1,375
	<u>68,300</u>
122 Trainable mentally handicapped	
100 Salaries	58,391
200 Employee benefits	6,994
400 Supplies and materials	1,650
	<u>67,035</u>
126 Speech handicapped	
100 Salaries	55,305
200 Employee benefits	17,237
400 Supplies and materials	1,650
	<u>74,192</u>

Marion County School District
Education Improvement Act
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL PROGRAMS
Year Ended June 30, 2014

127 Learning disabilities	
100 Salaries	\$18,884
200 Employee benefits	4,847
400 Supplies and materials	7,150
	<u>30,881</u>
130 Pre-School programs	
137 Preschool handicapped self-contained (3 & 4 yr. olds)	
400 Supplies and materials	825
	<u>825</u>
140 Special programs	
141 Gifted and talented - academic	
100 Salaries	48,450
200 Employee benefits	14,848
300 Purchased services	1,000
400 Supplies and materials	275
	<u>64,573</u>
147 CDEPP	
100 Salaries	688,725
200 Employee benefits	287,357
300 Purchased services	28
400 Supplies and materials	3,300
600 Other objects	170
	<u>979,580</u>
160 Other Exceptional Programs	
161 Autism	
100 Salaries	25,510
200 Employee benefits	15,250
	<u>40,760</u>
170 Summer school programs	
175 Instructional programs beyond regular school day	
100 Salaries	24,875
200 Employee benefits	5,984
400 Supplies and materials	467
	<u>31,326</u>
180 Adult/continuing educational programs	
181 Adult basic education programs	
100 Salaries	44,772
200 Employee benefits	7,586
400 Supplies and materials	1,202
	<u>53,560</u>
182 Adult secondary education programs	
100 Salaries	8,432
200 Employee benefits	2,287
400 Supplies and materials	164
	<u>10,883</u>
TOTAL INSTRUCTION	<u>3,153,447</u>

Marion County School District
Education Improvement Act
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL PROGRAMS
Year Ended June 30, 2014

200 Support services	
210 Pupil services	
212 Guidance services	
400 Supplies and materials	\$3,850
	<u>3,850</u>
216 Vocational placement services	
100 Salaries	18,000
200 Employee benefits	3,695
	<u>21,695</u>
220 Instructional staff services	
221 Improvement of instruction-curriculum development	
100 Salaries	6,000
200 Employee benefits	1,400
	<u>7,400</u>
222 Library and media	
400 Supplies and materials	2,750
	<u>2,750</u>
223 Supervision of special programs	
100 Salaries	57,676
200 Employee benefits	26,281
300 Purchased services	207
	<u>84,164</u>
224 Improvement of instruction - inservice and staff training	
100 Salaries	6,500
200 Employee benefits	1,548
300 Purchased services	43,753
400 Supplies and materials	7,660
600 Other objects	100
	<u>59,561</u>
250 Finance and operations services	
251 Student transportation (federal/district mandated)	
100 Salaries	3,645
200 Employee benefits	856
300 Purchased services	4,926
	<u>9,427</u>
270 Support Services Pupil Activity	
271 Pupil Services Activities	
300 Purchased services	18,460
	<u>18,460</u>
TOTAL SUPPORT SERVICES	<u>207,307</u>
TOTAL EXPENDITURES	<u>3,360,754</u>
Excess/(Deficiency) of revenues over expenditures	<u>925,683</u>

Marion County School District
Education Improvement Act
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL PROGRAMS
Year Ended June 30, 2014

OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds	
420-710 Transfer to General Fund	(\$925,683)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(925,683)</u>
Excess/(Deficiency) of revenues over expenditures and other sources (uses)	
	0
FUND BALANCE - July 1, 2013	<u>0</u>
FUND BALANCE - June 30, 2014	<u><u>\$0</u></u>

Marion County School District
Education Improvement Act
SUMMARY SCHEDULE BY PROGRAM
Year Ended June 30, 2014

	Revenues	Expenditures	EIA Fund Transfers In (Out)	EIA Fund Revenue Received in Advance	Other Fund Transfers In (Out)
1000 Revenue from local sources					
1990 Miscellaneous local revenue					
1999 Revenue from other locals sources	\$2,945	\$2,945	\$0	\$2,315	\$0
3000 Revenue from state sources					
3500 Education improvement act					
3502 ADEPT	11,452	11,452	0	6,094	0
3505 Technology support	0	0	0	12,315	0
3509 Arts in education	24,263	24,263	0	478	0
3511 Professional development	34,209	34,209	0	0	0
3518 Formative Assessment	0	0	0	11,225	0
3525 Career and technology education equipment	46,979	46,979	0	9,255	0
3526 Refurbishment of K-8 science kits	18,115	18,115	0	8,510	0
3532 National board certification (NBC) salary supplement	68,991	68,991	0	0	0
3533 Teacher of the year awards	1,077	1,077	0	0	0
3538 Students at risk of school failure	1,337,069	1,337,069	0	0	0
3541 Child Development Education Pilot Programs (CDEPP)	976,280	976,280	0	10,498	0
3544 High achieving students	55,047	55,047	0	0	0
3550 Teacher salary increase	817,047	0	0	0	(817,047)
3555 School employer contributions	108,636	0	0	0	(108,636)
3556 Adult education	148,606	148,606	0	0	0
3558 Reading	19,856	19,856	0	23,009	0
3577 Teacher supplies	101,200	101,200	0	0	0
3578 High schools that work	34,815	34,815	0	3,020	0
3585 Aid to Districts - Special Education	60,522	60,522	0	0	0
3592 Work based learning	21,695	21,695	0	0	0
3594 EEDA supplemental programs	156,818	156,818	0	30,337	0
3597 Aid to Districts	240,815	240,815	0	0	0
TOTAL	<u>\$4,286,437</u>	<u>\$3,360,754</u>	<u>\$0</u>	<u>\$117,056</u>	<u>(\$925,683)</u>

Marion County School District
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

REVENUES

1000 Revenue from local sources	
1100 Taxes	
1110 Ad valorem taxes including delinquent (fiscally independent LEA)	\$544,518
1140 Penalties & Interest on Taxes (Independent)	118
1200 Revenues from local governmental units other than LEAs	
1280 Revenue in lieu of taxes (dependent & independent)	13,540
1500 Earnings on investments	
1510 Interest on investments	1,476
TOTAL LOCAL SOURCES	<u>559,652</u>

3000 Revenue from state sources	
3800 State revenue in lieu of taxes	
3820 Homestead exemption (Tier 2)	43,300
3830 Merchant's inventory tax	20,735
3840 Manufacturers Depreciation Reimbursement	2,710
3890 Other state property tax revenues	5,664

TOTAL STATE SOURCES	<u>72,409</u>
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TOTAL REVENUE ALL SOURCES	<u>632,061</u>
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EXPENDITURES

500 Debt service	
610 Redemption of principal	551,473
620 Interest	143,750
690 Other objects	574
TOTAL EXPENDITURES	<u>695,797</u>

Excess/(Deficiency) of revenues over expenditures	<u>(63,736)</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds	
5210 Transfer from general fund	16,473
TOTAL OTHER FINANCING SOURCES (USES)	<u>16,473</u>

Excess/(Deficiency) of revenue over expenditures and other financing sources (uses)	(47,263)
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FUND BALANCE - July 1, 2013	<u>1,915,436</u>
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FUND BALANCE - June 30, 2014	<u><u>\$1,868,173</u></u>
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Marion County School District
Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

REVENUES

1000 Revenue from local sources	
1500 Earnings on investments	
1510 Interest on investments	\$1,522
1900 Other revenue from local sources	
1990 Miscellaneous local revenue	
1999 Revenue from other local sources	18,725
TOTAL LOCAL SOURCES	<u>20,247</u>

TOTAL REVENUE ALL SOURCES	<u>20,247</u>
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EXPENDITURES

250 Finance and operations	
253 Facilities acquisition and construction	
300 Purchased services	88,997
500 Capital outlay	
520 Construction services	142,800
530 Improvements other than buildings	69,383
540 Equipment	13,604
TOTAL EXPENDITURES	<u>314,784</u>

Excess/(Deficiency) of revenues over expenditures	(294,537)
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FUND BALANCE - July 1, 2013	<u>3,999,924</u>
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FUND BALANCE - June 30, 2014	<u><u>\$3,705,387</u></u>
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Marion County School District
Special Revenue - Food Service Fund
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

REVENUES

1000 Revenue from local sources	
1500 Earnings on investments	
1510 Interest on investments	\$6,849
1600 Food service	
1610 Lunch sales to pupils	61,572
1620 Breakfast sales to pupils	732
1630 Special sales to pupils	59,183
1640 Lunch sales to adults	44,274
1650 Breakfast sales to adults	1,205
1660 Special sales to adults	3,357
1900 Other revenue from local sources	
1990 Miscellaneous local revenue	
1993 Receipt of insurance proceeds	12,051
TOTAL REVENUE FROM LOCAL SOURCES	<u>189,223</u>

2000 Intergovernmental revenue	
2100 Payments from other governmental units	29,478
TOTAL REVENUE FROM OTHER GOVERNMENT UNITS	<u>29,478</u>

3000 Revenue from state sources	
3100 Restricted state funding	
3142 Program aid	255
TOTAL STATE SOURCES	<u>255</u>

4000 Revenue from federal sources	
4800 USDA reimbursement	
4810 School lunch and after school snacks program	1,900,264
4830 School breakfast program	741,903
4860 Fresh fruits and vegetables program	34,689
4900 Other federal sources	
4991 USDA commodities (food distribution program)	163,975
TOTAL FEDERAL SOURCES	<u>2,840,831</u>

TOTAL REVENUE ALL SOURCES	<u>3,059,787</u>
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EXPENDITURES

256 Food Service	
100 Salaries	943,964
200 Employee benefits	139,951
300 Purchased services	57,763
400 Supplies and materials	1,566,238
600 Other objects	2,668
TOTAL FOOD SERVICE EXPENDITURES	<u>2,710,584</u>

Marion County School District
Special Revenue - Food Service Fund
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2014

Excess/(Deficiency) of revenues over expenditures	<u>\$349,203</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds	
5270 Transfer from pupil activity	180
432-791 Food service fund indirect costs	<u>(184,989)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(184,809)</u>
Excess/(Deficiency) of revenues over expenditures and other financing sources (uses)	164,394
FUND BALANCE - July 1, 2013	<u>2,049,137</u>
FUND BALANCE - June 30, 2014	<u><u>\$2,213,531</u></u>

Marion County School District
Pupil Activity Funds
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN
FUND BALANCE/DUE TO STUDENT GROUPS
Year Ended June 30, 2014

RECEIPTS

1000 Receipts from local sources	
1500 Earnings on investments	
1510 Interest on investments	\$390
1700 Pupil activities	
1710 Admissions	123,513
1730 Pupil organization membership dues and fees	2,850
1740 Student fees	40,108
1790 Other	542,146
1900 Other revenue from local sources	
1920 Contributions and donations - private sources	16,420
TOTAL RECEIPTS FROM LOCAL SOURCES	<u>725,427</u>

DISBURSEMENTS

270 Support services pupil activity	
272 Enterprise activities	
100 Salaries	67,938
200 Employee Benefits	15,382
660 Pupil activity	735,005
273 Trust and agency activities	
660 Pupil activity	4,500
TOTAL PUPIL ACTIVITY EXPENDITURES	<u>822,825</u>
Excess/(Deficiency) of receipts over disbursements	<u>(97,398)</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds	
5210 Transfer from general fund	40,500
5270 Transfer from pupil activity funds	56,763
425-710 Transfer to food service fund	(180)
426-710 Transfer to pupil activity funds	(56,763)
TOTAL OTHER FINANCING SOURCES (USES)	<u>40,320</u>
Excess/(Deficiency) of receipts over disbursements and other financing sources (uses)	(57,078)
FUND BALANCE/DUE TO STUDENT GROUPS - July 1, 2013	<u>551,352</u>
FUND BALANCE/DUE TO STUDENT GROUPS - June 30, 2014	<u>\$494,274</u>

Fund balance and balance due to student groups at June 30, 2014 can be broken down as follows:

Due to student groups - (agency)	\$141,493
Reserve for pupil activities	191,176
Reserve for BASC	3,086
Reserve for scholarship funds	119,614
Reserve for Marion High School Library	38,905
	<u>\$494,274</u>

Marion County School District
Pupil Activity Funds
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN
FUND BALANCE/DUE TO STUDENT GROUPS
Year Ended June 30, 2014

	Agency Funds	Private Purpose Trust Funds	General Fund	Other Governmental Funds	Total
RECEIPTS					
1000 Receipts from local sources					
1500 Earnings on investments					
1510 Interest on investments	\$0	\$239	\$0	\$151	\$390
1700 Pupil activities					
1710 Admissions	123,513	0	0	0	123,513
1730 Pupil organization membership dues and fees	2,850	0	0	0	2,850
1740 Student fees	40,108	0	0	0	40,108
1790 Other	542,146	0	0	0	542,146
1900 Other revenue from local sources					
1920 Contributions and donations - private sources	14,970	1,450	0	0	16,420
TOTAL RECEIPTS FROM LOCAL SOURCES	<u>723,587</u>	<u>1,689</u>	<u>0</u>	<u>151</u>	<u>725,427</u>
DISBURSEMENTS					
270 Support services pupil activity					
272 Enterprise activities					
100 Salaries	67,938	0	0	0	67,938
200 Employee Benefits	15,382	0	0	0	15,382
660 Pupil activity	735,005	0	0	0	735,005
273 Trust and agency activities					
100 Salaries	0	0	0	0	0
200 Employee Benefits	0	0	0	0	0
660 Pupil activity	100	4,400	0	0	4,500
TOTAL PUPIL ACTIVITY EXPENDITURES	<u>818,425</u>	<u>4,400</u>	<u>0</u>	<u>0</u>	<u>822,825</u>
Excess/(Deficiency) of receipts over disbursements	<u>(94,838)</u>	<u>(2,711)</u>	<u>0</u>	<u>151</u>	<u>(97,398)</u>
OTHER FINANCING SOURCES (USES)					
Interfund Transfers, From (To) Other Funds					
5210 Transfer from general fund	40,500	0	0	0	40,500
5270 Transfer from pupil activity funds	56,763	0	0	0	56,763
425-710 Transfer to food service fund	(180)	0	0	0	(180)
426-710 Transfer to pupil activity funds	(56,763)	0	0	0	(56,763)
TOTAL OTHER FINANCING SOURCES (USES)	<u>40,320</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,320</u>
Excess/(Deficiency) of receipts over disbursements and other financing sources (uses)	<u>(54,518)</u>	<u>(2,711)</u>	<u>0</u>	<u>151</u>	<u>(57,078)</u>
FUND BALANCE/DUE TO STUDENT GROUPS - July 1, 2013	<u>196,011</u>	<u>122,325</u>	<u>191,176</u>	<u>41,840</u>	<u>551,352</u>
FUND BALANCE/DUE TO STUDENT GROUPS - June 30, 2014	<u>\$141,493</u>	<u>\$119,614</u>	<u>\$191,176</u>	<u>\$41,991</u>	<u>\$494,274</u>

For basic financial statement reporting purposes, the funds accounted for in the pupil activity funds are reclassified based on generally accepted accounting principle fund definitions.

Marion County School District
Combining Balance Sheet
Pupil Activity Funds
June 30, 2014

	Agency Funds	Private Purpose Trust Funds	General Fund	Other Governmental Funds	Total
ASSETS					
Accounts receivable	\$1,438	\$0	\$0	\$0	\$1,438
Due from general fund	149,752	0	191,176	3,086	344,014
Investments-restricted	0	119,614	0	38,905	158,519
TOTAL ASSETS	\$151,190	\$119,614	\$191,176	\$41,991	\$503,971
LIABILITIES					
Accounts Payable	\$9,697	\$0	\$0	\$0	\$9,697
Due to Student Groups	141,493	0	0	0	141,493
TOTAL LIABILITIES	151,190	0	0	0	151,190
FUND BALANCES					
Restricted	0	0	0	38,905	38,905
Assigned	0	0	191,176	3,086	194,262
Held in trust for scholarships					
Nonexpendable	0	49,091	0	0	49,091
Expendable	0	70,523	0	0	70,523
TOTAL FUND BALANCES	0	119,614	191,176	41,991	352,781
TOTAL LIABILITIES AND FUND BALANCES	\$151,190	\$119,614	\$191,176	\$41,991	\$503,971

For basic financial statement reporting purposes, the funds accounted for in the pupil activity funds are reclassified based on generally accepted accounting principle fund definitions.

Marion County School District
LOCATION RECONCILIATION SCHEDULE
Year Ended June 30, 2014

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
000	All Schools	Non-Schools	Central	\$952,332
001	Spring Branch Property	Non-Schools	Central	6,907
002	Marion High School	High School	School	5,876,961
003	Easterling School	Elementary	School	5,643,860
004	Marion Intermediate School	Elementary	School	3,887,227
007	Johnakin Middle School	Middle School	School	4,481,198
008	Mullins High School	High School	School	4,355,774
009	Palmetto Middle School	Middle School	School	3,249,817
010	McCormick Elementary School	Elementary	School	2,621,515
012	Fox Field	Non-Schools	Central	29,280
013	North Mullins Primary School	Elementary	School	2,766,647
014	Mullins Early Childhood Center	Elementary	School	812,987
022	Activity Bus	Non-Schools	Central	73,097
023	Brittons Neck Elementary School	Elementary	School	2,628,860
024	Creek Bridge High School	High School	School	3,822,515
030	Adult Education	Other School	School	379,945
031	Southside Success Academy	Alternative School	School	843,649
032	Athletic Complex Marion	High School	Central	21,452
907	Community Center Centenary	Non-Schools	Central	8,938
908	Saffold Building	Non-Schools	Central	6,223
910	Central Office	Non-Schools	Central	4,013,269
913	Marion County Schools Annex	Non-Schools	Central	621,306
922	Superintendent House Centenary	Non-Schools	Central	1,074
925	Maintenance	Non-Schools	Central	326,621
926	Storage	Non-Schools	Central	879
927	Old Red Brick School	Non-Schools	Central	3,580
928	Rains Centenary Elementary	Non-Schools	Central	26,321
929	Rains District Office-House	Non-Schools	Central	3,723
930	Springville	Non-Schools	Central	4,428
933	Southside	Non-Schools	Central	14,184
940	Bus driver	Non-Schools	Central	78,308

Marion County School District
LOCATION RECONCILIATION SCHEDULE
Year Ended June 30, 2014

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
950	Subs	Non-Schools	Central	\$119
995	Academy for Careers & Technology	High School	School	1,914,653
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				<u>\$49,477,649</u>
The above expenditures are reconciled to the District's financial statements as follows:				
	General Fund			\$33,142,778
	Special Revenue Fund			8,430,127
	Special Revenue Fund - Food Service			2,710,584
	Special Revenue EIA Fund			3,360,754
	Debt Service Fund			695,797
	Capital Projects Fund			314,784
	Trust and Agency Funds			<u>822,825</u>
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				<u>\$49,477,649</u>

Marion County School District
Schedule of FEMA Assistance
Year Ended June 30, 2014

<u>Project Worksheet #</u>	<u>Approved Amount</u>	<u>Expenditures</u>	<u>Federal Share</u>	<u>Questioned Costs</u>
PA-04-SC-4166-PW-00242(0)	\$2,856	\$2,856	\$2,142	\$0
PA-04-SC-4166-PW-00260(0)	196	196	147	0
PA-04-SC-4166-PW-00259(0)	<u>2,915</u>	<u>2,915</u>	<u>2,186</u>	<u>0</u>
	<u><u>\$5,967</u></u>	<u><u>\$5,967</u></u>	<u><u>\$4,475</u></u>	<u><u>\$0</u></u>