



Spartanburg
School
District **SEVEN**

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**Comprehensive
Annual
Financial
Report**

Fiscal Year Ended June 30, 2016

Spartanburg, South Carolina

SPARTANBURG COUNTY SCHOOL DISTRICT 7

**Comprehensive
Annual Financial Report**
Fiscal Year Ended June 30, 2016

Dr. Russell W. Booker
Superintendent

Spartanburg School District 7
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Spartanburg, South Carolina 29307
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Prepared by:
Office of the Chief Financial Officer



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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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Our Board of Trustees & Superintendent



Front Row: Rick Gray, Meg Clayton, Julie Lonon, Sharon Porter, Ernest White

Back Row: Andy Hayes, Clay Mahaffey, Sanders Lee, Vernon Beatty



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Dr. Russell W. Booker
Superintendent

October 24, 2016

To the Board of Trustees and Citizens of Spartanburg County School District 7

State law requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit to you the comprehensive annual financial report of Spartanburg School District 7 for the fiscal year ended June 30, 2016.

Our CAFR is divided into four sections: introductory, financial, statistical, and single audit. The introductory section includes the letter of transmittal, a list of the Spartanburg School District 7 School Board members and principal officials, and the organizational chart. The financial section includes the independent auditors' report, management's discussion and analysis, and basic financial statements including the notes. In addition, the financial section provides supplemental data on the combining of individual funds. The statistical section provides selected financial and demographic information, generally presented on a multi-year basis.

The report consists of management's representations concerning the finances of SD7. Consequently, management assumes full responsibility for the completeness and reliability of all the information present in this report. To provide a reasonable basis for making these representations, management of SD7 has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of SD7's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, SD7's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Spartanburg School District 7's financial statements have been audited by McAbee, Schwartz, Halliday & Co. The role of the independent auditor is to audit the financial statements to determine if the basic financial statements are free of material misstatements and to assess the accounting principles used. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Spartanburg School District 7's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The

Independents auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Spartanburg School District 7 was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Single Audit is presented following the statistical section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Spartanburg School District 7's MD&A can be found immediately following the report of the independent auditors.

ORGANIZATIONAL STRUCTURE

Spartanburg School District 7 is one of seven districts in Spartanburg County. The district is a consolidated unified system formed in 1950 when six smaller local districts were formed into one district. Similar consolidations were done throughout the county to form the other six districts. SD7 operates a system of schools primarily for grades kindergarten through twelve.

Spartanburg School District 7 is governed by a nine-member Board of Trustees. Programs and policies are established by the publicly elected Board that serve 4-year terms and meet on the first Tuesday of each month except in July and December.

Spartanburg School District 7 (SD7) operates 10 schools. SD7 each day challenges and inspires nearly 6,800 young people in grades K-12. In addition to 6 elementary schools, 2 middle schools, 1 high school/freshman academy, and 1 K-8 school, the district is financially accountable for the McCarthy Teszler School, a countywide school for special education students, and the Spartanburg County Alternative Education School. SD7 shares Daniel Morgan Technology Center with Spartanburg School District No. 3, a jointly governed organization. SD7 offers several other educational programs including Spartanburg County Adult Education, and an Early Learning Center for 4 year old kindergarteners.

ECONOMIC CONDITIONS AND OUTLOOK

Spartanburg County is an international melting pot with a history of Scotch-Irish, German and Indian traders of the mid-1700s to its international growth of German, Swiss, Japanese, Indian, Asian, and British companies of today. Spartanburg continues to be a model in world class economic diversification. Spartanburg County is shifting from a county with a high concentration of textiles to one with international firms from diverse industries to sustain economic growth and development. The high

concentration of international firms in Spartanburg County has provided national and international exposure to the area as well as a new foundation for economic growth.

The unemployment rate in the county for July 2016 was 5.4%, while statewide in South Carolina it was 5.4% and in the United States 5.1%. Job creation in the City of Spartanburg has risen over the last decade especially with the continuation of downtown redevelopment. Spartanburg's location, access to the interstate system, investment in the high-end technology industry, educational institutions, and the redevelopment of the City of Spartanburg will create economic growth and opportunities for its citizens.

In the past, the district has seen a reduction in student enrollment. However, the last several years we have seen a trend of stable enrollment and student population. This decline in previous years was expected based on housing trends within the area and was also budgeted for accordingly. Even with the stable trend data recently, the district still cautiously budgets student enrollment. The district projects a stable enrollment again in 2017 with nearly 7,000 students entering our learning environments.

The majority of the district's elementary schools, including the high school, were built in the 1950's to 1960's with renovations in the 2000's. Information on the specific age of each facility can be found within the Statistical Section of this document.

MAJOR INITIATIVES

The vision of Spartanburg School District 7 focuses on inspiring and equipping our students to live meaningful lives of service and leadership as world citizens. Therefore, the District continues to focus on student needs, curriculum, instruction, assessment and evaluations, and creating a positive school climate conducive to teaching and learning.

Recent efforts to meet the needs of our students are all within the vision and the goals of the District:

- The integration of technology into classroom instruction continues and the district spent the 2015-2016 school year providing professional development and support for teachers to further implement our 1 to 1 mobile device initiative, 7Ignites. School faculties and staff were provided professional development throughout the year in order to support the integration of the technology into the curriculum. Students in grades 3-5 were issued tablets (iPads) and students in grades 6-12 were issued MacBook Airs. Teachers received the same device as their students.
- The District's revised Response to Intervention (RtI) model was implemented during the 2015-2016 school year. Reading coaches were trained on the model and their work was aligned to the South Carolina College and Career Ready Curriculum Standards and performance expectations on the SC Ready assessment. The District, in collaboration with the schools, performed a thorough

evaluation of all reading intervention programs in order to ensure implementation of the best reading intervention programs for our students.

- As we strive to implement best practices and exemplary models for instruction and school climate, several schools reached milestones. Carver Middle School was named an AVID National Demonstration site as well as the first school in the world to be named a Learning Forward/AdvancED Learning School. Chapman Elementary became our second Leader in Me school.
- The District completed a rigorous self-study as part of our continuous improvement process and hosted an AdvancED Quality Assurance External Review Team (ERT) and received full districtwide accreditation through 2021.

LONG-TERM FINANCIAL PLANNING

Spartanburg School District 7 remains financially sound and has managed its educational programs within its available resources. The district, with the passage of Act 388 by the state legislature, a property tax relief law on owner occupied property, must maintain its fund balance since the district will become more dependent on more volatile state revenue funds generated by sales tax as a replacement for those property taxes. The district has taken the approach that all funds available for important programs must be considered in not only providing the programs, but assuming that sustainability for future funding is present. The district continues to monitor staff levels to be proportionate to the student population levels and program needs. As the district continues to assess its current and future resources, there is a continuing review of programs and resources that can support them.

The district continues to do projections of resources, especially local taxes. The City of Spartanburg, with its efforts to revitalize downtown, has provided for economic growth which, in turn, will benefit the district's revenue base. This growth is spreading from the district tax increment and positively affecting development in the City of Spartanburg, both in residential and commercial projects.

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program remains a main focus area of SD7's financial planning. The following Capital Improvement projects were either completed, or are ongoing during FY16.

1. Roof upgrades were completed for Boyd Elementary, McCracken Middle, Whitlock Flexible Learning Center, The Early Learning Center at Park Hills, Cleveland Academy of Leadership and Spartanburg High School.
2. Extensive painting of classrooms and hallways occurred at McCarthy-Teszler School, Carver Middle School and Mary H Wright Elementary.
3. Renovations at Duncan Park Stadium began in FY13 and were ongoing in FY16. These improvements include retaining walls, infrastructure improvements, siding,

netting, seating, sidewalks and participant/spectator safety items.

4. Site and playground improvements began in FY14 at Pine Street Elementary School and continued through FY16. The addition of a fire truck access was the primary purpose for the upgrade. Additionally, however, new playground equipment and improved fall zones were completed.
5. In FY16, the first of a two or three phase program for the building envelope, HVAC and energy upgrade began at Pine Street Elementary. This program includes energy efficient windows and installation of a 4-pipe system.

Finally, the comprehensive facilities study begun in FY13 and completed in FY14 was used to develop a capital improvement plan. The Board of Trustees approved the conceptual plan and charged the administration with garnering input from the community regarding the plan. After receiving input from the community, the Board of Trustees approved a referendum for \$185 million to be held in March 2016. The referendum passed by a margin of approximately 2:1. In March of FY16 planning began in earnest for the following:

1. Build a new state-of-the-art elementary school with an 800 student capacity to replace Houston and Chapman Elementary Schools with an estimated cost of \$36 million and an opening date of Fall 2018.
2. Build a new state-of-the-art high school designed for 2,100 students, with a core capacity for 2,500 students with an estimated cost of \$128 million and an opening date of Fall 2019.
3. Renovate the existing Spartanburg High School to create a new McCracken Middle School with an estimated cost of \$11.6 million and an opening date of Fall 2020.

BUDGETARY CONTROLS

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Trustees. Activities of the general fund and debt service fund are included in the annual appropriated budget. Capital projects funds are budgeted on a project basis. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and to provide the means by which spending activities are controlled. SD7 also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, SD7 continues to meet its responsibility of sound financial management.

CASH MANAGEMENT POLICIES AND PRACTICES

Spartanburg School District 7 has an aggressive cash management program that consists of expediting the receipt of revenues and prudently investing available cash in

obligations collateralized by instruments issued or guaranteed by the United States Government or State of South Carolina. Total interest earned in 2015-2016 was \$29,980 in the General Fund. The interest earned in 2014-2015 was \$16,207 in the general fund. Given the extremely low investment rate environment, the district is as aggressive as possible with investments, and within State law, yet gives consideration for liquidity in the event of short or late payments from other entities.

RISK MANAGEMENT

Spartanburg County School District 7 monitors its risk exposure through the Office of the Assistant Superintendent for Planning. SD7 carries property, casualty, and workers compensation insurance with Surry Insurance and the South Carolina School Boards Association Insurance Trust, respectively, which maintains a self insurance pool subscribed to by the majority of districts in South Carolina.

PENSION/RETIRMENT PLAN

Substantially all SD7 employees are members of a pension plan. The South Carolina Public Employee Benefit Authority administers five public pension plans; four are defined benefit plans and one is a defined contribution plan. The Public Employee Benefit Authority is a division of the South Carolina State Budget and Control Board.

The Systems' defined contribution plan offers retirement and disability benefits, cost of living adjustments, life insurances and survivor benefits. The plan's provisions are established under Title 9 of the SC Code of Laws. Comprehensive Annual Financial Reports containing financial statements and required supplementary information for the system is issued and publicly available by writing the SC Public Employee Benefit Authority, P.O. Box 11960, Columbia, SC 29211-1960.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Spartanburg County School District Number 7 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year ended June 30, 2015. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International (ASBO). We believe our current CAFR

continues to meet the Certificate of Excellence in Financial Reporting program's requirements and we are submitting it to the ASBO to determine its eligibility for the award.

We would like to express our sincere gratitude to the Director of Finance and the entire staff of the Finance Division who participated in the preparation of this report and to our independent auditors, McAbee, Schwartz, Halliday & Co. Appreciation is extended to the Board of Trustees and the administration, whose continuing support is vital to the financial health of the school system.

Respectfully submitted,

A handwritten signature in blue ink that reads "Russell W. Booker". The signature is fluid and cursive, with the first and last names being more prominent.

Russell W. Booker, Ph.D.
Superintendent

A handwritten signature in blue ink that reads "Melissa Campbell". The signature is fluid and cursive, with the first and last names being more prominent.

Melissa Campbell, CGFO
Chief Financial Officer



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SPARTANBURG COUNTY SCHOOL DISTRICT 7
PRINCIPAL OFFICERS
YEAR ENDED JUNE 30, 2016

The Board of Trustees

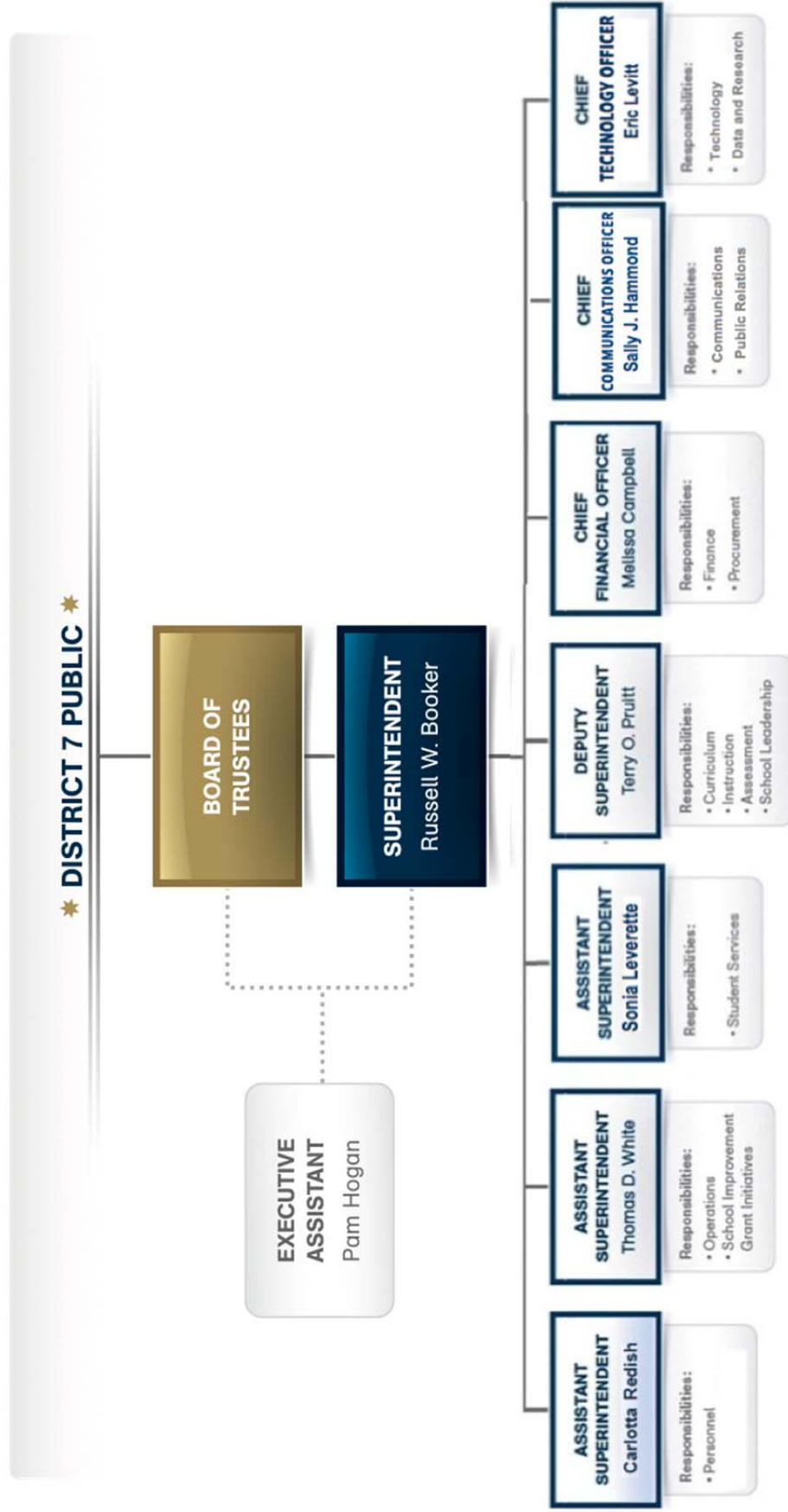
Mrs. Julie Lonon	Chair
Mrs. Sharon Porter	Vice-Chair
Mr. Sanders Lee	Secretary
Mr. Vernon Beatty	Member
Mrs. Meg Clayton	Member
Mr. Rick Gray	Member
Mr. Andy Hayes	Member
Mr. Clay Mahaffey	Member
Dr. Ernest H. White, Jr.	Member

Administration Officials

Dr. Russell W. Booker	Superintendent
Dr. Terry O. Pruitt	Deputy Superintendent
Dr. Thomas D. White, Jr.	Assistant Superintendent for Planning and Operations
Dr. Carlotta Redish	Assistant Superintendent for Human Resources
Dr. Sonia M. Leverette	Assistant Superintendent for Student Services
Mrs. Melissa C. Campbell	Chief Financial Officer
Mrs. Sally J. Hammond	Chief Communications Officer
Dr. Eric Levitt	Chief Technology Officer
Mrs. Erika L. Shoolbred	Director of Information Services
Dr. Albert L. Jeter	Director of Instructional Testing
Mr. R. Linton Carpenter	Director of Transportation
Mrs. Sandra H. Grubbs	Director of Finance
Mr. Terry Gilmer	Director of Maintenance and Operations
Mr. David Beyer	Director of Technology
Ms. Tammy Cooley	Director of Adult Education
Mrs. Cheryl Revels	Director of Special Education



District 7 | ORGANIZATIONAL CHART





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting Award
is presented to**

Spartanburg School District 7

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Spartanburg County School District 7
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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Innovation.*

Jesse Boyd Elementary
W. Herbert Chapman Elementary
Cleveland Academy of Leadership
Houston Elementary
Pine Street Elementary
Mary H. Wright Elementary
Edwin P. Todd School

George Washington Carver Middle
Joseph G. McCracken Middle

Freshman Academy
Spartanburg High School

Early Learning Center at Park Hills
Daniel Morgan Technology Center
McCarthy/Teszler School
Whitlock Flexible Learning Center
ZL Madden Learning Center

To the Board of Trustees of
Spartanburg County School District No. 7
Spartanburg, South Carolina

INDEPENDENT AUDITOR'S REPORT

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 Spartanburg County School District No. 7 ("the District"), Spartanburg, South Carolina, as of and for the year ended June 30, 2016, 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 State of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United State 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 above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District No. 7, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of the District's Proportionate Share of the Collective Net Pension Liability, Schedules of the District's Contributions and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 inquires 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 Spartanburg County School District No. 7's basic financial statements. The introductory section, combining and individual fund schedules, other schedules required by the South Carolina Department of Education and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund schedules, other schedules required by the South Carolina Department of Education, 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules, other schedules required by the South Carolina Department of Education, 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Trustees of
Spartanburg County School District No. 7
Page Three

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2016, on our consideration of Spartanburg County School District No. 7's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Spartanburg County School District No. 7's internal control over financial reporting and compliance.

McAbee, Schwartz, Halliday & Co.

Spartanburg, South Carolina
October 24, 2016



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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Introduction

It is a pleasure to present the financial information of Spartanburg County School District No. 7 (SD7). This section presents management's discussion and analysis of the overall financial information of SD7 during the fiscal year ended June 30, 2016. We encourage the reader to consider this information in conjunction with SD7's transmittal letter, financial statements, and notes to the financial statements to enhance their understanding and use of the financial statements.

Financial Highlights

On the governmental activities financial statements:

- SD7's total assets and deferred outflows exceeded total liabilities and deferred inflows on June 30, 2016 by \$3.6 million. This is due to an increase in cash and cash equivalents and funds due from County Government. SD7 also purchased land that will be utilized in the construction of a new high school. This was offset by the issuance of a Bond Anticipation Note and an increase in the net pension liability. For additional information, please refer to the notes to the financial statements.
- Governmental activities have an unrestricted net position balance of -\$86 million. This is due to the net pension liability, which was recorded in the prior year with the implementation of GASB No. 68 related to Accounting and Financial Reporting for Pensions. For additional information, please refer to the notes to the financial statements.
- The District's net position increased by \$7,841,032 or 186.9% due to the reasons listed above. Program revenues accounted for \$49,425,361 or 42.4% of total revenues and general revenues accounted for \$67,045,133 or 57.6%.
- Total expenses increased \$3,268,822 from \$105,360,640 in fiscal year 2015 to \$108,629,462 in fiscal year 2016.

On the fund financial statements:

- SD7's governmental fund revenues and other financing sources exceeded expenditures and other financing uses by \$8,523,099.
- SD7's general fund revenues and other financing sources exceeded expenditures and other uses by \$656,805. The General Fund total fund balance was reported as \$11,626,824, an increase of 6.0% from June 30, 2015.

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Using the Basic Financial Statements

The financial section of this annual report consists of three parts: (1) management's discussion and analysis, (2) basic financial statements, (3) other supplementary information.

SD7's basic financial statements consist of two types of statements, the government-wide financial statements and the fund financial statements, each with a different perspective of SD7's financial condition.

- Government-wide financial statements including the Statement of Net Position and the Statement of Activities which provide a broad, long-term overview of SD7 finances,
- Fund financial statements including the balance sheets that provide a great level of detail of revenues and expenditures and focus on how well SD7 has performed in the short term in the most significant funds, and
- The notes to the financial statements explain some of the information in the financial statements and provide more detailed data.

This report contains other supplementary information in addition to the basic financial statement themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the readers with a broad overview of the SD7's finances, in a manner similar to private sector business. The Statement of Net Position and the Statement of Activities provide information about the activities of the school district as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The **Statement of Net Position** presents information on all of SD7's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as *net position*. Increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The **Statement of Activities** presents information showing how net position changed during the year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in the future fiscal period (e.g., uncollected taxes and earned but not used vacation leave).

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To assess SD7's overall health, other nonfinancial factors such as the property tax base, current property tax laws, stability of state revenues and facility conditions should be used in arriving at their conclusion regarding the overall health of the District.

Fund Financial Statements

The fund financial statements provide more detailed information about SD7's funds, focusing on its most significant or *major* funds – not the School District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

- Some funds are required by State Law and by other regulations.
- The School District established other funds to control and manage money for particular purposes (such as repaying its long term debt) or to show that it is properly using revenues (such as capital projects).

The School District has two kinds of funds: Governmental and Fiduciary Funds.

Governmental Funds

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

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

SD7 maintains 8 significant governmental funds: General Fund, Special Revenue-Special Projects, Special Revenue-Spartanburg County Alternative School, Special Revenue-McCarthy-Teszler School, Special Revenue-Education Improvement Act, Special Revenue-Food Service, Capital Projects, and the District's Debt Service Fund.

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Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Financial Analysis as a Whole

All of SD7's services are reported in the government-wide financial statements, excluding agency funds. Instruction, support services, community services, intergovernmental, and interest and other charges are reported in the government-wide statements. Property taxes, state grants, operating grants and contributions, and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported here.

Net Position

The following table provides a summary of SD7's net position as of June 30, 2016 and 2015.

SUMMARY OF NET POSITION				
As of June 30				
Governmental Activities				
	2016	2015	Difference	%Change
Current assets	\$ 51,481,188	\$ 43,128,567	\$ 8,352,621	19.4%
Capital assets, net	121,822,003	112,795,979	9,026,024	8.0%
Total Assets	<u>173,303,191</u>	<u>155,924,546</u>	<u>17,378,645</u>	11.1%
Deferred Outflows of Resources	<u>16,938,437</u>	<u>11,071,622</u>	<u>5,866,815</u>	53.0%
Current liabilities	11,302,138	11,516,400	(214,262)	-1.9%
Long-term liabilities	167,773,243	151,294,872	16,478,371	10.9%
Total Liabilities	<u>179,075,381</u>	<u>162,811,272</u>	<u>16,264,109</u>	10.0%
Deferred Inflows of Resources	<u>7,519,759</u>	<u>8,379,440</u>	<u>(859,681)</u>	-10.3%
Net Position:				
Net investment in capital assets	78,460,060	64,329,631	14,130,429	22.0%
Restricted For				
General - nonexpendable	494,800	456,093	38,707	8.5%
Technology	487,449	479,146	8,303	1.7%
Food Service	1,724,834	1,209,128	515,706	42.7%
Alternative School	875,878	719,472	156,406	21.7%
McCarthy-Teszler	4,246,338	4,086,983	159,355	3.9%
Debt Service	3,449,099	4,055,450	(606,351)	-15.0%
Unrestricted	(86,091,970)	(79,530,447)	(6,561,523)	-8.3%
Total Net Position	<u>\$ 3,646,488</u>	<u>\$ (4,194,544)</u>	<u>\$ 7,841,032</u>	186.9%

Total assets at year-end increased \$17,378,645 or 11.1% above June 30, 2015 primarily due to an increase in cash and cash equivalents. The purchase of land relating to the construction of a new high school also attributed to this increase. SD7 experienced a decrease in funds due from the State Department of Education offset by an increase in funds due from the County Government as well. At year end for governmental activities, net capital assets represented 70.3% of total assets.

Capital assets, net of depreciation increased \$9,026,024 or 8% above June 30, 2015. This increase was due to the purchase of land that will be utilized in the construction of a new high school.

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Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Current liabilities decreased \$214,262 or 1.9% due to a reduction in unearned revenue and retainage payable. This decrease was offset by an increase in accounts payable and health insurance and other deductions.

Long-term liabilities are comprised mainly of two components: general obligation bonds and capitalized leases. Long-term liabilities increased \$16,478,371 or 10.9% primarily due to the issuance of a GO bond and GO Bond Anticipation Note that will be utilized to fund construction related to the new elementary and high school projects. Readers who desire more detailed information on the long-term debt activity and capital asset activity are directed to the notes to the financial statements for further information.

Operating Results

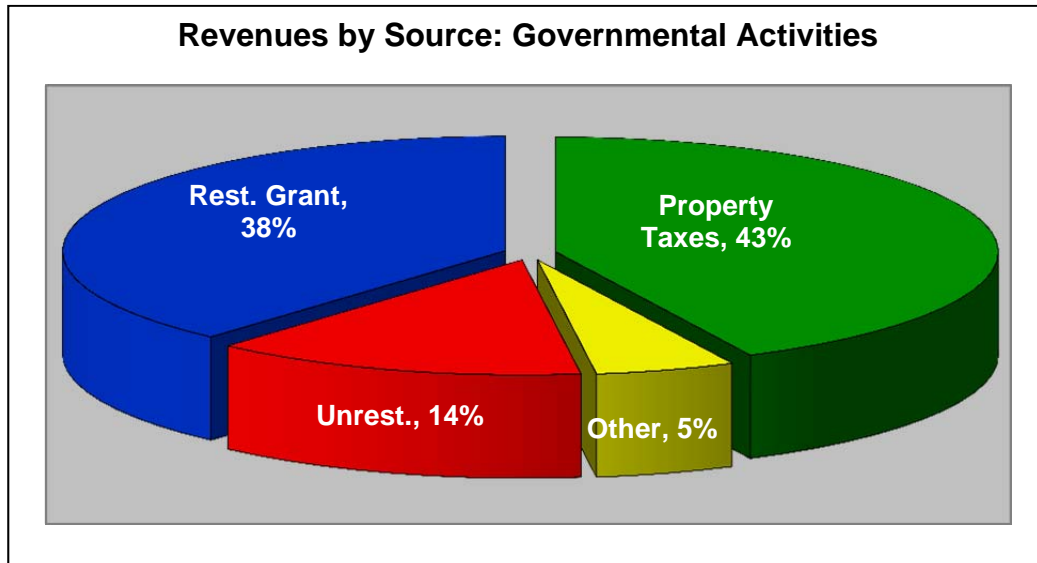
The following table provides a summary of the changes in net position for SD7 for the years ended June 30, 2016 and June 30, 2015.

SUMMARY OF CHANGES IN NET POSITION				
For the Year Ended June 30				
	Governmental Activities			
	2016	2015	Difference	%Change
Revenues:				
Program Revenues:				
Charges for services	\$ 4,645,139	\$ 3,715,282	\$ 929,857	25.0%
Operating grants and contributions	44,780,222	44,170,368	609,854	1.4%
Total Program Revenues	<u>49,425,361</u>	<u>47,885,650</u>	<u>1,539,711</u>	3.2%
General Revenues				
Property taxes (general purposes)	37,603,689	36,420,314	1,183,375	3.3%
Property taxes (debt services)	12,211,392	11,905,493	305,899	2.6%
Unrestricted state grants	15,857,426	15,658,125	199,301	1.3%
Contributions	218,579	232,164	(13,585)	-5.9%
Miscellaneous	1,081,565	1,100,957	(19,392)	-1.8%
Unrestricted investment earnings	72,482	55,189	17,293	31.3%
Total General Revenues	<u>67,045,133</u>	<u>65,372,242</u>	<u>1,672,891</u>	2.6%
Total Revenues	<u>116,470,494</u>	<u>113,257,892</u>	<u>3,212,602</u>	2.8%
Expenses:				
Instruction	58,455,868	57,027,914	1,427,954	2.5%
Support services	46,455,908	45,194,862	1,261,046	2.8%
Community services	1,195	2,228	(1,033)	-46.4%
Intergovernmental	2,024,919	1,858,954	165,965	8.9%
Interest and other charges	1,691,572	1,276,682	414,890	32.5%
Total Expenses	<u>108,629,462</u>	<u>105,360,640</u>	<u>3,268,822</u>	3.1%
Change in Net Position	<u>\$ 7,841,032</u>	<u>\$ 7,897,252</u>	<u>\$ (56,220)</u>	-0.7%
Net Position - July 1, 2015	\$ (4,194,544)	\$ (12,091,796)	\$ 7,897,252	65.3%
Net Position - June 30, 2016	<u>\$ 3,646,488</u>	<u>\$ (4,194,544)</u>	<u>\$ 7,841,032</u>	186.9%

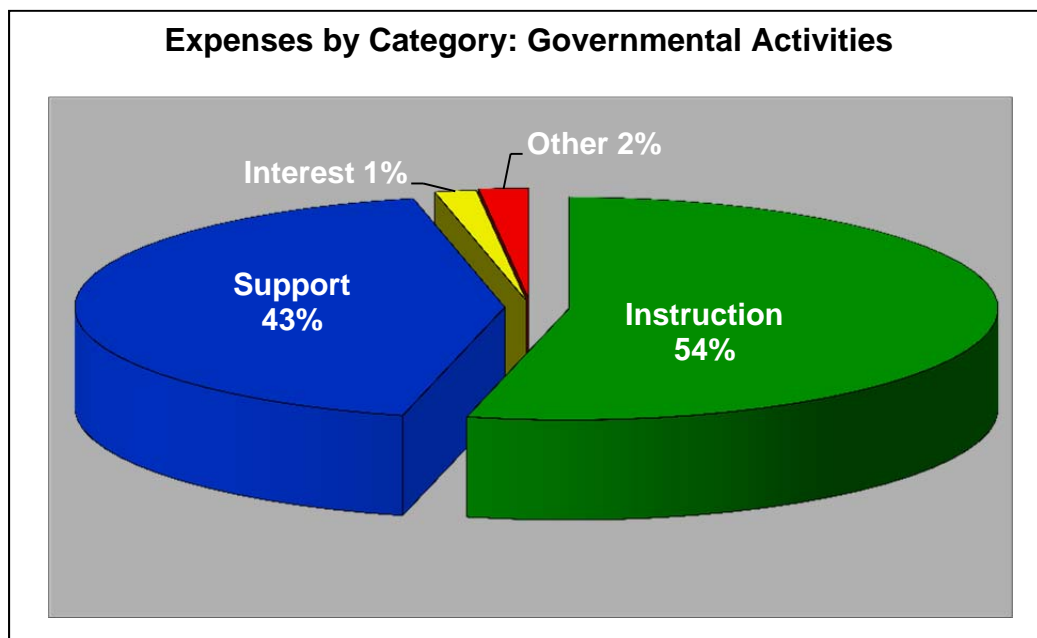
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Total revenues increased \$3,212,602 or 2.8% primarily due to the increase in local property tax revenues as well as increase in tuition from other LEAs and meal sales.



Total expenses increased by \$3,268,822 as a result of additional instructional and support services costs. These costs were primarily related to Elementary and Kindergarten programs as well as Support services related to Improvement of Instruction. These costs were also indicative of teacher salary and benefit increases as well as additional teachers needed to maintain class size targets.



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Capital Assets

At June 30, 2016 SD7 had \$121,822,003 invested in a broad range of capital assets, including land, buildings, building improvements, and equipment. The amount represents an increase (including additions, deductions and depreciation) of \$9,026,024 or 8% from fiscal year 2015.

CAPITAL ASSETS For the Year Ended June 30							
Governmental Activities							
	2015	Additions	Deductions	Transfers	2016	Difference	%Change
Land	\$ 1,575,283	\$ 9,950,000	\$ -	\$ -	\$ 11,525,283	\$ 9,950,000	86.3%
Buildings	162,188,737	438,180	-	1,028,028	163,654,945	1,466,208	0.9%
Improvements	11,140,408	127,441	-	1,259,373	12,527,222	1,386,814	12.4%
Equipment	8,827,783	253,796	102,161	113,261	9,092,679	264,896	3.0%
Construction in progress	4,108,825	2,870,853	-	(2,400,662)	4,579,016	470,191	11.4%
Total Capital Assets	187,841,036	13,640,270	102,161	-	201,379,145	13,538,109	7.2%
Less							
Accumulated depreciation	(75,045,057)	(4,608,881)	96,796	-	(79,557,142)	(4,512,085)	6.0%
Total Capital Assets, net.	\$ 112,795,979	\$ 9,031,389	\$ 5,365	\$ -	\$ 121,822,003	\$ 9,026,024	8.0%

Capital assets experienced an increase of \$9,026,024 primarily due to the purchase of land that will be utilized during the construction of the new high school. SD7 also purchased equipment and experienced an increase due to additions to buildings transferred from construction in progress to the District's fixed assets. If more information is desired about capital assets, detailed information is available in Note 3 to the Financial Statements.

Long term Debt and Capitalized Lease

As of June 30, 2016, SD7 had \$56,721,730 in total debt versus \$48,845,218 last fiscal year, an increase of 16.1%. This increase was primarily due to the issuance of a Bond Anticipation Note that will be utilized during the construction of a new elementary school and high school. A summary of the long term debt and capitalized lease obligations are listed in the following table. See Note 5 to the financial statements for additional information.

LONG TERM DEBT AND CAPITAL LEASE OBLIGATIONS For the Year Ended June 30					
Governmental Activities					
	2015	Additions	Deductions	Deceased	2016
General Obligation Bonds					
2001 GO Bond Series	\$ 8,205,000	\$ -	\$ 4,000,000	\$ -	\$ 4,205,000
2011 GO Bond Series	5,234,000	-	662,000	-	4,572,000
2013 GO Bond Series	2,420,000	-	1,190,000	-	1,230,000
2014 GO Bond Series	3,050,000	-	2,115,000	-	935,000
2014 GO Bond Series	21,195,000	-	310,000	-	20,885,000
2015 GO Bond Series	5,575,000	-	2,745,000	-	2,830,000
2016 GO Bond Series	-	5,500,000	-	-	5,500,000
2016 GO BAN	-	15,000,000	-	-	15,000,000
SubTotal	45,679,000	20,500,000	11,022,000	-	55,157,000
Capital Leases	3,166,218	-	1,601,488	-	1,564,730
Total Debt	\$ 48,845,218	\$ 20,500,000	\$ 12,623,488	\$ -	\$ 56,721,730

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

SD7 maintains a Aa2 rating from Moody's for general obligation debt and AA- rating from Standard and Poor's this year. State statutes limit the amount of general obligation debt a governmental entity may issue up to 8% of its total assessed valuation. Bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum is not considered in the computation of the 8% limitation. \$40,090,000 exists in outstanding debt authorized through a referendum. The current debt limitation for SD7 exceeds \$16.3 million. Debt Service Millage for FY16 was 64.0 mills.

Governmental Funds - Revenues and Other Financing Sources

REVENUES AND OTHER FINANCING SOURCES					
For the Year Ended June 30					
Governmental Funds					
	2016	2015	2016 Percent of Total	Increase (Decrease) from 2015	Percent Increase (Decrease) from 2015
Local property taxes	\$ 49,838,153	\$ 48,185,426	36.2%	\$ 1,652,727	3.4%
Other local	6,109,125	5,241,290	4.4%	867,835	16.6%
Intergovernmental	3,405,748	3,520,172	2.5%	(114,424)	-3.3%
State	46,571,829	45,143,649	33.8%	1,428,180	3.2%
Federal	10,580,896	11,096,365	7.7%	(515,469)	-4.6%
Subtotal	116,505,751	113,186,902	84.6%	3,318,849	2.9%
Other financing sources	21,162,984	5,851,245	15.4%	15,311,739	261.7%
Total	<u>\$ 137,668,735</u>	<u>\$ 119,038,147</u>	<u>100%</u>	<u>\$ 18,630,588</u>	<u>15.7%</u>

- **Local property taxes** increased by \$1,652,727 primarily due to an increase in assessed values and healthy collections.
- **Other local** increased by \$867,835 primarily due to an increase in Medicaid revenue due to an increase in billing.
- **Intergovernmental** decreased by \$114,424 which is negligible.
- **State revenue** increased by \$1,428,180 mainly due to additional EFA funding provided through the State.
- **Federal revenue** decreased by \$515,469 primarily due to decreased IDEA funding.
- **Other financing sources** increased by \$15,311,739 which is primarily due to proceeds from the sale of a GO Bond and GO BAN, which was offset by transfers out to support other funds.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Governmental Funds - Expenditures

EXPENDITURES For the Year Ended June 30 Governmental Funds					
	2016	2015	2016 Percent of Total	Increase (Decrease) from 2015	Percent Increase (Decrease) from 2015
Current:					
Instruction	\$ 57,442,795	\$ 56,230,958	44.5%	\$ 1,211,837	2.2%
Support Services	41,691,464	41,079,738	32.3%	611,726	1.5%
Community Services	1,195	2,228	0.0%	(1,033)	-46.4%
Intergovernmental	2,024,919	1,858,954	1.6%	165,965	8.9%
Debt Service					
Legal Services	28,956	13,059	0.0%	15,897	121.7%
Other Professional	21,114	3,606	0.0%	17,508	485.5%
Principal	12,623,488	10,437,584	9.8%	2,185,904	20.9%
Interest	1,977,656	1,871,828	1.5%	105,828	5.7%
Other	1,747	1,711	0.0%	36	2.1%
Capital Outlay	13,332,302	3,878,144	10.3%	9,454,158	243.8%
Total	<u>\$ 129,145,636</u>	<u>\$ 115,377,810</u>	<u>100.0%</u>	<u>\$ 13,767,826</u>	<u>11.9%</u>

Instruction increased \$1,211,837 primarily due to personnel costs as well as associated employee benefits such as retirement, FICA, and insurance. There was also an increase in contracted services for Special Education services.

Supporting Services increased \$611,726 primarily due to personnel costs as well as associated employee benefits and increased staffing for McCarthy Teszler.

Intergovernmental increased by \$165,965 due to an increase in payments due to other governmental entities.

Capital Outlay increased approximately \$9.5 million primarily due to expenses related to playground renovations for two of the elementary schools and the purchase of the land for the construction of a new high school.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

General Fund

The general fund is the chief operating fund of SD7. At the end of the fiscal year 2016, unassigned fund balance of the SD7's general fund was \$10,704,084. Unassigned fund balance represents 17.0% of the total current year general fund expenditures.

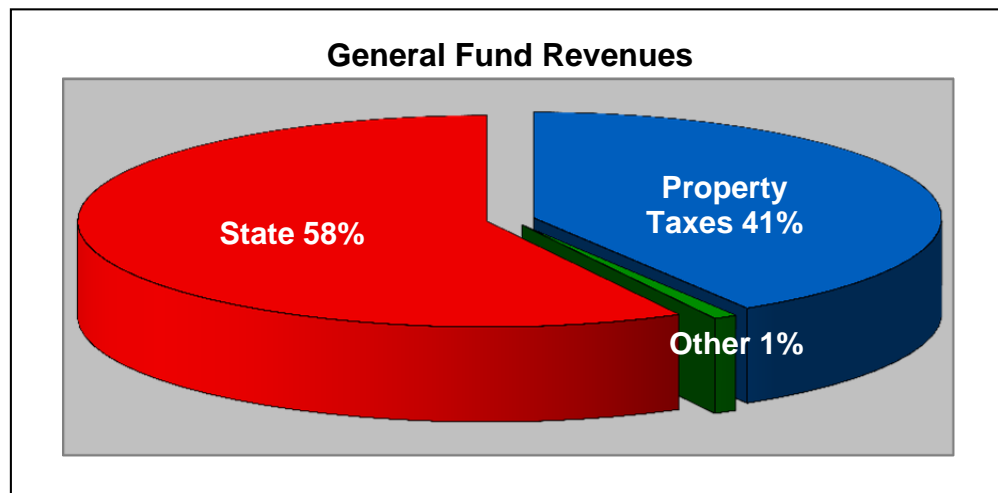
The fund balance of the general fund increased by \$656,805 in fiscal year 2016 primarily due to purposeful and conservative budgeting. The receipt of additional state funding, an increase in tax collections, and assessed value growth also contributed to the increase in the fund balance.

GENERAL FUND REVENUES For the Year Ended June 30

	2016	2015	2016 Percent of Total	Increase (Decrease) from 2015	Percent Increase (Decrease) from 2015
Local property taxes	\$ 26,319,662	\$ 25,599,375	41.1%	\$ 720,287	2.8%
Other local	594,819	609,973	0.9%	(15,154)	-2.5%
State	36,876,839	36,039,806	57.9%	837,033	2.3%
Federal	53,372	42,155	0.1%	11,217	26.6%
Total	<u>\$ 63,844,692</u>	<u>\$ 62,291,309</u>	<u>100.0%</u>	<u>\$ 1,553,383</u>	<u>2.5%</u>

General Fund Revenues

Revenues for the general fund totaled \$63,844,692 an increase of \$1,553,383 from fiscal year 2015 primarily due to additional state funding and healthy local tax collections.



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

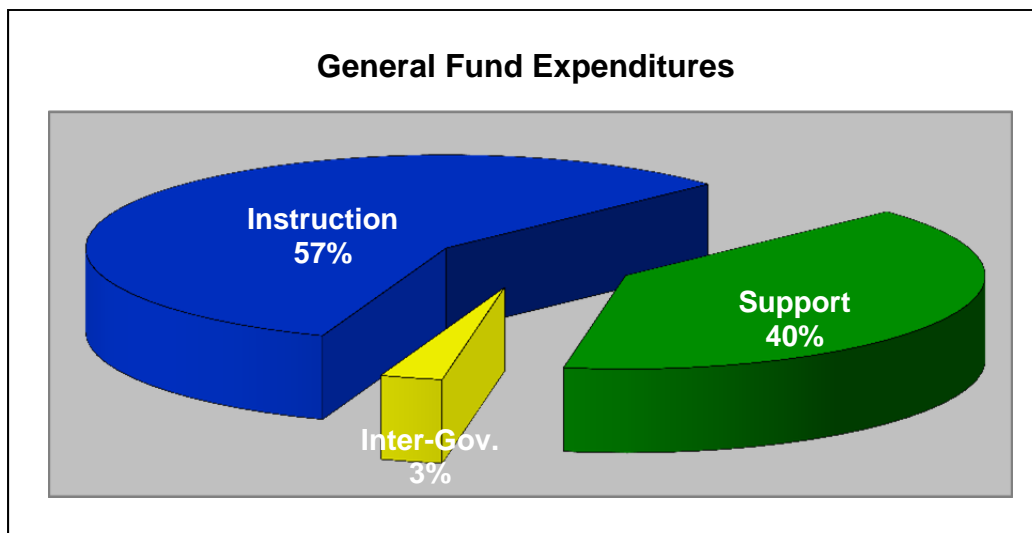
Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

GENERAL FUND EXPENDITURES For the Year Ended June 30

	2016	2015	2016 Percent of Total	Increase (Decrease) from 2015	Percent Increase (Decrease) from 2015
Current:					
Instruction	\$ 36,212,833	\$ 36,198,416	57.4%	\$ 14,417	0.0%
Support Services	25,099,240	24,535,752	39.8%	563,488	2.3%
Intergovernmental	1,767,127	1,595,468	2.8%	171,659	10.8%
Total	<u>\$ 63,079,200</u>	<u>\$ 62,329,636</u>	<u>100.0%</u>	<u>\$ 749,564</u>	<u>1.2%</u>

General Fund Expenditures

Expenditures for the general fund totaled \$63,079,200 an increase of \$749,564 from fiscal year 2015. Expenditures increased 1.2% primarily due to personnel associated costs of staff raises. General instruction accounts for 57.4% of general fund expenditures while support cost is 39.8%, which includes district support, school administrators, nursing, guidance, school media, transportation, curriculum, school psychologist, and professional development. Supporting services increased as well due to costs associated with staff salary increases and an increase in costs of operations and transportation.



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Special Revenue Funds (Including Special Projects, EIA, Alternative School, McCarthy-Teszler School and Food Service)

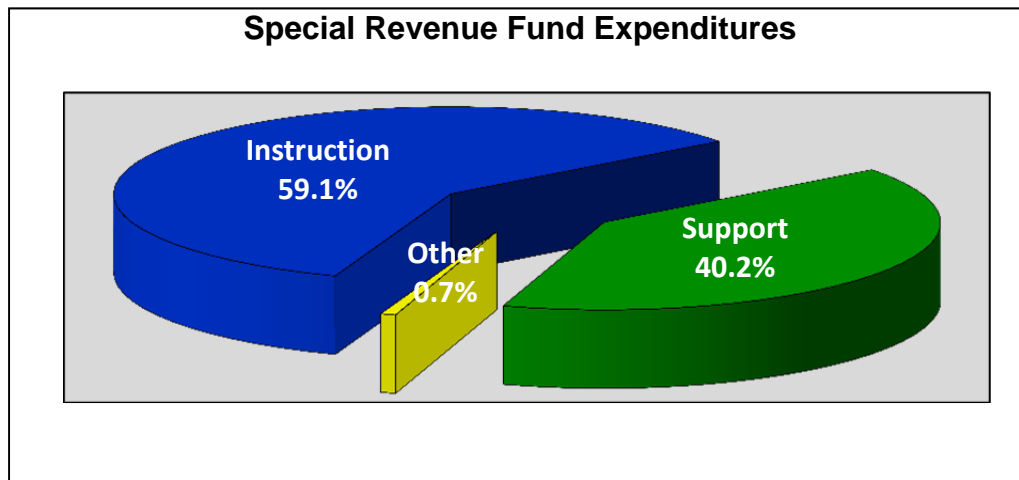
SPECIAL REVENUE EXPENDITURES

For the Year Ended June 30

	2016	2015	2016 Percent of Total	Increase (Decrease) from 2015	Percent Increase (Decrease) from 2015
Current:					
Instruction	\$ 21,127,387	\$ 19,490,392	59.1%	\$ 1,636,995	8.4%
Support Services	14,351,376	14,133,966	40.2%	217,410	1.5%
Community Services	1,195	2,228	0.0%	(1,033)	-46.4%
Intergovernmental	257,792	263,486	0.7%	(5,694)	-2.2%
Total	<u>\$ 35,737,750</u>	<u>\$ 33,890,072</u>	<u>100.0%</u>	<u>\$ 1,847,678</u>	<u>5.5%</u>

Special Revenue Fund Expenditures

Expenditures for the special revenue funds were \$35,737,750, an increase of \$1,847,678 from fiscal year 2015. This increase is due primarily to staff raises and other employer paid benefits. In addition, SD7 placed additional instructional staff at McCarthy Teszler and experienced an increase in contracted Special Education services.



Fiduciary Funds

The school district is the trustee, or fiduciary, for assets that belong to others, such as student activity funds. SD7 is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The school district excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

Other Funds

The Debt Service fund decreased by \$606,351 due to the retirement of debt. The Capital Projects fund increased by \$7.6 million due to the issuance of a General Obligation bond and General Obligation BAN to support outlays for the new high school in 2016.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Economic Factors

Spartanburg County is located in the Northwestern Piedmont section of South Carolina. It is located at the "Crossroads of the New South": the intersection of interstates 85 and 26, two of the most traveled interstate highways in the United States. Spartanburg County has a land area of 819 square miles and population of 294,195 in 2015. Between 2010 and 2015, the population grew by 3% (S.C. Appalachian Council of Governments-Spartanburg County Fact Sheet). It is important to note that the largest area of Spartanburg School District 7 is comprised of the City of Spartanburg. The City of Spartanburg's population in 2015 is 37,375. Between 2010 and 2015, the population in the City of Spartanburg increased by 1% (S.C. Appalachian Council of Governments-City of Spartanburg Fact Sheet). The City of Spartanburg's population is directly correlated to the student enrollment within SD7. The district recognized this correlation and developed the budget ensuring efficient use of the district resources while focusing on student achievement. In 2014, over \$2.3 billion in capital investments had been made in the county, a direct impact on county population growth. Spartanburg County has recognized the change from an agricultural and textile base to a new economic base, a community with more than 80 international firms, representing 19 countries, which are a part of its industrial community including BMW. Spartanburg County has the highest per capita diversified foreign investment of any area in the country. The New York Times reports Spartanburg, South Carolina as having the highest per capita international investment in the nation. With the capital investments, the county and city's community outreach programs to increase the quality of life for the citizens of Spartanburg have increased proportionately. The district is using this growth as an opportunity to compliment public education.

Economic development in the city is equally important to the school district, impacting growth in the school district's tax base and stabilization of the district's student enrollment. The district has begun developing community partnerships throughout the city utilizing their programs and economic strengths to increase student achievement. In 2015, the city recorded approximately \$3.1 billion in gross business sales and \$214 million in building permits were issued during fiscal year 2016.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2016

This level of commerce among local businesses and not-for-profits has opened up recreational activities, mentoring, after-school programs, and adopt-a-school programs that continue to be essential to the success of SD7. Construction was completed on the \$43 million Chapman Cultural Arts Center in late 2007. The district is extensively using the center to enhance its related arts programs. Construction was completed in 2010 on the George Dean Johnson College of Business and Economics of the University of South Carolina Upstate. This \$30 million facility is located adjacent to the Chapman Cultural Center and serves over a thousand students each year. A variety of economic and business programs are continually held at this complex which affords great exposure to the City and the School District.

Budgetary Highlights

Annual budgets are prepared on a basis consistent with U.S. generally accepted accounting principles for the General Operating Funds. All annual unencumbered appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, account, and location.

In June 2015, the Board adopted a balanced budget for fiscal year 2016 that reflected total resources and annual appropriations of \$64.9 million. Actual general operating fund revenues/transfers in for fiscal year 2016 were \$65.7 million and actual general operating fund expenditures/transfers out were \$65.1 million. Actual revenues were higher than budgeted revenues primarily due to conservative budgeting, growth in tax base, and increase in collection rate. Actual expenditures came in lower than budgeted expenditures.

In June 2016, the Board adopted a balanced general fund budget for fiscal year 2016-2017 that reflected total resources of \$67.1 million.

Contacting the District's Financial Management

The financial report is designed to provide a general overview of Spartanburg County School District No. 7 finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Spartanburg County School District No. 7, 610 Dupre Dr. Spartanburg, SC 29307.



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Basic Financial Statements



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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 29,320,051
Investments	3,486,144
Taxes receivable	4,681,382
Less allowance for uncollectibles	(3,276,967)
Accounts receivable	2,934,393
Due from County Government	10,699,118
Due from State Department of Education	2,813,581
Due from other state agencies	145,765
Due from Federal Government	182,921
Commodities	63,507
Inventories	431,293
	<u>51,481,188</u>
Capital Assets:	
Land	11,525,283
Improvements other than building	12,527,222
Buildings	163,654,945
Equipment	9,092,679
Construction in progress	4,579,016
Less: accumulated depreciation	(79,557,142)
	<u>121,822,003</u>
Total Assets	<u>173,303,191</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	2,071,296
Deferred amounts related to pensions	14,867,141
	<u>16,938,437</u>
Total Deferred Outflows of Resources	<u>16,938,437</u>
LIABILITIES	
Accounts payable	2,857,908
Retainage payable	52,412
Payable to fiduciary fund	822,404
Health, life insurance and other deductions	2,505,995
Accrued salaries	396,482
Unearned revenue	4,100,099
Accrued interest payable	566,838
Noncurrent liabilities:	
Due within one year	25,403,000
Due in more than one year	34,463,401
Net pension liability	107,906,842
	<u>179,075,381</u>
Total Liabilities	<u>179,075,381</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	7,519,759
	<u>7,519,759</u>
Total Deferred Inflows of Resources	<u>7,519,759</u>
NET POSITION	
Net investment in capital assets	78,460,060
Restricted for:	
General	
Nonexpendable	494,800
Spartanburg County Alternative School	875,878
McCarthy-Teszler School	4,246,338
Technology	487,449
Food service	1,724,834
Debt service	3,449,099
Unrestricted	(86,091,970)
Total Net Position	<u>\$ 3,646,488</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		Charges for Services and Sales	Operating Grants and Contributions	Primary Government
				Governmental Activities
PRIMARY GOVERNMENT:				
Governmental activities:				
Instruction	\$ 58,455,868	\$ 4,352,488	\$ 35,416,540	\$ (18,686,840)
Support services	46,455,908	292,651	9,362,857	(36,800,400)
Community services	1,195	-	825	(370)
Intergovernmental	2,024,919	-	-	(2,024,919)
Interest and other charges	1,691,572	-	-	(1,691,572)
TOTAL PRIMARY GOVERNMENT	\$ 108,629,462	\$ 4,645,139	\$ 44,780,222	(59,204,101)
GENERAL REVENUES:				
				37,603,689
				12,211,392
				15,857,426
				218,579
				1,081,565
				72,482
				67,045,133
CHANGE IN NET POSITION				7,841,032
NET POSITION - JULY 1, 2015				(4,194,544)
NET POSITION - JUNE 30, 2016				\$ 3,646,488

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund	Special Revenue Fund - McCarthy-Teszler School	Special Revenue Fund - Spartanburg County Alternative School	Special Revenue Fund - Special Projects	Special Revenue Fund - EIA	Special Revenue Fund - Food Service	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS									
Cash and cash equivalents	\$ 29,320,051	-	-	-	-	-	-	-	\$ 29,320,051
Investments	3,486,144	-	-	-	-	-	-	-	3,486,144
Taxes receivable	2,814,351	658,736	219,235	-	-	-	989,060	-	4,681,382
Less allowance for uncollectibles	(1,970,046)	(461,115)	(153,464)	-	-	-	(692,342)	-	(3,276,967)
Accounts receivable	51,186	1,999,480	461,911	400,392	316	21,108	-	-	2,934,393
Due from other funds	-	2,818,178	518,092	2,124,967	1,553,102	1,736,732	250,172	12,738,287	21,739,530
Due from County Government	1,057,496	150,961	49,246	-	-	-	4,326,035	5,115,380	10,699,118
Due from State Department of Education	102,055	33,236	-	2,351,065	327,225	-	-	-	2,813,581
Due from other state agencies	-	-	-	145,765	-	-	-	-	145,765
Due from Federal Government	-	-	-	-	-	182,921	-	-	182,921
Commodities	-	-	-	-	-	63,507	-	-	63,507
Inventories	431,293	-	-	-	-	-	-	-	431,293
Total Assets	\$ 35,292,530	\$ 5,199,476	\$ 1,095,020	\$ 5,022,189	\$ 1,880,643	\$ 2,004,268	\$ 4,872,925	\$ 17,853,667	\$ 73,220,718
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 521,476	\$ 755,517	\$ 153,371	\$ 180,543	\$ 5,127	\$ 152,419	\$ -	\$ 1,089,455	\$ 2,857,908
Retainage payable	-	-	-	-	-	-	-	52,412	52,412
Due to other funds	19,397,448	-	-	2,037,378	-	-	1,127,108	-	22,561,934
Health, life insurance and other deductions	2,505,995	-	-	-	-	-	-	-	2,505,995
Accrued salaries	396,482	-	-	-	-	-	-	-	396,482
Unearned revenue	-	-	-	2,161,075	1,875,516	63,508	-	-	4,100,099
Total Liabilities	22,821,401	755,517	153,371	4,378,996	1,880,643	215,927	1,127,108	1,141,867	32,474,830
Deferred Inflows of Resources									
Unavailable revenue - property taxes	844,305	197,621	65,771	-	-	-	296,718	-	1,404,415
Fund Balances:									
Nonspendable:									
Commodities	-	-	-	-	-	63,507	-	-	63,507
Inventory	431,293	-	-	-	-	-	-	-	431,293
Restricted:									
McCarthy-Teszler School	-	4,246,338	-	-	-	-	-	-	4,246,338
Spartanburg County Alternative School	-	-	875,878	-	-	-	-	-	875,878
Technology	-	-	-	487,449	-	-	-	-	487,449
Food service	-	-	-	-	-	1,724,834	-	-	1,724,834
Debt service	-	-	-	-	-	-	3,449,099	-	3,449,099
Assigned:									
Technology	-	-	-	155,744	-	-	-	-	155,744
Capital projects	-	-	-	-	-	-	-	16,711,800	16,711,800
Workers compensation contingency	491,447	-	-	-	-	-	-	-	491,447
Unassigned:									
General	10,704,084	-	-	-	-	-	-	-	10,704,084
Total Fund Balances	11,626,824	4,246,338	875,878	643,193	-	1,788,341	3,449,099	16,711,800	39,341,473
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 35,292,530	\$ 5,199,476	\$ 1,095,020	\$ 5,022,189	\$ 1,880,643	\$ 2,004,268	\$ 4,872,925	\$ 17,853,667	\$ 73,220,718

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2016

Total Governmental Fund Balances			\$ 39,341,473
Amounts reported for governmental activities on the statement of net position are different because of the following:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			121,822,003
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:			
Taxes receivable			1,404,415
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
Accrued interest payable	(566,838)		
Bond premium, net of amortization	(3,144,671)		
Bonds payable	(55,157,000)		
Lease payable	(1,564,730)		
Net pension liability	<u>(107,906,842)</u>	(168,340,081)	
Deferred outflows and inflows of resources are not available to use in the current period and, therefore, are not reported in the funds:			
Pension related deferred outflows	14,867,141		
Deferred loss on refunding, net of amortization	2,071,296		
Pension related deferred inflows	<u>(7,519,759)</u>	<u>9,418,678</u>	
Net Position of Governmental Activities			<u><u>\$ 3,646,488</u></u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General Fund	Special Revenue Fund - McCarthy-Teszler School	Special Revenue Fund - Spartanburg County Alternative School	Special Revenue Fund - Projects	Special Revenue Fund - EIA	Special Revenue Fund - Food Service	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES									
Local property taxes	\$ 26,319,662	\$ 8,506,368	\$ 2,800,731	\$ -	\$ -	\$ -	\$ 12,211,392	\$ -	\$ 49,838,153
Other local	594,819	1,575,364	15	3,531,710	-	311,803	42,132	53,282	6,109,125
Total local	26,914,481	10,081,732	2,800,746	3,531,710	-	311,803	12,253,524	53,282	55,947,278
Intergovernmental	-	1,940,259	1,187,455	278,034	-	-	-	-	3,405,748
State	36,876,839	865,819	40,037	1,479,813	6,438,685	321	870,315	-	46,571,829
Federal	53,372	-	-	6,159,004	-	4,368,520	-	-	10,580,896
Total Revenues	63,844,692	12,887,810	4,028,238	11,448,561	6,438,685	4,680,644	13,123,839	53,282	116,505,751
EXPENDITURES									
Current:									
Instruction	36,212,833	7,793,664	2,319,511	7,131,239	3,892,973	-	-	102,575	57,442,795
Support services	25,099,240	3,060,986	1,582,043	4,329,346	1,248,615	4,130,386	-	2,240,848	41,691,464
Community services	-	-	-	1,195	-	-	-	-	1,195
Intergovernmental	1,767,127	257,792	-	-	-	-	-	-	2,024,919
Debt service	-	-	-	-	-	-	-	-	-
Legal Services	-	-	-	-	-	-	11,456	17,500	28,956
Other professional & technical services	-	-	-	-	-	-	3,614	17,500	21,114
Principal	-	-	-	-	-	-	12,623,488	-	12,623,488
Interest	-	-	-	-	-	-	1,977,656	-	1,977,656
Other objects	-	-	-	-	-	-	1,747	-	1,747
Capital outlay	-	-	-	-	-	-	-	13,332,302	13,332,302
Total Expenditures	63,079,200	11,102,442	3,901,554	11,461,780	5,141,588	4,130,386	14,617,961	15,710,725	129,145,636
Excess (Deficiency) of Revenues over Expenditures	765,492	1,785,368	126,684	(13,219)	1,297,097	550,258	(1,494,122)	(15,657,443)	(12,639,885)
OTHER FINANCING SOURCES (USES)									
Sale of fixed assets	3,180	-	-	-	-	-	-	-	3,180
Premium on bonds sold	-	-	-	-	-	-	13,771	656,033	669,804
Proceeds of general obligation bonds	-	-	-	-	-	-	-	20,500,000	20,500,000
Transfers in	1,898,133	147,987	86,722	250,000	400,000	-	874,000	2,100,000	5,756,842
Transfers out	(2,010,000)	(1,774,000)	(57,000)	(228,745)	(1,697,097)	-	-	-	(5,766,842)
Total Other Financing Sources (Uses)	(108,687)	(1,626,013)	29,722	21,255	(1,297,097)	-	887,771	23,256,033	21,162,984
Total net change in fund balances	656,805	159,355	156,406	8,036	-	550,258	(606,351)	7,598,590	8,523,099
Fund Balances - July 1, 2015	10,970,019	4,086,983	719,472	635,157	-	1,238,083	4,055,450	9,113,210	30,818,374
Fund Balances - June 30, 2016	\$ 11,626,824	\$ 4,246,338	\$ 875,878	\$ 643,193	\$ -	\$ 1,788,341	\$ 3,449,099	\$ 16,711,800	\$ 39,341,473

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Total Net Change in Fund Balances - Governmental Funds	\$ 8,523,099
Amounts reported for governmental activities in the statements of activities are different because of the following:	
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities.	66,856
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized over the term of the long-term debt in the statement of activities.	
Principal payments on long-term debt	12,623,488
Bond premium	(656,033)
Amortization of deferred loss on refunding	(365,523)
Amortization of bond premium	622,797
The cost of pension benefits earned net of employee contributions is reported in the statement of activities as an element of pension expense. The governmental funds report pension contributions as expenditures.	(1,476,604)
Governmental funds report capital outlay as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlay of \$13,640,270 exceeded depreciation expense of \$4,608,881 in the current year.	9,031,389
Gains (losses) in the statement of activities that do not provide current financial resources and, therefore, are not reported as revenue in governmental funds.	(5,365)
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.	(20,500,000)
Revenues reported on the statement of activities do not provide current financial resources and, therefore, are not reported as revenue in governmental funds.	<u>(23,072)</u>
Changes in Net Position of Governmental Activities	<u>\$ 7,841,032</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016

	<u>Agency Fund</u>
ASSETS	
Accounts receivable	\$ 165
Due from general fund	<u>822,404</u>
Total Assets	<u><u>\$ 822,569</u></u>
LIABILITIES	
Accounts payable	\$ 5,677
Due to student organizations	<u>816,892</u>
Total Liabilities	<u><u>\$ 822,569</u></u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Spartanburg County School District No. 7 ("the District") is one of seven school districts in Spartanburg County, South Carolina. The District is governed by a nine member Board of Trustees and it has oversight responsibility and control over all activities related to public education within the District's boundaries.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies used by the District are described below.

B. Basic Financial Statements - Government-wide Financial Statements

The government-wide financial statements - the statement of net position and the statement of activities - display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include amounts paid by the recipient for the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

C. Basic Financial Statements - 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 nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial reporting 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.

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Basic Financial Statements - Fund Financial Statements - Continued

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

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the District. It accounts for all activities except those required to be accounted for in other funds.

Special Revenue Fund - The 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 District has the following special revenue funds:

- 1) McCarthy-Teszler School Fund – is a special education facility that provides services to students from all seven Spartanburg County school districts by offering special instruction to students with certain disabilities. The fund is financed by local property taxes and payments from other LEAs. The school serves students from each of the seven districts of Spartanburg County.
- 2) Spartanburg County Alternative School Fund – is designed to accommodate students in grades 6-12 within Spartanburg County who have experienced difficulty in the regular school settings. The goal of the alternative school is to assist the student in obtaining a high school diploma or G.E.D. The fund is financed by local property taxes and payments from other LEAs. The school serves students from each of the seven districts of Spartanburg County.
- 3) Special Projects Fund - is used to account for financial resources provided by federal and state grants.
- 4) Education Improvement Act (EIA) Fund - is used to account for the proceeds of the additional one percent sales and use tax revenues that are legally restricted to expenditures for the South Carolina Education Improvement Act of 1984 standards.
- 5) Food Service Fund - is used to account for cafeteria operations at school locations. The fund is financed by user charges and subsidized by USDA school lunch and breakfast programs.

Debt Service Fund - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Fund - The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Basic Financial Statements - Fund Financial Statements - Continued

Additionally, the District reports the following fund type:

Fiduciary Fund - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The District's only fiduciary fund is an agency fund:

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

D. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either the modified accrual basis of accounting for the governmental fund types or the accrual basis of accounting for fiduciary fund types.

Revenue - Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange 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. 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.

Unearned Revenue

The District reports unearned revenue on its statement of net position and governmental funds balance sheet. In both the government-wide and governmental fund financial statements, resources received that are "intended to finance" a future period are reported as unearned revenue. In subsequent periods, the liability for unearned revenue is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Measurement Focus and Basis of Accounting - Continued

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 the 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 are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

E. Budget

The District adopts an annual budget for the General Fund, McCarthy-Teszler School Fund, Spartanburg County Alternative School Fund, Debt Service Fund and Capital Projects Fund prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each function. All annual appropriations lapse at fiscal year-end. The budget is prepared on a basis consistent with U.S. generally accepted accounting principles, which is consistent with actual financial statement results, including significant accruals to provide meaningful comparisons.

F. Deposits and Investments

State statutes authorize the District to invest in (1) obligations of the United States and its agencies, (2) general obligations of the State of South Carolina and its subdivisions, (3) savings and loan associations to the extent of federal insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the State Treasurer's Investment Pool.

Investments are stated at fair value. The fair value of the District's investments approximated cost.

G. Due from County Government

The County Government, fiscal agent for the District, receives monies from local, state and federal sources on behalf of the District. The monies held by the County Government are uninsured but collateralized with government investments held by the pledging institution's agent in the name of County. Market value approximates cost on the investments. These monies are remitted to the District once a claim has been presented to the County Government.

H. Taxes Receivable

Taxes receivable represents delinquent taxes being processed for collection by the Spartanburg County Delinquent Tax Office, originally assessed for District No. 7. Thirty percent of the delinquent taxes delivered each year to the Delinquent Tax Office are estimated to be collectible; the remainder is considered to be uncollectible and, accordingly, an allowance for the uncollectible amounts has been recorded.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

I. Ad Valorem Taxes

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. The tax books are open for collection September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 7% is charged for payments made after January 31. Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are transferred to the Spartanburg County Delinquent Tax Collector at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes.

The assessed valuation of property in Spartanburg County for District No. 7 for 2015 was \$201,655,515. In addition, the District billed fees in lieu of taxes on assessed value of \$2,695,976. The millage rate charged for the School District was 184.8 for current operations, and 64.0 for debt service.

The millage rate charged for the McCarthy-Teszler School (operated at the Charles Lea Center, a facility for disabled and special need persons), based on countywide assessed valuation of \$1,049,656,741 was 11.4 mills. Also, the millage rate charged for the Spartanburg County Alternative School (which the District is the fiscal agent) is 3.8 mills. In addition, McCarthy Teszler and Spartanburg County Alternative School billed fees in lieu of taxes on assessed value of \$88,850,807.

J. Inventory and Prepaid Items

Inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

K. Capital Assets and Depreciation

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000. The District does not possess any infrastructure.

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

Description	Useful Life
Land	not depreciated
Buildings and improvements	20-40 years
Furniture and equipment	3-12 years

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

L. Interfund Transactions

Interfund transactions are reported either as loans, services provided, reimbursements, or transfers. Loans are reported as due to/from other funds, as appropriate, and are subject to elimination in the government-wide financial statements. Services provided are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are eliminated in the government-wide financial statements.

M. Vacation and Sick Pay

In accordance with state law, the District allows employees to accumulate a maximum of ninety days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, an employee continues to receive full pay for each day of accumulated sick leave. If an employee leaves the employment of the District, any unused sick leave is not paid. Because of the nonvesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

Two weeks of vacation is given to all 12-month employees. Vacation is noncumulative and employees are not paid for unused vacation days. Therefore no provision for liability has been made.

N. Accrued Liabilities and Long-term Debt

All payables, accrued liabilities and long-term debt are reported in the government-wide financial statements.

In general, accounts payable and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available resources. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Amortizations of premiums and discounts are included in interest expense. Bonds payable are reported net of the applicable unamortized bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period.

O. Deferred Outflows and Inflows of Resources

In the government-wide financial statements, in addition to assets and liabilities, separate sections for deferred outflows and deferred inflows of resources are reported. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. The District's only deferred outflows and inflows of resources are related to pensions and a deferred loss on refunding from prior years.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

P. Governmental Fund Balance Classifications

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories, and prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by a formal action of the government's highest level of decision making authority. The Board of Trustees is the highest level of decision-making authority for the government and the formal action they take that can commit fund balance is a majority vote (highest level of decision making authority). These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or an official to which the Board delegates authority. By a majority vote, the Board of Trustees has delegated this authority to the Superintendent. The authorization to assign fund balance can be found in the District's fund balance policy. This classification also includes the remaining positive fund balance for all governmental funds, except for the General Fund, as governed by the State Department of Education.

Unassigned - This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

Spending Policy

The District would typically use restricted fund balances first, followed by committed resources and the assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds. Where applicable, these classifications are presented on the face of the governmental fund balance sheet.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

P. Governmental Fund Balance Classifications - Continued

Minimum Unassigned Fund Balance

The District will construct its budget so as to provide for an adequate general fund reserve. The purpose of such a fund is to have reserves adequate to avoid excessive borrowing, prevent cash flow disruptions and demonstrate financial responsibility. The district will maintain a minimum unassigned fund balance in its general fund of twelve percent of current year budgeted expenditures, including transfers. Any excess over the twelve percent reserve calculation, using the prior year audited reserve as a base, may be transferred to the district building fund for facility needs or the debt service fund for payment of debt. Such a transfer to either or both funds will be estimated and budgeted in each year's current operating budget.

Q. Net Position

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt that has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

R. Restricted Sources

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 needed.

S. Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

T. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases its general liability, property, and employee health and accident, and workmen's compensation insurance from various commercial insurance carriers.

The District has elected to be "self-insured" for unemployment taxes, whereby it would reimburse the South Carolina Employment Security Commission for actual claims paid attributable to service in the employ of the District. No separate liability for unemployment claims has been established due to the insignificant amounts of the expenditures.

There have been no significant reductions in insurance coverage from the prior year. There were no settlements of claims have not exceeded insurance coverage for each of the past three years.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

U. Excess Expenditures over Appropriations

The following funds and functions had an excess of actual expenditures over budgeted amounts for the year ended June 30, 2016:

Fund	Function	Amount
General Fund	Intergovernmental	\$ 117,127
Special Revenue Fund - McCarthy-Teszler School	Intergovernmental	31,652
Special Revenue Fund - Spartanburg County Alternative School	Support Services	21,878
Debt Service Fund	Debt Service	33,348
Capital Projects Fund	Support Services	7,458,043
Capital Projects Fund	Debt Service	35,000

NOTE 2 - CASH AND INVESTMENTS

Cash

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has no formal policy regarding custodial credit risk for deposits.

As of June 30, 2016, the District's cash deposits were as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand deposits	\$ 29,320,051	\$ 30,698,090

Of the District's bank balance, \$307,732 was covered by FDIC insurance and \$30,390,358 was collateralized by securities held by the pledging bank's trust department or agent in the District's name.

Investments

The District's investments are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of June 30, 2016, the District's investments has the following recurring fair value measurements (Level 1 inputs):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
State Treasurer's Investment Pool	\$ 3,486,144	<60 days	Not Rated

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 2 - CASH AND INVESTMENTS - CONTINUED

Investments - Continued

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 SC 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 SC 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. Investments are carried at fair value and determined annually based upon quoted market prices in active markets for identical assets. 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.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The District's policy is to minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primary in shorter-term securities, liquid asset funds, money market funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the District may not be able to recover the value of investments, or collateral securities that are in the possession of an outside party. The District's policy is to minimize custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealer, intermediaries, and advisors with which the District will do business.

Concentration of credit risk is the risk of loss attributable to the magnitude of the District's investment single issuer. This risk is mitigated by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The District's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2016 is as follows:

	Balance 6/30/2015	Additions	Deductions	Transfers	Balance 6/30/2016
Governmental Activities					
Capital Assets - Not Being Depreciated					
Land	\$ 1,575,283	\$ 9,950,000	\$ -	\$ -	\$ 11,525,283
Construction in progress	4,108,825	2,870,853	-	(2,400,662)	4,579,016
Total Capital Assets - Not Being Depreciated	5,684,108	12,820,853	-	(2,400,662)	16,104,299
Capital Assets - Being Depreciated					
Buildings	162,188,737	438,180	-	1,028,028	163,654,945
Improvements other than building	11,140,408	127,441	-	1,259,373	12,527,222
Equipment	8,827,783	253,796	102,161	113,261	9,092,679
Total Capital Assets - Being Depreciated	182,156,928	819,417	102,161	2,400,662	185,274,846
Less Accumulated Depreciation					
Buildings	65,214,742	3,649,293	-	-	68,864,035
Improvements other than building	3,453,250	630,833	-	-	4,084,083
Equipment	6,377,065	328,755	96,796	-	6,609,024
Total Accumulated Depreciation	75,045,057	4,608,881	96,796	-	79,557,142
Capital Assets - Being Depreciated, Net	107,111,871	(3,789,464)	5,365	2,400,662	105,717,704
Governmental Activities Capital Assets, Net	<u>\$ 112,795,979</u>	<u>\$ 9,031,389</u>	<u>\$ 5,365</u>	<u>\$ -</u>	<u>\$ 121,822,003</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$ 9,813
Extracurricular Activities	2,004
Special	3,189
Support Services	
Pupil Activity	3,118
Instructional Staff	1,389
Building/Construction	4,519,723
Operations and Maint.	24,691
Pupil Transportation	876
Food Service	41,110
Central	2,968
Total	<u>\$ 4,608,881</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 4 - SHORT-TERM OBLIGATIONS

The following is a summary of the District's short-term obligations for the year ended June 30, 2016:

	Balance at June 30, 2015	Additions	Deductions	Balance at June 30, 2016
GO Bond, Series 2015B	\$ -	\$ 1,592,000	\$ 1,592,000	\$ -

On September 17, 2015, the District issued \$1,592,000 in General Obligation Bonds, Series 2015B, to pay for the principal and interest due on the 2013 Acquisition Lease Purchase Agreement. At June 30, 2016, these bonds were paid in full, including interest of \$14,505.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is a summary of the District's long-term obligations for the year ended June 30, 2016:

	Balance at June 30, 2015	Additions	Deductions	Balance at June 30, 2016	Due within One Year
GO Bonds	\$ 45,679,000	\$ 20,500,000	\$ 11,022,000	\$ 55,157,000	\$ 24,039,000
Capital Leases	3,166,218	-	1,601,488	1,564,730	1,364,000
	48,845,218	20,500,000	12,623,488	56,721,730	25,403,000
Deferred Amounts:					
Bond Premium	3,111,435	656,033	622,797	3,144,671	-
	<u>\$ 51,956,653</u>	<u>\$ 21,156,033</u>	<u>\$ 13,246,285</u>	<u>\$ 59,866,401</u>	<u>\$ 25,403,000</u>

Long-term debt at June 30, 2016 is comprised of the following individual issues:

	General Obligation Bonds	Capital Leases	Total
\$58,000,000 General Obligation Bonds, Series 2001, issued October 1, 2001, due in annual installments commencing March 1, 2004 of \$765,000 to \$5,140,000 through March 1, 2022, with interest rates from 3.00% to 5.00%.	\$ 4,205,000	\$ -	\$ 4,205,000
\$1,141,000 Lease Purchase Agreement, structured as to qualify as a Qualified Zone Academy Bond (QZAB) for technology equipment, with an interest rate of 0.00% due on December 8, 2021.	-	200,730	200,730

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

	General Obligation Bonds	Capital Leases	Total
\$7,640,000 Lease Refunding Revenue Bonds, Series 2011, issued March 1, 2011 for McCarthy-Teszler, due in annual installments commencing March 1, 2012 of \$570,000 to \$839,000 through March 1, 2022, with an interest rate of 4.03%.	4,572,000	-	4,572,000
\$4,300,000 General Obligation Bonds, Series 2013, issued March 6, 2013, due in annual installments commencing March 1, 2014 of \$925,000 to \$1,230,000 through March 1, 2017, with interest rates from 2.00% to 3.00%.	1,230,000	-	1,230,000
\$6,055,000 Lease Purchase Agreement, issued June 7, 2013 for technology equipment, due in annual installments commencing December 1, 2013 of \$1,364,000 to \$1,569,000 through December 1, 2016, with an interest rate of 0.878%.	-	1,364,000	1,364,000
\$3,900,000 General Obligation Bonds, Series 2014A, issued March 6, 2014, due in annual installments commencing March 1, 2015 of \$325,000 to \$2,115,000 through March 1, 2018, with interest rates from 1.50% to 4.00%.	935,000	-	935,000
\$21,695,000 General Obligation Refunding Bonds, Series 2014B, issued June 4, 2014, due in annual installments commencing March 1, 2015 of \$260,000 to \$5,025,000 through March 1, 2022, with interest rates from 2.00% to 4.00%.	20,885,000	-	20,885,000
\$5,575,000 General Obligation Bonds, Series 2015A, issued February 19, 2015, due in annual installments commencing September 1, 2015 of \$215,000 to \$1,830,000 through March 1, 2019, with interest rates from 3.00% to 4.00%.	2,830,000	-	2,830,000
\$5,500,000 General Obligation Bonds, Series 2016A, issued February 24, 2016, due in annual installments commencing March 1, 2017 of \$1,010,000 to \$1,205,000 through March 1, 2021, with interest rates from 2.00% to 5.00%.	5,500,000	-	5,500,000

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

	General Obligation Bonds	Capital Leases	Total
\$15,000,000 General Obligation Bond Anticipation Note, Series 2016B, issued June 1, 2016, due in full on November 15, 2016, with an interest rate of 0.750%.**	15,000,000	-	15,000,000
	<u>\$ 55,157,000</u>	<u>\$ 1,564,730</u>	<u>\$ 56,721,730</u>

**In accordance with GASB 62, *Classification of Short-Term Obligations Expected to be Refinanced*, a reputable bond underwriter has expressed written intent to provide a competitive bid on all General Obligation Bond Anticipation Notes and General Obligation Bonds to be offered by the District in relation to the \$185 million bond referendum. The terms of this intent are: the District is to issue a compliant preliminary official statement prepared by a nationally recognized Bond Counsel firm; the District does not have a material adverse change in their current Aa2 bond credit ratings; and the notes or bonds are additionally secured by the South Carolina School District Credit Enhancement Program. Since the District is currently compliant with all three of these terms, the 2016B General Obligation Bond Anticipation Note is classified as a long-term obligation.

The annual requirements to amortize all long-term debt outstanding as of June 30, 2016, including interest payments are as follows:

Year Ending June 30	General Obligation Bonds		Capital Leases		Total
	Principal	Interest	Principal	Interest	
2017	\$ 24,039,000	\$ 1,774,032	\$ 1,364,000	\$ 11,976	\$ 27,189,008
2018	7,652,000	1,356,510	-	-	9,008,510
2019	6,575,000	1,018,490	-	-	7,593,490
2020	6,625,000	699,116	-	-	7,324,116
2021	7,037,000	375,384	-	-	7,412,384
2022	3,229,000	81,612	200,730	-	3,511,342
	<u>\$ 55,157,000</u>	<u>\$ 5,305,144</u>	<u>\$ 1,564,730</u>	<u>\$ 11,976</u>	<u>\$ 62,038,850</u>

Arbitrage is the difference between the yield on an issuer's tax exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury.

The District is required to have an arbitrage rebate calculation performed every five years and to rebate any arbitrage earnings in excess of the bond yield to the federal government. As of June 30, 2016, the District had no arbitrage rebate liability.

There are a number of limitations and restrictions contained in the various debt instruments. The District is in compliance with all significant limitations and restrictions including the legal debt limit imposed by Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

Bonds in the governmental funds will be retired by future property tax levies accumulated by the Debt Service Fund. As of June 30, 2016, \$3,449,099 was available in the Debt Service Fund to service the general long-term debt.

Capital Leases

The District entered into a lease purchase agreement structured as to qualify as a Qualified Zone Academy Bond (QZAB) for renovations and technology projects, at 0% interest, due on December 8, 2021. Under terms of the agreements the District is required to irrevocably place cash into a trust that will be used solely for the retirement of the QZAB. The District's required sinking fund payments along with the trusts' accumulated earnings ultimately liquidate the liabilities at the QZABs' respective maturities. As the District makes trust sinking fund payments and as the trust accrues earnings, the QZAB liabilities are considered in-substance defeased, and the liabilities are removed from the District's books.

The District's required sinking fund payments and accrued earnings defeased at June 30, 2016 are as follows:

<u>Sinking Fund Requirements as of June 30,</u>	<u>QZAB</u>
2005	\$ 300,000
2006	116,747
2007	116,747
2008	116,747
	<u>650,241</u>
Trust accumulated earnings as of June 30, 2016	<u>290,029</u>
Debt in-substance defeased as of June 30, 2016	940,270
Original liability	<u>1,141,000</u>
Remaining liability as of June 30, 2016	<u><u>\$ 200,730</u></u>

On June 7, 2013, the District entered into a lease purchase agreement structured as an acquisition, use and security agreement for technology equipment, at 0.878% interest. Under terms of the agreement, the District is required to make annual lease payments through 2017.

The future minimum lease obligation and net present value of the acquisition, use and security agreement as of June 30, 2016 is as follows:

<u>Year Ended June 30,</u>	
2017	<u>1,375,976</u>
Total minimum lease payments	1,375,976
Less amount representing interest	<u>(11,976)</u>
Present value of minimum lease payments	<u><u>\$ 1,364,000</u></u>

Equipment totaling \$7,196,000 have been purchased with the proceeds from these two capital leases and are being depreciated over their estimated useful lives. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 6 - PRIOR YEARS' DEBT DEFEASANCE

In prior years, the District has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings for the investments are sufficient to fully service the defeased debt until the debt is called on March 1, 2017. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of June 30, 2016, the amount of the defeased debt outstanding amounted to \$21,690,000.

NOTE 7 - RETIREMENT PLANS

A. South Carolina Retirement System

Plan Description - The District, as the employer, participates in the South Carolina Retirement System (SCRS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Division of the South Carolina Public Employee Benefit Authority (PEBA). PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR that is publicly available on the Retirement Benefits' link on PEBA's website at www.peba.sc.gov.

Benefits Provided - SCRS provides retirement and disability benefits, and an incidental death benefit is available to beneficiaries of active and retired members of employers who participate in the death benefit program. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a change in the code of laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary.

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years.

Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems for financial statement purposes.

Contributions - Contribution requirements of the Plan are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the Budget and Control Board for approval an increase in the employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9% of earnable compensation. Employees and employers (both Class II and III) are required to contribute 8.16% and 10.91%, respectively, of earnable compensation for the year ended June 30, 2016. Employers also contribute an additional .15% of earnable compensation, if participating in the death benefit program.

Employee and employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (8.16%) and a portion of the employer contribution (5%). A direct remittance is also required to SCRS for the remaining portion of the employer contribution (5.91%) and an incidental death benefit contribution (.15%), if applicable, which is retained by SCRS. Contributions to the Plan from the District were \$5,995,673.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the District reported a net pension liability of \$107,700,422 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2015. The June 30, 2015 total pension liability, net pension liability and sensitivity information are based on the July 1, 2014 actuarial valuation, which utilized membership data as of July 1, 2014. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2015, using generally accepted actuarial procedures. The District's proportion of the collective net pension liability is based on the District's contributions received by the pension plan relative to the total contributions received by the pension plan for all participating employers as of June 30, 2015. Based upon this information, the District's proportion of the collective net pension liability is 0.567876%, a decrease of 0.008279% since June 30, 2014, the prior measurement date.

For the year ended June 30, 2016, the District recognized pension expense of \$7,823,351. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,816,368	\$ -
Net difference between projected and actual earnings on pension plan investments	-	7,519,759
District contributions subsequent to the measurement date	5,995,673	-
Total	<u>\$ 14,812,041</u>	<u>\$ 7,519,759</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

Deferred outflows of resources of \$5,995,673 related to pensions resulting from District contributions subsequent to the measurement date is recognized as a reduction of the net pension liability in the year ended June 30, 2016. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2017	\$ (99,157)
2018	(99,157)
2019	558,089
2020	(1,656,384)
	<u>\$ (1,296,609)</u>

Actuarial Assumptions - The total pension liability determined by the July 1, 2014 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.5% to 12.5% (varies on service and includes 2.75% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.50% (includes 2.75% inflation)

Mortality assumptions are dependent upon the member's job category and gender (RP-2000). This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Actuarial assumptions and methods used in the July 1, 2014 valuation were based on the results of an actuarial experience study performed on data through June 30, 2010, and the next experience study performed on data through June 30, 2015 is currently underway.

The long-term expected rate of return on pension plan investments is based upon the 30 year capital market outlook at the end of the fourth quarter 2013, as developed by the Retirement Systems' Investment Commission in collaboration with its investment consultant. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. Long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and then adding expected inflation, and is summarized in the following table:

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Short Term	5%	0.10%
Domestic Fixed Income	13%	0.42%
Global Fixed Income	9%	0.39%
Global Public Equity	31%	2.20%
Global Tactical Asset Allocation	10%	0.49%
Alternatives	32%	2.40%
Total Expected Real Return	100%	6.00%
Inflation for Actuarial Purposes		2.75%
Total Expected Nominal Return		8.75%

Discount Rate - The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the collective net pension liability	\$ 135,779,457	\$ 107,700,422	\$ 84,166,620

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued CAFR of the Pension Trust Funds publically available on PEBA's Retirement Benefits' website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, P.O. Box 11960, Columbia, SC 29211-1960.

B. South Carolina Police Officers Retirement System

Plan Description - The District, as the employer, participates in the South Carolina Police Officers Retirement System (PORS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Division of the South Carolina Public Employee Benefit Authority (PEBA). PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available on the Retirement Benefits' link on PEBA's website at www.peba.sc.gov.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Benefits Provided - PORS provides retirement and disability benefits, and an incidental death benefit available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a change in the code of laws. To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary.

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age.

Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions - Contribution requirements of the Plan are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the Budget and Control Board for approval an increase in the employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 5.0% of earnable compensation. Employees and employers (both Class II and III) are required to contribute 8.74% and 13.34%, respectively, of earnable compensation for the year ended June 30, 2016. Employers also contribute an additional .20% of earnable compensation for the accidental death program and an additional .20% of earnable compensation, if participating in the incidental death benefit program. Contributions to the Plan from the District were \$16,119.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the District reported a net pension liability of \$206,420 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2015. The June 30, 2015 total pension liability, net pension liability and sensitivity information are based on the July 1, 2014 actuarial valuation, which utilized membership data as of July 1, 2014. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2015, using generally accepted actuarial procedures.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

The District's proportion of the collective net pension liability is based on the District's contributions received by the pension plan relative to the total contributions received by the pension plan for all participating employers as of June 30, 2015. Based upon this information, the District's proportion of the collective net pension liability is 0.009470%, an increase of 0.001980% since June 30, 2014, the prior measurement date.

For the year ended June 30, 2016, the District recognized pension expense of \$18,376. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,590	\$ -
Net difference between projected and actual earnings on pension plan investments	17,391	-
District contributions subsequent to the measurement date	16,119	-
Total	<u>\$ 55,100</u>	<u>\$ -</u>

Deferred outflows of resources of \$16,119 related to pensions resulting from District contributions subsequent to the measurement date is recognized as a reduction of the net pension liability in the year ended June 30, 2016. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2017	\$ (9,238)
2018	(9,238)
2019	(9,057)
2020	(11,448)
	<u>\$ (38,981)</u>

Actuarial Assumptions - The total pension liability is determined by the July 1, 2014 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	4.0% to 10.0% (varies on service and includes 2.75% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.50% (includes 2.75% inflation)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Mortality assumptions are dependent upon the member's job category and gender (RP-2000). This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Actuarial assumptions and methods used in the July 1, 2014 valuation were based on the results of an actuarial experience study performed on data through June 30, 2010, and the next experience study performed on data through June 30, 2015 is currently underway.

The long-term expected rate of return on pension plan investments is based upon the 30 year capital market outlook at the end of the fourth quarter 2013, as developed by the Retirement Systems' Investment Commission in collaboration with its investment consultant. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. Long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and then adding expected inflation, and is summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Short Term	5%	0.10%
Domestic Fixed Income	13%	0.42%
Global Fixed Income	9%	0.39%
Global Public Equity	31%	2.20%
Global Tactical Asset Allocation	10%	0.49%
Alternatives	32%	2.40%
Total Expected Real Return	100%	6.00%
Inflation for Actuarial Purposes		2.75%
Total Expected Nominal Return		8.75%

Discount Rate - The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the collective net pension liability	\$ 281,192	\$ 206,420	\$ 139,578

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 7 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued CAFR of the Pension Trust Funds publically available on PEBA's Retirement Benefits' website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, P.O. Box 11960, Columbia, SC 29211-1960.

NOTE 8 - POST-RETIREMENT BENEFITS

In addition to providing retirement plan benefits, the state currently provides its retired employees with health care benefits. All post-retirement benefits paid to the District's retired members are made from the SCRS and from South Carolina's General Fund (Health Care). The District has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly covered payroll. The SCRS provides death benefits to retirees through the group life insurance program for members of the SCRS.

NOTE 9 - DEFERRED COMPENSATION PLANS

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

NOTE 10 - INTERFUND TRANSACTIONS

Interfund Receivables and Payables

The following is a summary of interfund balances as of June 30, 2016:

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 19,397,448
Special Revenue Fund - McCarthy-Teszler School	2,818,178	-
Special Revenue Fund - Spartanburg County Alternative School	518,092	-
Special Revenue Fund - Special Projects	2,124,967	2,037,378
Special Revenue Fund - EIA	1,553,102	-
Special Revenue Fund - Food Service	1,736,732	-
Debt Service Fund	250,172	1,127,108
Capital Projects Fund	12,738,287	-
Pupil Activity Fund	822,404	-
	<u>\$ 22,561,934</u>	<u>\$ 22,561,934</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 10 - INTERFUND TRANSACTIONS - CONTINUED

Interfund receivables and payables result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund Transfers

Transfer from	Transfer to	Amount
General Fund	Special Revenue Fund - Special Projects	\$ 250,000
General Fund	Special Revenue - EIA	400,000
General Fund	Capital Projects Fund	1,350,000
General Fund	Pupil Activity Fund	10,000
Special Revenue Fund - McCarthy-Teszler School	General Fund	150,000
Special Revenue Fund - McCarthy-Teszler School	Debt Service Fund	874,000
Special Revenue Fund - McCarthy-Teszler School	Capital Projects Fund	750,000
Special Revenue Fund - Spartanburg County Alternative School	General Fund	57,000
Special Revenue Fund - Special Projects	General Fund	228,745
Special Revenue - EIA	General Fund	1,462,388
	Special Revenue Fund - Spartanburg County Alternative School	86,722
Special Revenue - EIA	Special Revenue Fund - McCarthy-Teszler School	147,987
		<u>\$ 5,766,842</u>

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 11 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS

Total contractual commitments of the Capital Projects Fund at June 30, 2016 are as follows:

Project	Contract Amount	Job to Date Expenditures	Outstanding Commitments
Duncan Park Baseball Stadium	\$ 1,310,811	\$ 1,301,732	\$ 9,079
Pine Street Mechanical Upgrades	1,988,000	859,810	1,128,190
Pine Street School Playground - Phase II	1,721,224	1,706,478	14,746
	<u>\$ 5,020,035</u>	<u>\$ 3,868,020</u>	<u>\$ 1,152,015</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2016

NOTE 11 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS - CONTINUED

The District has received proceeds from Federal and State grants, and/or entitlements. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 12 - RELATED ORGANIZATION

These financial statements exclude Daniel Morgan Technology Center. The Center operates a technology school which is jointly governed by Spartanburg County School District No. 3 and Spartanburg County School District No. 7. Three members of District Seven's Board of Trustees serve as board members of the Center. District Three serves as the fiscal agent of the Center, therefore the superintendent of District Three is an ex-officer non-voting member of the Board of Daniel Morgan Technology Center. District Seven remits a portion of their Education Finance Act monies to the Center to cover the educational costs of the District's students attending the Center. For the year ended June 30, 2016, \$141,825 was recorded as General Fund expenditures.

NOTE 13 - SUBSEQUENT EVENT

On September 21, 2016, the District participated in the SCAGO General Obligation Debt Program, Series 2016C and issued a \$3,688,000 General Obligation Bond, Series 2016B at an interest rate of 1.50%, maturing on March 1, 2017.

On September 21, 2016, the District participated in the SCAGO General Obligation Debt Program, Series 2016D and issued a \$1,379,000 General Obligation Bond, Series 2016C at an interest rate of 2.00%, maturing on March 1, 2017.

Management has evaluated subsequent events through October 24, 2016, the date on which the financial statements were available to be issued.



Tradition. Excellence. Innovation.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 COLLECTIVE NET PENSION LIABILITY
 SOUTH CAROLINA RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS*

	2016	2015
District's Proportion of the Collective Net Pension Liability	0.567876%	0.576155%
District's Proportionate Share of the Collective Net Pension Liability	\$ 107,700,421	\$ 99,194,790
District's Covered-Employee Payroll	\$ 55,112,185	\$ 54,055,465
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	195.42%	183.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.00%	59.90%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedule:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 SOUTH CAROLINA RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2016	2015
Statutorially Required Contributions	\$ 5,995,673	\$ 5,804,480
Contributions in Relation to the Statutorially Required Contributions	5,995,673	5,804,480
Contribution Deficiency (Excess)	\$ -	\$ -
District's Covered-Employee Payroll	\$ 56,288,547	\$ 55,112,185
Contributions as a Percentage of Covered-Employee Payroll	10.65%	10.53%

Note to Schedule:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 COLLECTIVE NET PENSION LIABILITY
 SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS*

	2016	2015
District's Proportion of the Collective Net Pension Liability	0.009470%	0.007490%
District's Proportionate Share of the Collective Net Pension Liability	\$ 206,420	\$ 143,429
District's Covered-Employee Payroll	\$ 117,326	\$ 90,110
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	175.94%	159.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.60%	67.50%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedule:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2016	2015
Statutorially Required Contributions	\$ 16,119	\$ 15,733
Contributions in Relation to the Statutorially Required Contributions	16,119	15,733
Contribution Deficiency (Excess)	\$ -	\$ -
District's Covered-Employee Payroll	\$ 117,312	\$ 117,326
Contributions as a Percentage of Covered-Employee Payroll	13.74%	13.41%

Note to Schedule:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Local	\$ 25,822,463	\$ 25,822,463	\$ 26,914,481	\$ 1,092,018
State	37,136,484	37,136,484	36,876,839	(259,645)
Federal	47,972	47,972	53,372	5,400
Total Revenue	63,006,919	63,006,919	63,844,692	837,773
EXPENDITURES				
Current:				
Instruction	37,629,436	37,444,812	36,212,833	1,231,979
Support services	25,576,223	25,887,992	25,099,240	788,752
Intergovernmental expenditures	1,650,000	1,650,000	1,767,127	(117,127)
Total Expenditures	64,855,659	64,982,804	63,079,200	1,903,604
Excess (Deficiency) of Revenues over Expenditures	(1,848,740)	(1,975,885)	765,492	2,741,377
Other Financing Sources (Uses)				
Sale of fixed assets	-	-	3,180	3,180
Transfers in	1,848,740	1,975,885	1,898,133	(77,752)
Transfers out	-	-	(2,010,000)	(2,010,000)
Net change in fund balance	-	-	656,805	\$ 656,805
Fund Balance - July 1, 2015			10,970,019	
Fund Balance - June 30, 2016			\$ 11,626,824	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.

REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Local	\$ 8,534,897	\$ 8,534,897	\$ 10,081,732	\$ 1,546,835
Intergovernmental	2,655,138	2,655,138	1,940,259	(714,879)
State	815,635	815,635	865,819	50,184
Total Revenue	12,005,670	12,005,670	12,887,810	882,140
EXPENDITURES				
Current:				
Instruction	7,264,740	7,861,914	7,783,664	78,250
Support services	3,648,348	3,433,593	3,060,986	372,607
Intergovernmental expenditures	226,140	226,140	257,792	(31,652)
Total Expenditures	11,139,228	11,521,647	11,102,442	419,205
Excess (Deficiency) of Revenues over Expenditures	866,442	484,023	1,785,368	1,301,345
Other Financing Sources (Uses)				
Transfers in	151,845	539,977	147,987	(391,990)
Transfers out	(1,018,287)	(1,024,000)	(1,774,000)	(750,000)
Net change in fund balance	\$ -	\$ -	159,355	\$ 159,355
Fund Balance - July 1, 2015			4,086,983	
Fund Balance - June 30, 2016			\$ 4,246,338	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUE				
Local	\$ 2,594,000	\$ 2,594,000	\$ 2,800,746	\$ 206,746
Intergovernmental	1,207,798	1,207,798	1,187,455	(20,343)
State	32,206	32,206	40,037	7,831
Total Revenue	3,834,004	3,834,004	4,028,238	194,234
EXPENDITURES				
Current:				
Instruction	2,332,579	2,337,769	2,319,511	18,258
Support services	1,533,408	1,560,165	1,582,043	(21,878)
Total Expenditures	3,865,987	3,897,934	3,901,554	(3,620)
Excess (Deficiency) of Revenues over Expenditures	(31,983)	(63,930)	126,684	190,614
Other Financing Sources (Uses)				
Transfers in	88,983	120,930	86,722	(34,208)
Transfers out	(57,000)	(57,000)	(57,000)	-
Net change in fund balance	-	-	156,406	\$ 156,406
Fund Balance - July 1, 2015			719,472	
Fund Balance - June 30, 2016			\$ 875,878	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.



Tradition. Excellence. Innovation.

Combining and Individual Fund Schedules



Tradition. Excellence. Innovation.

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General Fund

General Fund

To account for all financial resources except those required to be accounted for in another fund. All property taxes, intergovernmental revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or for which the District collects other funds in a fiduciary capacity. Operational expenditures for general education, support services, and other departments of the District are paid through the General Fund.

The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 25,370,463	\$ 25,944,384	\$ 573,921
1200 Revenue from Local Governmental Units Other Than LEA's			
1280 Revenue in Lieu of Taxes	165,000	375,278	210,278
1300 Tuition			
1310 From Patrons for Regular Day School	94,000	80,715	(13,285)
1350 From Patrons for Summer School	-	12,700	12,700
1500 Earnings on Investments			
1510 Interest on Investments	13,000	29,980	16,980
1900 Other Revenue from Local Sources			
1910 Rentals	80,000	111,396	31,396
1930 Medicaid	-	100,815	100,815
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	100,000	259,213	159,213
Total Local Sources	25,822,463	26,914,481	1,092,018
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	5,300	7,300	2,000
3160 School Bus Driver Salary	270,000	263,915	(6,085)
3161 EAA Bus Driver Salary and Fringe	1,500	1,352	(148)
3162 Transportation Workers' Compensation	25,000	26,205	1,205
3180 Fringe Benefits Employer Contributions	5,772,296	5,883,582	111,286
3181 Retiree Insurance	1,954,149	1,774,071	(180,078)
3199 Other Restricted State Grants	-	10,811	10,811
	8,028,245	7,967,236	(61,009)
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	950,675	731,502	(219,173)
3312 Primary	2,433,515	2,467,422	33,907
3313 Elementary	3,449,705	3,291,829	(157,876)
3314 High School	1,442,410	1,500,739	58,329
3315 Trainable Mentally Handicapped	118,374	110,507	(7,867)
3316 Speech Handicapped (Part-Time Program)	800,652	820,818	20,166
3317 Homebound	8,574	12,328	3,754
	9,203,905	8,935,145	(268,760)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
3320 Part-Time Programs			
3321 Emotionally Handicapped	86,691	123,371	36,680
3322 Educable Mentally Handicapped	95,608	60,643	(34,965)
3323 Learning Disabilities	978,112	1,029,994	51,882
3324 Hearing Handicapped	26,672	22,264	(4,408)
3325 Visually Handicapped	31,838	43,347	11,509
3326 Orthopedically Handicapped	13,678	28,458	14,780
3327 Vocational	1,307,977	1,268,486	(39,491)
	<u>2,540,576</u>	<u>2,576,563</u>	<u>35,987</u>
3330 Miscellaneous EFA Programs			
3331 Autism	222,275	247,509	25,234
3332 High Achieving	291,538	276,918	(14,620)
3334 Limited English Proficiency	121,377	124,812	3,435
	<u>635,190</u>	<u>649,239</u>	<u>14,049</u>
3350 Residential Treatment Facilities (RTF)	-	15,379	15,379
3351 Academic Assistance	349,192	354,380	5,188
3352 Pupils in Poverty	1,679,671	1,638,814	(40,857)
	<u>2,028,863</u>	<u>2,008,573</u>	<u>(20,290)</u>
3800 State Revenue in Lieu of Taxes			
3810 Reimbursement for Local Residential Property Tax Relief	5,067,432	5,067,433	1
3820 Homestead Exemption (Tier 2)	1,591,761	1,591,761	-
3825 Reimbursement for Property Tax Relief (Tier 3)	7,023,293	7,013,783	(9,510)
3830 Merchant's Inventory Tax	851,478	851,478	-
3840 Manufacturers Depreciation Reimbursement	165,741	215,628	49,887
	<u>14,699,705</u>	<u>14,740,083</u>	<u>40,378</u>
Total State Sources	<u>37,136,484</u>	<u>36,876,839</u>	<u>(259,645)</u>
4000 Revenue from Federal Sources			
4900 Other Federal Sources			
4999 Revenue from Other Federal Sources	47,972	53,372	5,400
Total Federal Sources	<u>47,972</u>	<u>53,372</u>	<u>5,400</u>
TOTAL REVENUE ALL SOURCES	<u>63,006,919</u>	<u>63,844,692</u>	<u>837,773</u>
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	2,012,608	1,903,561	109,047
200 Employee Benefits	891,034	815,487	75,547
300 Purchased Services	1,253	1,253	-
400 Supplies and Materials	22,902	22,788	114
	<u>2,927,797</u>	<u>2,743,089</u>	<u>184,708</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
112 Primary Programs			
100 Salaries	5,363,947	5,220,717	143,230
200 Employee Benefits	2,076,856	2,069,368	7,488
300 Purchased Services	110,150	104,935	5,215
400 Supplies and Materials	82,795	76,404	6,391
600 Other Objects	474	338	136
	<u>7,634,222</u>	<u>7,471,762</u>	<u>162,460</u>
113 Elementary Programs			
100 Salaries	9,101,135	8,681,385	419,750
200 Employee Benefits	3,399,377	3,297,409	101,968
300 Purchased Services	159,055	134,808	24,247
400 Supplies and Materials	154,266	134,917	19,349
600 Other Objects	8,785	8,785	-
	<u>12,822,618</u>	<u>12,257,304</u>	<u>565,314</u>
114 High School Programs			
100 Salaries	7,116,859	7,127,547	(10,688)
140 Terminal Leave	-	15,506	(15,506)
200 Employee Benefits	2,515,177	2,542,260	(27,083)
300 Purchased Services	363,110	325,787	37,323
400 Supplies and Materials	287,968	254,873	33,095
600 Other Objects	17,372	16,951	421
	<u>10,300,486</u>	<u>10,282,924</u>	<u>17,562</u>
115 Career and Technology Education Programs			
100 Salaries	166,604	122,621	43,983
200 Employee Benefits	69,845	47,733	22,112
370 Purchased Services - Tuition	163,716	141,825	21,891
400 Supplies and Materials	11,200	8,733	2,467
	<u>411,365</u>	<u>320,912</u>	<u>90,453</u>
Total General Instruction	<u>34,096,488</u>	<u>33,075,991</u>	<u>1,020,497</u>
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	187,823	184,805	3,018
200 Employee Benefits	67,459	67,313	146
400 Supplies and Materials	850	656	194
	<u>256,132</u>	<u>252,774</u>	<u>3,358</u>
123 Orthopedically Handicapped			
100 Salaries	10,007	9,771	236
200 Employee Benefits	3,368	3,315	53
	<u>13,375</u>	<u>13,086</u>	<u>289</u>
124 Visually Handicapped			
100 Salaries	14,412	12,771	1,641
200 Employee Benefits	4,710	4,398	312
	<u>19,122</u>	<u>17,169</u>	<u>1,953</u>
125 Hearing Handicapped			
100 Salaries	5,954	5,917	37
200 Employee Benefits	2,153	2,139	14
	<u>8,107</u>	<u>8,056</u>	<u>51</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
127 Learning Disabilities			
100 Salaries	1,036,381	1,014,311	22,070
200 Employee Benefits	373,423	360,894	12,529
400 Supplies and Materials	429	-	429
	<u>1,410,233</u>	<u>1,375,205</u>	<u>35,028</u>
128 Emotionally Handicapped			
100 Salaries	271,649	261,276	10,373
200 Employee Benefits	96,415	101,952	(5,537)
300 Purchased Services	40,000	50,360	(10,360)
400 Supplies and Materials	639	451	188
	<u>408,703</u>	<u>414,039</u>	<u>(5,336)</u>
129 Coordinated Early Intervening Services			
100 Salaries	99,769	42,777	56,992
200 Employee Benefits	34,636	11,453	23,183
	<u>134,405</u>	<u>54,230</u>	<u>80,175</u>
Total Exceptional Programs	<u>2,250,077</u>	<u>2,134,559</u>	<u>115,518</u>
130 Pre-School Programs			
137 Pre-School Handicapped-Self Contained (3 & 4 year olds)			
100 Salaries	167,762	107,190	60,572
200 Employee Benefits	63,936	43,203	20,733
	<u>231,698</u>	<u>150,393</u>	<u>81,305</u>
139 Early Childhood Programs			
100 Salaries	25,015	23,935	1,080
200 Employee Benefits	8,617	8,494	123
400 Supplies and Materials	501	363	138
	<u>34,133</u>	<u>32,792</u>	<u>1,341</u>
Total Pre-school Programs	<u>265,831</u>	<u>183,185</u>	<u>82,646</u>
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	377,350	375,979	1,371
200 Employee Benefits	144,408	146,239	(1,831)
300 Purchased Services	4,060	4,053	7
400 Supplies and Materials	7,271	6,586	685
600 Other Objects	973	973	-
	<u>534,062</u>	<u>533,830</u>	<u>232</u>
143 Advanced Placement			
300 Purchased Services	2,098	2,050	48
400 Supplies and Materials	12,576	12,152	424
600 Other Objects	325	325	-
	<u>14,999</u>	<u>14,527</u>	<u>472</u>
145 Homebound			
100 Salaries	72,000	57,896	14,104
200 Employee Benefits	18,043	14,510	3,533
	<u>90,043</u>	<u>72,406</u>	<u>17,637</u>
147 Full Day 4K			
100 Salaries	68,942	65,699	3,243
200 Employee Benefits	22,005	28,048	(6,043)
600 Other Objects	880	880	-
	<u>91,827</u>	<u>94,627</u>	<u>(2,800)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
148 Gifted and Talented - Artistic			
100 Salaries	33,698	33,773	(75)
200 Employee Benefits	12,782	12,788	(6)
400 Supplies and Materials	150	102	48
600 Other Objects	160	160	-
	<u>46,790</u>	<u>46,823</u>	<u>(33)</u>
149 Other Special Programs			
100 Salaries	-	3,551	(3,551)
200 Employee Benefits	-	1,420	(1,420)
	-	4,971	(4,971)
Total Special Programs	<u>777,721</u>	<u>767,184</u>	<u>10,537</u>
160 Other Exceptional Programs			
161 Autism			
100 Salaries	36,954	33,911	3,043
200 Employee Benefits	12,859	11,820	1,039
	<u>49,813</u>	<u>45,731</u>	<u>4,082</u>
Total Other Exceptional Programs	<u>49,813</u>	<u>45,731</u>	<u>4,082</u>
170 Summer School Program			
172 Elementary Summer School			
100 Salaries	3,900	2,750	1,150
200 Employee Benefits	982	691	291
	<u>4,882</u>	<u>3,441</u>	<u>1,441</u>
175 Instructional Programs Beyond Regular School Day			
100 Salaries	-	2,363	(2,363)
200 Employee Benefits	-	379	(379)
	-	2,742	(2,742)
Total Summer School Programs	<u>4,882</u>	<u>6,183</u>	<u>(1,301)</u>
TOTAL INSTRUCTION	<u>37,444,812</u>	<u>36,212,833</u>	<u>1,231,979</u>
200 SUPPORT SERVICES			
210 Pupil Services			
211 Attendance and Social Work Services			
100 Salaries	333,063	210,437	122,626
140 Terminal Leave	-	20,932	(20,932)
180 Head of Organizational Unit Salaries	-	119,325	(119,325)
200 Employee Benefits	101,101	72,211	28,890
280 Head of Organizational Unit Employee Benefits	-	29,951	(29,951)
300 Purchased Services	51,186	49,767	1,419
400 Supplies and Materials	6,926	7,119	(193)
600 Other Objects	209	175	34
	<u>492,485</u>	<u>509,917</u>	<u>(17,432)</u>
212 Guidance Services			
100 Salaries	1,252,061	1,279,450	(27,389)
200 Employee Benefits	432,793	446,582	(13,789)
300 Purchased Services	70,678	56,714	13,964
400 Supplies and Materials	8,817	8,364	453
600 Other Objects	70	35	35
	<u>1,764,419</u>	<u>1,791,145</u>	<u>(26,726)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
213 Health Services			
100 Salaries	348,011	284,590	63,421
200 Employee Benefits	103,256	98,871	4,385
300 Purchased Services	10,631	3,338	7,293
400 Supplies and Materials	19,688	17,299	2,389
600 Other Objects	116	116	-
	<u>481,702</u>	<u>404,214</u>	<u>77,488</u>
Total Pupil Services	<u>2,738,606</u>	<u>2,705,276</u>	<u>33,330</u>
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	794,845	672,979	121,866
140 Terminal Leave	-	5,799	(5,799)
180 Head of Organizational Unit Salaries	-	119,280	(119,280)
200 Employee Benefits	252,867	219,926	32,941
280 Head of Organizational Unit Employee Benefits	-	28,174	(28,174)
300 Purchased Services	59,378	39,862	19,516
400 Supplies and Materials	20,432	17,288	3,144
600 Other Objects	5,208	4,186	1,022
	<u>1,132,730</u>	<u>1,107,494</u>	<u>25,236</u>
222 Library and Media Services			
100 Salaries	788,824	777,004	11,820
200 Employee Benefits	331,042	311,026	20,016
300 Purchased Services	2,028	28	2,000
400 Supplies and Materials	92,162	77,202	14,960
	<u>1,214,056</u>	<u>1,165,260</u>	<u>48,796</u>
223 Supervision of Special Programs			
100 Salaries	-	-	-
140 Terminal Leave	-	497	(497)
200 Employee Benefits	8,149	4,137	4,012
300 Purchased Services	15,000	15,000	-
	<u>23,149</u>	<u>19,634</u>	<u>3,515</u>
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	50,100	52,921	(2,821)
200 Employee Benefits	12,725	8,619	4,106
300 Purchased Services	35,848	39,363	(3,515)
400 Supplies and Materials	7,646	7,444	202
600 Other Objects	291	150	141
	<u>106,610</u>	<u>108,497</u>	<u>(1,887)</u>
Total Instructional Staff Services	<u>2,476,545</u>	<u>2,400,885</u>	<u>75,660</u>
230 General Administration Services			
231 Board of Education			
200 Employee Benefits	26,000	33,652	(7,652)
300 Purchased Services	262,291	122,556	139,735
318 Audit Services	39,144	22,870	16,274
400 Supplies and Materials	1,944	1,954	(10)
600 Other Objects	42,191	42,210	(19)
	<u>371,570</u>	<u>223,242</u>	<u>148,328</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
232 Office of the Superintendent			
100 Salaries	248,533	248,470	63
200 Employee Benefits	124,189	101,049	23,140
300 Purchased Services	27,163	17,213	9,950
400 Supplies and Materials	13,515	6,641	6,874
600 Other Objects	50,150	48,194	1,956
	<u>463,550</u>	<u>421,567</u>	<u>41,983</u>
233 School Administration			
100 Salaries	3,905,650	3,894,501	11,149
140 Terminal Leave	-	1,063	(1,063)
200 Employee Benefits	1,392,695	1,417,563	(24,868)
300 Purchased Services	98,899	77,247	21,652
400 Supplies and Materials	58,799	55,514	3,285
600 Other Objects	751	660	91
	<u>5,456,794</u>	<u>5,446,548</u>	<u>10,246</u>
Total General Administration Services	<u>6,291,914</u>	<u>6,091,357</u>	<u>200,557</u>
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated)			
300 Purchased Services	442	-	442
	<u>442</u>	<u>-</u>	<u>442</u>
252 Fiscal Services			
100 Salaries	501,484	371,486	129,998
140 Terminal Leave	-	5,347	(5,347)
180 Head of Organizational Unit Salaries	-	129,784	(129,784)
200 Employee Benefits	147,956	97,021	50,935
280 Head of Organizational Unit Employee Benefits	-	38,694	(38,694)
300 Purchased Services	60,500	39,449	21,051
400 Supplies and Materials	12,410	8,117	4,293
600 Other Objects	9,550	3,049	6,501
	<u>731,900</u>	<u>692,947</u>	<u>38,953</u>
254 Operation and Maintenance of Plant			
100 Salaries	2,899,165	2,951,584	(52,419)
140 Terminal Leave	-	392	(392)
200 Employee Benefits	1,152,513	1,132,426	20,087
300 Purchased Services	1,846,752	1,686,429	160,323
321 Public Utilities	423,374	412,779	10,595
400 Supplies and Materials	702,277	613,868	88,409
470 Energy	1,675,976	1,672,495	3,481
600 Other Objects	3,916	990	2,926
	<u>8,703,973</u>	<u>8,470,963</u>	<u>233,010</u>
255 Student Transportation (State Mandated)			
100 Salaries	1,523,875	1,572,342	(48,467)
200 Employee Benefits	633,639	592,274	41,365
300 Purchased Services	85,628	115,514	(29,886)
400 Supplies and Materials	7,649	45,661	(38,012)
600 Other Objects	8,225	6,211	2,014
	<u>2,259,016</u>	<u>2,332,002</u>	<u>(72,986)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
257 Internal Services			
300 Purchased Services	57,937	28,482	29,455
400 Supplies and Materials	23,107	3,572	19,535
	<u>81,044</u>	<u>32,054</u>	<u>48,990</u>
258 Security			
100 Salaries	119,400	129,844	(10,444)
200 Employee Benefits	29,922	32,179	(2,257)
300 Purchased Services	532,170	510,445	21,725
	<u>681,492</u>	<u>672,468</u>	<u>9,024</u>
Total Finance and Operations Services	<u>12,457,867</u>	<u>12,200,434</u>	<u>257,433</u>
260 Central Support Services			
263 Information Services			
100 Salaries	223,236	93,655	129,581
180 Head of Organizational Unit Salaries	-	130,304	(130,304)
200 Employee Benefits	76,891	37,045	39,846
280 Head of Organizational Unit Employee Benefits	-	38,759	(38,759)
300 Purchased Services	79,525	55,380	24,145
400 Supplies and Materials	30,250	26,208	4,042
600 Other Objects	2,400	1,713	687
	<u>412,302</u>	<u>383,064</u>	<u>29,238</u>
264 Staff Services			
100 Salaries	353,348	223,417	129,931
140 Terminal Leave	35,000	2,844	32,156
180 Head of Organizational Unit Salaries	-	121,025	(121,025)
200 Employee Benefits	198,354	78,578	119,776
280 Head of Organizational Unit Employee Benefits	-	36,970	(36,970)
300 Purchased Services	57,052	31,684	25,368
400 Supplies and Materials	8,273	6,641	1,632
600 Other Objects	975	385	590
	<u>653,002</u>	<u>501,544</u>	<u>151,458</u>
266 Technology and Data Processing Services			
100 Salaries	439,614	449,994	(10,380)
200 Employee Benefits	153,583	161,214	(7,631)
300 Purchased Services	110,144	88,700	21,444
400 Supplies and Materials	22,000	17,885	4,115
	<u>725,341</u>	<u>717,793</u>	<u>7,548</u>
Total Central Support Services	<u>1,790,645</u>	<u>1,602,401</u>	<u>188,244</u>
270 Support Services Pupil Activity			
271 Pupil Services Activities			
300 Purchased Services	340	320	20
660 Pupil Activity	132,075	98,567	33,508
	<u>132,415</u>	<u>98,887</u>	<u>33,528</u>
Total Support Services Pupil Activity	<u>132,415</u>	<u>98,887</u>	<u>33,528</u>
TOTAL SUPPORT SERVICES	<u>25,887,992</u>	<u>25,099,240</u>	<u>788,752</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
410 INTERGOVERNMENTAL EXPENDITURES			
412 Payments to Other Governmental Units			
720 Transits	1,650,000	1,767,127	(117,127)
TOTAL INTERGOVERNMENTAL EXPENDITURES	1,650,000	1,767,127	(117,127)
TOTAL EXPENDITURES	64,982,804	63,079,200	1,903,604
OTHER FINANCING SOURCES (USES)			
5300 Sale of Fixed Assets	-	3,180	3,180
Interfund Transfers, From (To) Other Funds			
5220 Transfer from Special Revenue Fund - McCarthy-Teszler	150,000	150,000	-
5220 Transfer from Special Revenue Fund - Alternative School	57,000	57,000	-
5220 Transfer from Special Revenue Fund - Special Projects	125,802	114,000	(11,802)
5230 Transfer from Special Revenue Fund - EIA	1,478,083	1,462,388	(15,695)
5280 Transfer from Other Funds Indirect Costs	165,000	114,745	(50,255)
421-710 Transfer to Special Revenue Fund - Special Projects	-	(250,000)	(250,000)
422-710 Transfer to Special Revenue Fund - EIA	-	(400,000)	(400,000)
424-710 Transfer to Capital Projects Fund	-	(1,350,000)	(1,350,000)
426-710 Transfer to Pupil Activity Fund	-	(10,000)	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	1,975,885	(108,687)	(2,084,572)
Excess (Deficiency) of Revenues over Expenditures	\$ -	656,805	\$ 656,805
FUND BALANCE - JULY 1, 2015		10,970,019	
FUND BALANCE - JUNE 30, 2016		\$ 11,626,824	

Special Revenue Fund

Special Revenue Fund

To account for the operations of federal and state projects that are required to be accounted for in separate funds by the South Carolina State Department of Education.

McCarthy-Teszler School – accounts for activities at the McCarthy-Teszler School which District 7 is the fiscal agent.

Alternative School – accounts for activities at the Spartanburg County Alternative School which District 7 is the fiscal agent.

Special Projects – used to account for legally restricted federal, state, and local revenues with specific educational mandates.

Education Improvement Act – used to account for legally restricted state revenues appropriated by the State of South Carolina under the SC Education Improvement Act of 1984.

Food Service – accounts for all activities necessary to provide food services to the students of the district.

The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 7,119,897	\$ 7,476,299	\$ 356,402
1200 Revenue from Local Governmental Units Other Than LEA's			
1280 Revenue in Lieu of Taxes	725,000	1,030,069	305,069
1300 Tuition			
1320 From Other LEAs for Regular Day School	690,000	1,575,364	885,364
Total Local Sources	8,534,897	10,081,732	1,546,835
2000 Intergovernmental Revenue			
2100 Payments from Other Governmental Units	2,655,138	1,940,259	(714,879)
Total Intergovernmental Revenue	2,655,138	1,940,259	(714,879)
3000 Revenue from State Sources			
3100 Restricted State Funding			
3160 School Bus Driver Salary	100,000	127,650	27,650
3161 EAA Bus Driver Salary and Fringe	-	654	654
3162 Transportation Workers' Compensation	13,000	12,675	(325)
3180 Fringe Benefits Employer Contributions	288,446	307,056	18,610
3181 Retiree Insurance	232,189	210,793	(21,396)
	633,635	658,828	25,193
3800 State Revenue in Lieu of Taxes			
3830 Merchant's Inventory Tax	87,000	86,876	(124)
3840 Manufacturers Depreciation Reimbursement	95,000	120,115	25,115
	182,000	206,991	24,991
Total State Sources	815,635	865,819	50,184
TOTAL REVENUE ALL SOURCES	12,005,670	12,887,810	882,140
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
115 Career and Technology Education Programs			
100 Salaries	162,888	151,655	11,233
200 Employee Benefits	65,876	48,476	17,400
300 Purchased Services - Other Than Tuition	208,206	252,643	(44,437)
400 Supplies and Materials	30,048	24,524	5,524
	467,018	477,298	(10,280)
Total General Instruction	467,018	477,298	(10,280)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	219,515	222,968	(3,453)
200 Employee Benefits	96,855	93,770	3,085
400 Supplies and Materials	2,834	1,435	1,399
	<u>319,204</u>	<u>318,173</u>	<u>1,031</u>
122 Trainable Mentally Handicapped			
100 Salaries	2,374,701	2,232,746	141,955
200 Employee Benefits	1,007,010	973,720	33,290
300 Purchased Services	867,988	855,107	12,881
400 Supplies and Materials	9,450	7,230	2,220
	<u>4,259,149</u>	<u>4,068,803</u>	<u>190,346</u>
123 Orthopedically Handicapped			
100 Salaries	57,102	56,947	155
200 Employee Benefits	15,184	15,072	112
400 Supplies and Materials	2,500	1,935	565
	<u>74,786</u>	<u>73,954</u>	<u>832</u>
125 Hearing Handicapped			
100 Salaries	439,215	440,848	(1,633)
200 Employee Benefits	171,920	189,961	(18,041)
300 Purchased Services	24,015	18,454	5,561
400 Supplies and Materials	6,567	6,532	35
	<u>641,717</u>	<u>655,795</u>	<u>(14,078)</u>
126 Speech Handicapped			
300 Instructional Services	202,749	183,668	19,081
400 Supplies and Materials	6,640	6,023	617
	<u>209,389</u>	<u>189,691</u>	<u>19,698</u>
127 Learning Disabilities			
100 Salaries	65,297	85,716	(20,419)
200 Employee Benefits	16,416	33,212	(16,796)
	<u>81,713</u>	<u>118,928</u>	<u>(37,215)</u>
128 Emotionally Handicapped			
100 Salaries	677,458	703,616	(26,158)
200 Employee Benefits	267,687	301,820	(34,133)
300 Purchased Services	207,739	207,526	213
400 Supplies and Materials	9,000	5,688	3,312
	<u>1,161,884</u>	<u>1,218,650</u>	<u>(56,766)</u>
129 Coordinated Early Intervening Services			
300 Purchased Services	5,000	2,157	2,843
	<u>5,000</u>	<u>2,157</u>	<u>2,843</u>
Total Exceptional Programs	<u>6,752,842</u>	<u>6,646,151</u>	<u>106,691</u>
130 Pre-School Programs			
137 Pre-School Handicapped-Self Contained (3 & 4 year olds)			
100 Salaries	174,570	173,220	1,350
200 Employee Benefits	70,322	66,645	3,677
300 Purchased Services	98,879	98,319	560
400 Supplies and Materials	18,278	16,239	2,039
	<u>362,049</u>	<u>354,423</u>	<u>7,626</u>
Total Pre-School Programs	<u>362,049</u>	<u>354,423</u>	<u>7,626</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
140 Special Programs			
145 Homebound			
100 Salaries	-	20,294	(20,294)
200 Employee Benefits	-	5,069	(5,069)
300 Purchased Services	321	61	260
	<u>321</u>	<u>25,424</u>	<u>(25,103)</u>
Total Special Programs	<u>321</u>	<u>25,424</u>	<u>(25,103)</u>
160 Other Exceptional Programs			
161 Autism			
100 Salaries	151,907	152,908	(1,001)
200 Employee Benefits	53,201	54,349	(1,148)
300 Purchased Services	74,576	73,111	1,465
	<u>279,684</u>	<u>280,368</u>	<u>(684)</u>
Total Other Exceptional Programs	<u>279,684</u>	<u>280,368</u>	<u>(684)</u>
TOTAL INSTRUCTION	<u>7,861,914</u>	<u>7,783,664</u>	<u>78,250</u>
200 SUPPORT SERVICES			
210 Pupil Services			
212 Guidance Services			
100 Salaries	56,361	56,361	-
200 Employee Benefits	20,700	20,640	60
300 Purchased Services	650	352	298
400 Supplies and Materials	200	200	-
	<u>77,911</u>	<u>77,553</u>	<u>358</u>
213 Health Services			
100 Salaries	459,359	458,767	592
200 Employee Benefits	186,233	191,223	(4,990)
300 Purchased Services	253,170	228,419	24,751
400 Supplies and Materials	7,287	6,405	882
	<u>906,049</u>	<u>884,814</u>	<u>21,235</u>
214 Psychological Services			
100 Salaries	50,841	50,841	-
200 Employee Benefits	19,352	19,215	137
400 Supplies and Materials	2,350	2,204	146
	<u>72,543</u>	<u>72,260</u>	<u>283</u>
215 Exceptional Program Services			
300 Purchased Services	17,663	10,787	6,876
400 Supplies and Materials	230	72	158
	<u>17,893</u>	<u>10,859</u>	<u>7,034</u>
Total Pupil Services	<u>1,074,396</u>	<u>1,045,486</u>	<u>28,910</u>
220 Instructional Staff Services			
222 Library and Media Services			
100 Salaries	71,466	71,700	(234)
200 Employee Benefits	26,655	26,657	(2)
300 Purchased Services	600	-	600
400 Supplies and Materials	6,971	5,990	981
	<u>105,692</u>	<u>104,347</u>	<u>1,345</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	16,580	9,600	6,980
200 Employee Benefits	3,258	1,548	1,710
300 Purchased Services	2,037	1,514	523
400 Supplies and Materials	24,180	20,168	4,012
600 Other Objects	450	450	-
	<u>46,505</u>	<u>33,280</u>	<u>13,225</u>
Total Instructional Staff Services	<u>152,197</u>	<u>137,627</u>	<u>14,570</u>
230 General Administration Services			
231 Board of Education			
300 Purchased Services	12,000	-	12,000
318 Audit Services	12,630	12,630	-
	<u>24,630</u>	<u>12,630</u>	<u>12,000</u>
233 School Administration			
100 Salaries	308,132	329,935	(21,803)
200 Employee Benefits	118,596	123,176	(4,580)
300 Purchased Services	19,922	14,787	5,135
400 Supplies and Materials	27,079	22,987	4,092
600 Other Objects	730	680	50
	<u>474,459</u>	<u>491,565</u>	<u>(17,106)</u>
Total General Administration Services	<u>499,089</u>	<u>504,195</u>	<u>(5,106)</u>
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	28,260	27,804	456
200 Employee Benefits	17,616	11,478	6,138
	<u>45,876</u>	<u>39,282</u>	<u>6,594</u>
254 Operation and Maintenance of Plant			
100 Salaries	123,342	120,738	2,604
200 Employee Benefits	54,730	55,767	(1,037)
300 Purchased Services	169,748	144,892	24,856
321 Public Utilities	36,910	33,488	3,422
400 Supplies and Materials	31,203	17,003	14,200
470 Energy	135,390	125,260	10,130
	<u>551,323</u>	<u>497,148</u>	<u>54,175</u>
255 Student Transportation (State Mandated)			
100 Salaries	730,000	594,432	135,568
200 Employee Benefits	275,202	182,669	92,533
300 Purchased Services	52,827	36,435	16,392
400 Supplies and Materials	2,018	1,807	211
	<u>1,060,047</u>	<u>815,343</u>	<u>244,704</u>
257 Internal Services			
300 Purchased Services	200	-	200
	<u>200</u>	<u>-</u>	<u>200</u>
258 Security			
300 Purchased Services	39,538	15,564	23,974
	<u>39,538</u>	<u>15,564</u>	<u>23,974</u>
Total Finance and Operations Services	<u>1,696,984</u>	<u>1,367,337</u>	<u>329,647</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
260 Central Support Services			
264 Staff Services			
200 Employee Benefits	3,500	3,507	(7)
300 Purchased Services	50	-	50
	<u>3,550</u>	<u>3,507</u>	<u>43</u>
Total Central Support Services	<u>3,550</u>	<u>3,507</u>	<u>43</u>
270 Support Services Pupil Activity			
271 Pupil Services Activities			
300 Purchased Services	50	-	50
600 Other Objects	3,950	-	3,950
660 Pupil Activity	3,377	2,834	543
	<u>7,377</u>	<u>2,834</u>	<u>4,543</u>
Total Support Services Pupil Activity	<u>7,377</u>	<u>2,834</u>	<u>4,543</u>
TOTAL SUPPORT SERVICES	<u>3,433,593</u>	<u>3,060,986</u>	<u>372,607</u>
410 INTERGOVERNMENTAL EXPENDITURES			
412 Payments to Other Governmental Units			
720 Transits	226,140	257,792	(31,652)
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>226,140</u>	<u>257,792</u>	<u>(31,652)</u>
TOTAL EXPENDITURES	<u>11,521,647</u>	<u>11,102,442</u>	<u>419,205</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds			
5210 Transfer from General Fund	388,132	-	(388,132)
5230 Transfer from Special Revenue Fund - EIA	151,845	147,987	(3,858)
420-710 Transfer to General Fund	(150,000)	(150,000)	-
423-710 Transfer to Debt Service Fund	(874,000)	(874,000)	-
424-710 Transfer to Capital Projects Fund	-	(750,000)	(750,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(484,023)</u>	<u>(1,626,013)</u>	<u>(1,141,990)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>159,355</u>	<u>\$ 159,355</u>
FUND BALANCE - JULY 1, 2015		<u>4,086,983</u>	
FUND BALANCE - JUNE 30, 2016		<u>\$ 4,246,338</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 2,350,000	\$ 2,457,374	\$ 107,374
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	244,000	343,357	99,357
1900 Other Revenue from Local Sources			
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	-	15	15
Total Local Sources	2,594,000	2,800,746	206,746
2000 Intergovernmental Revenue			
2100 Payments from Other Governmental Units	1,207,798	1,187,455	(20,343)
Total Intergovernmental Revenue	1,207,798	1,187,455	(20,343)
3000 Revenue from State Sources			
3800 State Revenue in Lieu of Taxes			
3840 Manufacturers Depreciation Reimbursement	32,206	40,037	7,831
Total State Sources	32,206	40,037	7,831
TOTAL REVENUE ALL SOURCES	3,834,004	4,028,238	194,234
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
113 Elementary Programs			
100 Salaries	690,201	679,824	10,377
200 Employee Benefits	268,726	272,740	(4,014)
300 Purchased Services	2,668	1,250	1,418
400 Supplies and Materials	15,332	10,309	5,023
	976,927	964,123	12,804
114 High School Programs			
100 Salaries	791,142	786,932	4,210
200 Employee Benefits	289,029	288,430	599
300 Purchased Services	10,161	4,222	5,939
400 Supplies and Materials	21,540	17,122	4,418
	1,111,872	1,096,706	15,166
Total General Instruction	2,088,799	2,060,829	27,970

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
120 Exceptional Programs			
127 Learning Disabilities			
100 Salaries	91,057	90,457	600
200 Employee Benefits	32,913	33,213	(300)
	123,970	123,670	300
Total Exceptional Programs	123,970	123,670	300
140 Special Programs			
145 Homebound			
100 Salaries	-	1,900	(1,900)
200 Employee Benefits	-	471	(471)
	-	2,371	(2,371)
Total Special Programs	-	2,371	(2,371)
170 Summer School Program			
175 Instructional Programs Beyond Regular Day School			
100 Salaries	-	6,106	(6,106)
200 Employee Benefits	-	1,535	(1,535)
	-	7,641	(7,641)
Total Summer School Program	-	7,641	(7,641)
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs			
300 Purchased Services	125,000	125,000	-
	125,000	125,000	-
Total Adult/Continuing Educational Programs	125,000	125,000	-
TOTAL INSTRUCTION	2,337,769	2,319,511	18,258
200 SUPPORT SERVICES			
210 Pupil Services			
211 Attendance and Social Work Services			
100 Salaries	-	9,141	(9,141)
140 Terminal Leave	-	1,353	(1,353)
200 Employee Benefits	-	2,098	(2,098)
300 Purchased Services	130,000	129,376	624
	130,000	141,968	(11,968)
212 Guidance Services			
100 Salaries	209,365	209,146	219
200 Employee Benefits	79,653	73,643	6,010
300 Purchased Services	109	-	109
400 Supplies and Materials	786	533	253
	289,913	283,322	6,591
213 Health Services			
100 Salaries	35,138	35,051	87
200 Employee Benefits	17,283	18,710	(1,427)
400 Supplies and Materials	1,933	1,909	24
	54,354	55,670	(1,316)
Total Pupil Services	474,267	480,960	(6,693)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
220 Instructional Staff Services			
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	1,120	3,008	(1,888)
200 Employee Benefits	281	327	(46)
300 Purchased Services	8,995	8,261	734
400 Supplies and Materials	3,334	3,174	160
600 Other Objects	200	185	15
	<u>13,930</u>	<u>14,955</u>	<u>(1,025)</u>
Total Instructional Staff Services	<u>13,930</u>	<u>14,955</u>	<u>(1,025)</u>
230 General Administration Services			
231 Board of Education			
300 Purchased Services	-	107,400	(107,400)
318 Audit Services	-	3,000	(3,000)
	<u>-</u>	<u>110,400</u>	<u>(110,400)</u>
233 School Administration			
100 Salaries	333,714	331,243	2,471
200 Employee Benefits	131,000	129,775	1,225
300 Purchased Services	1,469	912	557
400 Supplies and Materials	10,196	8,445	1,751
	<u>476,379</u>	<u>470,375</u>	<u>6,004</u>
Total General Administration Services	<u>476,379</u>	<u>580,775</u>	<u>(104,396)</u>
250 Finance and Operations Services			
254 Operation and Maintenance of Plant			
100 Salaries	60,138	57,725	2,413
200 Employee Benefits	29,913	24,804	5,109
300 Purchased Services	185,000	137,713	47,287
400 Supplies and Materials	13,164	11,863	1,301
470 Energy	138,297	133,056	5,241
600 Other Objects	750	-	750
	<u>427,262</u>	<u>365,161</u>	<u>62,101</u>
255 Student Transportation (State Mandated)			
300 Purchased Services	95,000	73,236	21,764
	<u>95,000</u>	<u>73,236</u>	<u>21,764</u>
258 Security			
300 Purchased Services	60,115	56,407	3,708
	<u>60,115</u>	<u>56,407</u>	<u>3,708</u>
Total Finance and Operations Services	<u>582,377</u>	<u>494,804</u>	<u>87,573</u>
260 Central Support Services			
264 Staff Services			
200 Employee Benefits	3,000	1,401	1,599
	<u>3,000</u>	<u>1,401</u>	<u>1,599</u>
266 Technology and Data Processing Services			
300 Purchased Services	510	-	510
400 Supplies and Materials	8,944	8,422	522
	<u>9,454</u>	<u>8,422</u>	<u>1,032</u>
Total Central Support Services	<u>12,454</u>	<u>9,823</u>	<u>2,631</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budget	Actual	Variance Favorable (Unfavorable)
270 Support Services Pupil Activity			
271 Pupil Services Activities			
660 Pupil Activity	758	726	32
	758	726	32
Total Support Services Pupil Activity	758	726	32
TOTAL SUPPORT SERVICES	1,560,165	1,582,043	(21,878)
TOTAL EXPENDITURES	3,897,934	3,901,554	(3,620)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds			
5210 Transfer from General Fund	31,947	-	(31,947)
5230 Transfer from Special Revenue Fund - EIA	88,983	86,722	(2,261)
420-710 Transfer to General Fund	(57,000)	(57,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	63,930	29,722	(34,208)
Excess (Deficiency) of Revenues over Expenditures	\$ -	156,406	\$ 156,406
FUND BALANCE - JULY 1, 2015		719,472	
FUND BALANCE - JUNE 30, 2016		\$ 875,878	

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING BALANCE SHEET
JUNE 30, 2016

201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
Title I	IDEA	Preschool Handicapped	CATE				
ASSETS							
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ 45,057	\$ 355,335	\$ 400,392
Due from other funds	-	-	-	-	255,872	1,869,095	2,124,967
Due From State Dept of Education	700,758	1,045,393	48,024	251,972	-	232,471	2,351,065
Due from other state agencies	-	-	-	-	-	145,765	145,765
Total Assets	\$ 700,758	\$ 1,045,393	\$ 48,024	\$ 251,972	\$ 300,929	\$ 2,602,666	\$ 5,022,189
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts payable	\$ 1,778	\$ 22,527	\$ -	\$ -	\$ 15,506	\$ 140,732	\$ 180,543
Due to other funds	698,980	1,022,866	48,024	195,061	-	-	2,037,378
Unearned revenue	-	-	-	56,911	285,423	1,818,741	2,161,075
Total Liabilities	700,758	1,045,393	48,024	251,972	300,929	1,959,473	4,378,996
Fund Balances:							
Restricted:	-	-	-	-	-	487,449	487,449
Technology Assigned:	-	-	-	-	-	155,744	155,744
Technology	-	-	-	-	-	643,193	643,193
Total Fund Balances	-	-	-	-	-	643,193	643,193
Total Liabilities and Fund Balance	\$ 700,758	\$ 1,045,393	\$ 48,024	\$ 251,972	\$ 300,929	\$ 2,602,666	\$ 5,022,189

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other State Grants	200's/800's Other Special Revenue Programs	Total
REVENUES	Title I	IDEA	Preschool Handicapped	CATE				
1000 Revenue from Local Sources								
1300 Tuition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 765	\$ 765
1330 From Patrons for Adult/Continuing Education								
1700 Pupil Activities	-	-	-	-	-	4,089	6,523	10,612
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	-	94,444	94,444
1740 Student Fees	-	-	-	-	-	-	17,398	17,398
1790 Other Pupil Activity Income	-	-	-	-	-	-	-	-
1900 Other Revenue from Local Sources	-	-	-	-	-	-	-	-
1910 Rentals	-	-	-	-	-	-	13,253	13,253
1920 Contributions and Donations Private Sources	-	-	-	-	-	77,470	114,782	192,252
1930 Medicaid	-	-	-	-	-	-	2,582,130	2,582,130
1999 Revenue from Other Local Sources	-	-	-	-	-	45,038	575,818	620,856
Total Local Sources	-	-	-	-	-	126,597	3,405,113	3,531,710
2000 Intergovernmental Revenue								
2100 Payments from Other Governmental Units	-	-	-	-	-	3,375	274,659	278,034
Total Intergovernmental Revenue	-	-	-	-	-	3,375	274,659	278,034
3000 Revenue from State Sources								
3100 Restricted State Funding	-	-	-	-	-	187,962	-	187,962
3110 Occupational Education	-	-	-	-	-	55,586	-	55,586
3118 EEDA Career Specialist	-	-	-	-	-	6,075	-	6,075
3120 General Education	-	-	-	-	-	389,755	-	389,755
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	10,526	-	10,526
3130 Special Programs	-	-	-	-	-	19,422	-	19,422
3134 CDEP Expansion	-	-	-	-	-	-	-	-
3135 Reading Coaches	-	-	-	-	-	-	-	-
3155 DSS SNAP & E&T Program	-	-	-	-	-	-	-	-
3177 Summer Reading Camps	-	-	-	-	-	-	-	-
3190 Miscellaneous Restricted State Grants	-	-	-	-	-	-	-	-
3193 Education License Plates	-	-	-	-	-	1,768	-	1,768
3198 Technology Professional Development (Carryover Only)	-	-	-	-	-	25,925	-	25,925
3199 Other Restricted State Grants	-	-	-	-	-	236	-	236

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE				
3600 Education Lottery Act Revenue								
3607 6-8 Enhancement	-	-	-	-	-	27,220	-	27,220
3610 K-5 Enhancement	-	-	-	-	-	208,654	-	208,654
3620 Digital Instructional Materials	-	-	-	-	-	153,000	-	153,000
3630 K-12 Technology Initiative	-	-	-	-	-	374,095	-	374,095
3900 Other State Revenue	-	-	-	-	-	19,589	-	19,589
3999 Revenue from Other State Sources	-	-	-	-	-	1,469,287	-	1,479,813
Total State Sources	-	-	-	-	10,526			
4000 Revenue from Federal Sources								
4200 Occupational Education								
4210 Perkins Aid, Title I	-	-	-	128,725	-	-	-	128,725
4300 Elementary and Secondary Education Act of 1965								
4310 Title I, Basic State Grant Programs	2,920,530	-	-	-	-	-	287,361	3,207,891
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	26,159	26,159
4343 McKinney-Vento	-	-	-	-	-	-	35,144	35,144
4351 Improving Teacher Quality	-	-	-	-	-	-	528,191	528,191
4400 Adult Education								
4410 Basic Adult Education	-	-	-	-	233,953	-	-	233,953
4430 State Literacy Resource	-	-	-	-	18,019	-	-	18,019
4500 Programs for Children with Disabilities								
4510 Individuals with Disabilities Education Act (IDEA)	-	1,678,029	-	-	-	-	-	1,678,029
4520 Preschool Grants (IDEA)	-	-	110,359	-	-	-	-	110,359
4900 Other Federal Sources	-	-	-	-	-	-	192,534	192,534
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	-
Total Federal Sources	2,920,530	1,678,029	110,359	128,725	251,972	-	1,069,389	6,159,004
TOTAL REVENUE ALL SOURCES	2,920,530	1,678,029	110,359	128,725	262,498	1,599,259	4,749,161	11,448,561

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
EXPENDITURES	Title I	IDEA	Preschool Handicapped	CATE				
100 INSTRUCTION								
110 General Instruction								
111 Kindergarten Programs								
100 Salaries	-	-	-	-	-	-	84,366	84,366
200 Employee Benefits	-	-	-	-	-	-	29,890	29,890
400 Supplies and Materials	19,260	-	-	-	-	29,400	-	48,660
	19,260	-	-	-	-	29,400	114,256	162,916
112 Primary Programs								
100 Salaries	517,896	-	-	-	-	407,272	246,852	1,172,020
200 Employee Benefits	209,205	-	-	-	-	109,556	103,737	422,498
300 Purchased Services	-	-	-	-	-	5,564	17,478	23,042
400 Supplies and Materials	65,753	-	-	-	-	44,661	87,747	198,161
	792,854	-	-	-	-	567,053	455,814	1,815,721
113 Elementary Programs								
100 Salaries	436,709	-	-	-	-	268,760	44,278	749,747
200 Employee Benefits	179,104	-	-	-	-	108,481	17,699	305,284
400 Supplies and Materials	79,862	-	-	-	-	18,017	95,980	193,859
600 Other Objects	750	-	-	-	-	-	-	750
	696,425	-	-	-	-	395,258	157,957	1,249,640
114 High School Programs								
100 Salaries	-	-	-	-	-	50,211	-	50,211
200 Employee Benefits	-	-	-	-	-	16,877	-	16,877
300 Purchased Services	-	-	-	-	-	15,585	11,774	27,359
400 Supplies and Materials	-	-	-	-	-	-	26,693	26,693
600 Other Objects	-	-	-	-	-	-	4,440	4,440
	-	-	-	-	-	82,673	42,907	125,580
115 Career and Technology Education Programs								
300 Purchased Services	-	-	-	10,067	-	-	-	10,067
400 Supplies and Materials	-	-	-	5,967	-	4,070	-	10,037
	-	-	-	16,034	-	4,070	-	20,104
Total General Instruction	1,508,539	-	-	16,034	-	1,078,454	770,934	3,373,961
120 Exceptional Programs								
121 Educable Mentally Handicapped								
100 Salaries	-	155,037	-	-	-	-	-	155,037
200 Employee Benefits	-	74,985	-	-	-	-	-	74,985
	-	230,022	-	-	-	-	-	230,022

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
122 Trainable Mentally Handicapped								
100 Salaries	-	4,125	-	-	-	236	26,878	31,239
200 Employee Benefits	-	-	-	-	-	-	17,054	17,054
400 Supplies and Materials	-	-	-	-	-	-	21,654	21,654
	-	4,125	-	-	-	236	65,586	69,947
124 Visually Handicapped								
100 Salaries	-	11,040	-	-	-	-	-	11,040
200 Employee Benefits	-	6,135	-	-	-	-	-	6,135
300 Purchased Services	-	20,714	-	-	-	-	-	20,714
	-	37,889	-	-	-	-	-	37,889
125 Hearing Handicapped								
100 Salaries	-	-	-	-	-	-	79,578	79,578
200 Employee Benefits	-	-	-	-	-	-	32,108	32,108
400 Supplies and Materials	-	1,552	-	-	-	4,455	-	6,007
	-	1,552	-	-	-	4,455	111,686	117,693
126 Speech Handicapped								
100 Salaries	-	43,535	-	-	-	-	457,898	501,433
200 Employee Benefits	-	14,585	-	-	-	-	161,169	175,754
300 Purchased Services	-	-	-	-	-	-	104,331	104,331
400 Supplies and Materials	-	7,795	-	-	-	-	2,102	9,897
600 Other Objects	-	745	-	-	-	-	1,284	2,029
	-	66,660	-	-	-	-	726,784	793,444
127 Learning Disabilities								
100 Salaries	-	232,743	-	-	-	-	75	232,818
200 Employee Benefits	-	94,879	-	-	-	-	19	94,898
300 Purchased Services	-	2,906	-	-	-	-	-	2,906
400 Supplies and Materials	-	41,447	-	-	-	-	24,945	66,392
	-	371,975	-	-	-	-	25,039	397,014
128 Emotionally Handicapped								
100 Salaries	-	144,991	-	-	-	-	90,378	235,369
200 Employee Benefits	-	57,621	-	-	-	-	42,117	99,738
300 Purchased Services	-	-	-	-	-	-	853	853
400 Supplies and Materials	-	-	-	-	-	-	11,824	11,824
	-	202,612	-	-	-	-	145,172	347,784
Total Exceptional Programs	-	914,835	-	-	-	4,691	1,074,267	1,993,793

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
130 Preschool Programs								
137 Preschool Handicapped Self-Contained (3 & 4-year olds)								
100 Salaries	-	44,437	66,446	-	-	-	39,671	150,554
200 Employee Benefits	-	16,905	34,665	-	-	-	-	51,570
400 Supplies and Materials	-	-	7,814	-	-	-	-	7,814
	-	61,342	108,925	-	-	-	39,671	209,938
139 Early Childhood Programs								
300 Purchased Services	-	-	-	-	-	-	363	363
400 Supplies and Materials	-	-	-	-	-	-	7,562	7,562
	-	-	-	-	-	-	7,925	7,925
	-	61,342	108,925	-	-	-	47,596	217,863
Total Preschool Programs								
	-	-	-	-	-	-	1,834	1,834
	-	-	-	-	-	-	1,834	1,834
140 Special Programs								
141 Gifted and Talented - Academic								
400 Supplies and Materials	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
142 Disadvantaged								
100 Salaries	-	-	-	-	-	-	14,410	14,410
200 Employee Benefits	-	-	-	-	-	-	3,844	3,844
300 Purchased Services	3,394	-	-	-	-	-	9,820	13,214
400 Supplies and Materials	-	-	-	-	-	-	7,070	7,070
600 Other Objects	174	-	-	-	-	-	-	174
	3,568	-	-	-	-	-	35,144	38,712
145 Homebound								
100 Salaries	-	7,223	-	-	-	-	200	7,423
200 Employee Benefits	-	1,802	-	-	-	-	49	1,851
	-	9,025	-	-	-	-	249	9,274
147 Full Day 4K								
100 Salaries	68,367	-	-	-	-	-	46,794	115,161
200 Employee Benefits	23,830	-	-	-	-	-	17,565	41,395
300 Purchased Services	-	-	-	-	-	727	-	727
400 Supplies and Materials	16,345	-	-	-	-	12,703	-	29,048
600 Other Objects	2,941	-	-	-	-	-	2,846	5,787
	111,483	-	-	-	-	13,430	67,205	192,118
149 Other Special Programs								
100 Salaries	-	2,602	-	-	-	-	-	2,602
200 Employee Benefits	-	761	-	-	-	-	-	761
400 Supplies and Materials	-	1,532	-	-	-	-	-	1,532
	-	4,895	-	-	-	-	-	4,895
Total Special Programs	115,051	13,920	-	-	-	13,430	104,432	246,833

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
160 Other Exceptional Programs								
161 Autism	-	30,099	-	-	-	-	-	30,099
100 Salaries	-	15,877	-	-	-	-	-	15,877
200 Employee Benefits	-	45,976	-	-	-	-	-	45,976
Total Other Exceptional Programs	-	45,976	-	-	-	-	-	45,976
170 Summer School Programs								
172 Elementary Summer School								
100 Salaries	54,166	-	-	-	-	13,067	-	67,233
200 Employee Benefits	13,617	-	-	-	-	3,285	-	16,902
300 Purchased Services	3,215	-	-	-	-	1,133	-	4,348
400 Supplies and Materials	-	-	-	-	-	1,938	-	1,938
Total Summer School Programs	70,998	-	-	-	-	19,423	-	90,421
175 Instructional Programs Beyond Regular School Day								
100 Salaries	308,834	763	-	-	-	1,463	61,537	372,597
200 Employee Benefits	76,846	192	-	-	-	361	15,376	92,775
300 Purchased Services	154,530	-	-	-	-	3,375	34,865	192,770
400 Supplies and Materials	3,286	-	-	-	-	-	-	3,286
Total Summer School Programs	543,496	955	-	-	-	5,199	111,778	661,428
Total Summer School Programs	614,494	955	-	-	-	24,622	111,778	751,849
180 Adult/Continuing Educational Programs								
181 Adult Basic Education Programs								
100 Salaries	-	-	-	-	31,838	-	2,285	34,123
200 Employee Benefits	-	-	-	-	5,050	-	905	5,955
300 Purchased Services	-	-	-	-	-	-	932	932
400 Supplies and Materials	-	-	-	-	3,334	-	2,478	5,812
Total Adult/Continuing Educational Programs	-	-	-	-	40,222	-	6,600	46,822
182 Adult Secondary Education Programs								
100 Salaries	-	-	-	-	98,366	-	12,197	110,563
200 Employee Benefits	-	-	-	-	23,711	-	5,310	29,021
300 Purchased Services	-	-	-	-	13,344	-	15,270	28,614
400 Supplies and Materials	-	-	-	-	1,511	-	19,732	21,243
Total Adult Secondary Education Programs	-	-	-	-	136,932	-	52,509	189,441

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
183 Adult English Literacy (ESL)							
100 Salaries	-	-	-	-	-	-	54,939
200 Employee Benefits	-	-	-	-	-	-	17,084
300 Purchased Services	-	-	-	-	-	339	339
400 Supplies and Materials	-	-	-	-	-	11,041	13,641
	-	-	-	-	-	11,380	86,003
188 Parenting/Family Literacy							
100 Salaries	101,367	-	-	-	-	8,072	109,439
200 Employee Benefits	42,710	-	-	-	-	2,056	44,766
300 Purchased Services	2,263	-	-	-	-	-	2,263
400 Supplies and Materials	18,267	-	-	-	-	3,963	22,230
	164,607	-	-	-	-	14,091	178,698
	164,607	-	-	-	-	84,580	500,964
Total Adult/Continuing Educational Programs							
	2,402,691	1,037,028	108,925	16,034	1,121,197	2,193,587	7,131,239
TOTAL INSTRUCTION							
200 SUPPORT SERVICES							
210 Pupil Services							
211 Attendance and Social Work Services							
100 Salaries	-	35,140	-	-	-	307,776	342,916
140 Terminal Leave	-	-	-	-	-	4,059	4,059
200 Employee Benefits	-	8,832	-	-	-	108,184	117,016
300 Purchased Services	-	877	-	-	-	1,076	1,953
400 Supplies and Materials	-	-	-	-	-	2,863	2,863
	-	44,849	-	-	-	423,958	468,807
212 Guidance Services							
100 Salaries	85,443	-	-	-	-	393,543	695,259
200 Employee Benefits	35,058	-	-	78,432	137,841	147,857	264,352
300 Purchased Services	-	-	-	31,315	50,122	541	541
400 Supplies and Materials	-	-	-	-	-	495	495
	120,501	-	-	109,747	187,963	542,436	960,647
213 Health Services							
100 Salaries	-	-	-	-	-	139,204	139,204
200 Employee Benefits	-	-	-	-	-	49,632	49,632
300 Purchased Services	-	10,406	-	-	-	172,319	182,725
400 Supplies and Materials	-	-	-	-	-	91	91
	-	10,406	-	-	-	361,246	371,652

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE	Adult Education		
214 Psychological Services							
100 Salaries	-	200,845	-	-	-	58,865	259,710
200 Employee Benefits	-	74,039	-	-	-	18,387	92,426
300 Purchased Services	-	4,431	-	-	-	13,880	18,311
400 Supplies and Materials	-	26,153	-	-	-	-	26,153
	-	305,468	-	-	-	91,132	396,600
Total Pupil Services	120,501	360,723	-	109,747	-	1,418,772	2,197,706
220 Instructional Staff Services							
221 Improvement of Instruction - Curriculum Development							
100 Salaries	-	-	-	-	-	237,452	237,452
200 Employee Benefits	-	-	-	-	-	85,304	85,304
300 Purchased Services	-	-	-	-	17,920	35,215	53,135
400 Supplies and Materials	7,204	-	-	-	-	224,106	231,310
600 Other Objects	150	-	-	-	-	-	150
	7,354	-	-	-	17,920	582,077	607,351
222 Library and Media							
300 Purchased Services	-	-	-	-	-	1,069	1,069
600 Other Objects	-	-	-	-	-	537	537
	-	-	-	-	-	1,606	1,606
223 Supervision of Special Programs							
100 Salaries	86,475	167,925	-	-	4,210	124,419	383,630
200 Employee Benefits	26,628	58,294	-	-	1,055	38,694	124,822
300 Purchased Services	2,776	15,050	-	-	-	107,979	126,074
400 Supplies and Materials	2,070	-	-	-	-	7,021	12,429
600 Other Objects	-	-	-	-	-	537	537
	117,949	241,269	-	-	5,265	278,650	647,492
224 Improvement of Instruction - Inservice and Staff Training							
100 Salaries	28,175	-	-	-	-	8,450	40,113
200 Employee Benefits	7,003	-	-	-	-	2,092	9,726
300 Purchased Services	113,573	4,443	-	-	-	91,904	235,004
400 Supplies and Materials	11,438	-	-	-	-	43,728	62,686
	160,189	4,443	-	-	-	146,174	347,529
Total Instructional Staff Services	285,492	245,712	-	-	5,265	1,008,507	1,603,978
230 General Administrative Services							
231 Board of Education	-	-	-	-	-	20,770	20,770
300 Purchased Services	-	-	-	-	-	20,770	20,770

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
232 Office of the Superintendent								
300 Purchased Services	-	-	-	-	-	-	1,587	1,587
400 Supplies and Materials	-	-	-	-	-	-	19,204	19,204
	-	-	-	-	-	-	20,791	20,791
233 School Administration								
100 Salaries	-	-	-	-	-	-	20,563	20,563
200 Employee Benefits	-	-	-	-	-	-	5,164	5,164
300 Purchased Services	-	-	-	-	-	-	547	547
400 Supplies and Materials	-	-	-	-	-	-	15,124	15,124
	-	-	-	-	-	-	41,398	41,398
Total General Administrative Services	-	-	-	-	-	-	82,959	82,959
250 Finance and Operations Services								
253 Facilities Acquisition and Construction								
300 Purchased Services	-	-	-	-	-	8,314	-	8,314
400 Supplies and Materials	-	-	-	-	-	153,000	-	153,000
520 Construction Services	-	-	-	-	-	17,378	-	17,378
	-	-	-	-	-	178,692	-	178,692
258 Security								
100 Salaries	-	-	-	-	-	-	24,113	24,113
200 Employee Benefits	-	-	-	-	-	-	6,515	6,515
300 Purchased Services	-	-	-	-	-	8,706	-	8,706
400 Supplies and Materials	-	-	-	-	-	11,350	-	11,350
	-	-	-	-	-	20,056	30,628	50,684
Total Finance and Operations Services	-	-	-	-	-	198,748	30,628	229,376
260 Central Support Services								
266 Technology and Data Processing Services								
300 Purchased Services	-	-	-	-	-	-	84,116	84,116
400 Supplies and Materials	-	-	-	-	-	1,768	26,845	28,613
	-	-	-	-	-	1,768	110,961	112,729
Total Central Support Services	-	-	-	-	-	1,768	110,961	112,729
270 Support Services - Pupil Activity								
271 Pupil Service Activities								
100 Salaries	-	-	-	-	-	-	2,250	2,250
200 Employee Benefits	-	-	-	-	-	-	561	561
300 Purchased Services	-	-	-	-	-	-	10,134	10,134
400 Supplies and Materials	-	-	-	-	-	25,839	3,697	44,451
	14,915							

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	201/202	203/204	205/206	207/208	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
660 Pupil Activity							
	Title I	IDEA	Preschool Handicapped	CATE	Adult Education		
	38,647	-	-	-	-	1,813	45,202
	53,562	-	-	-	-	18,455	102,598
	53,562	-	-	-	-	18,455	102,598
TOTAL SUPPORT SERVICES	459,555	606,435	-	109,747	5,265	2,670,282	4,329,346
300 COMMUNITY SERVICES							
390 Other Community Services							
100 Salaries	-	-	-	-	-	63	63
200 Employee Benefits	-	-	-	-	-	16	16
300 Purchased Services	-	-	-	-	-	1,116	1,116
	-	-	-	-	-	1,195	1,195
	-	-	-	-	-	1,195	1,195
TOTAL COMMUNITY SERVICES	2,862,246	1,643,463	108,925	125,781	257,042	4,865,064	11,461,780
TOTAL EXPENDITURES							
OTHER FINANCING SOURCES (USES)							
Interfund Transfers, From (To) Other Funds	-	-	-	-	-	250,000	250,000
5210 Transfer from General Fund	-	-	-	-	-	(114,000)	(114,000)
420-710 Transfer to General Fund	(58,284)	(34,566)	(1,434)	(2,944)	(5,456)	(12,061)	(114,745)
431-791 Special Revenue Fund Indirect Costs	(58,284)	(34,566)	(1,434)	(2,944)	(5,456)	123,939	21,255
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	8,036	8,036
Excess/Deficiency of Revenues over Expenditures	-	-	-	-	-	635,157	635,157
FUND BALANCE - JULY 1, 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 643,193	\$ 643,193
FUND BALANCE - JUNE 30, 2016							

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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTE TO SPECIAL REVENUE FUND - SPECIAL PROJECTS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Subfund	Revenue	Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
928	3118	EEEDA Career Specialist	187,962	187,962	-	-	626
937	3127	Student Health and Fitness - PE Teachers	55,586	55,586	-	-	-
924	3134	CDEP Expansion	6,075	6,075	-	-	26,425
935	3135	Reading Coaches	389,755	389,755	-	-	15,620
926	3177	Summer Reading Camps	19,422	19,422	-	-	6,763
919	3193	Education License Plates	1,768	1,768	-	-	-
918	3198	Technology Professional Development (Carryover)	25,925	25,925	-	-	12,262
803	3199	Profoundly Mentally Disabled	236	236	-	-	-
967	3607	6-8 Enhancement	27,220	27,220	-	-	11,573
960	3610	K-5 Enhancement	208,654	208,654	-	-	-
965	3620	Digital Instructional Materials	153,000	153,000	-	-	-
963	3630	K-12 Technology Initiative	374,095	374,095	-	-	-
807	3999	SC Arts Grant	12,233	12,233	-	-	-
844	3999	SC EOC Grant	7,356	7,356	-	-	187,110
			<u>\$ 1,469,287</u>	<u>\$ 1,469,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,379</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

REVENUES

3000 Revenue from State Sources

3500 Education Improvement Act	
3502 ADEPT	\$ 22,110
3504 Level Data Reimbursement	12,955
3505 Technology Support	10,117
3509 Arts in Education	12,780
3511 Professional Development	37,582
3518 Formative Assessment	36,145
3525 Career and Technology Education Equipment	88,194
3526 Refurbishment of K-8 Science Kits	20,960
3532 National Board Certification (NBC) Salary Supplement	609,297
3533 Teacher of the Year Award	1,077
3538 Students At Risk of School Failure	1,037,950
3541 Child Development Education Program (CDEP)	1,170,282
3550 Teacher Salary Increase	1,475,764
3555 School Employer Contributions	221,333
3556 Adult Education	559,591
3557 Summer Reading Program	49,090
3558 Reading	38,247
3571 Palmetto Priority Technical Assistance	264,469
3577 Teacher Supplies	164,250
3581 Student Health and Fitness - Nurses	295,279
3592 Work-Based Learning	31,112
3595 EEDA - Supplies and Materials - Career Awareness	2,009
3597 Aid to Districts	222,478
3599 Other EIA	55,614
	<hr/>
Total State Sources	6,438,685
	<hr/>
TOTAL REVENUE ALL SOURCES	6,438,685
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EXPENDITURES**100 INSTRUCTION**

110 General Instruction	
111 Kindergarten Programs	
100 Salaries	196,595
200 Employee Benefits	76,724
400 Supplies and Materials	477
	<hr/>
112 Primary Programs	
100 Salaries	361,442
200 Employee Benefits	126,619
300 Purchased Services	32,156
400 Supplies and Materials	246,316
600 Other Objects	800

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

113 Elementary Programs	
100 Salaries	620,706
200 Employee Benefits	94,118
400 Supplies and Materials	6,728
114 High School Programs	
100 Salaries	233,445
200 Employee Benefits	64,641
300 Purchased Services	139
400 Supplies and Materials	3,791
115 Career and Technology Education Programs	
400 Supplies and Materials	88,194
120 Exceptional Programs	
122 Trainable Mentally Handicapped	
100 Salaries	27,278
200 Employee Benefits	6,779
126 Speech Handicapped	
100 Salaries	55,380
200 Employee Benefits	19,623
127 Learning Disabilities	
100 Salaries	20,000
200 Employee Benefits	5,315
130 Pre-School Programs	
137 Preschool Handicapped - Self-Contained (3 & 4 year olds)	
100 Salaries	35,849
200 Employee Benefits	30,458
140 Special Programs	
141 Gifted and Talented - Academic	
100 Salaries	7,463
200 Employee Benefits	1,838
147 Full Day 4K	
100 Salaries	709,210
200 Employee Benefits	286,098
300 Purchased Services	1,588
400 Supplies and Materials	8,219
170 Summer School Program	
172 Elementary Summer School	
100 Salaries	94,226
200 Employee Benefits	23,689
300 Purchased Services	6,140
400 Supplies and Materials	15,840

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

175 Instructional Programs Beyond Regular School Day	
300 Purchased Services	21,603
180 Adult/Continuing Education Programs	
181 Adult Basic Education Programs	
100 Salaries	46,885
200 Employee Benefits	11,720
400 Supplies and Materials	2,424
182 Adult Secondary Education Programs	
100 Salaries	182,217
200 Employee Benefits	51,309
183 Adult English Literacy (ESL)	
100 Salaries	10,321
200 Employee Benefits	2,571
400 Supplies and Materials	585
188 Parenting/Family Literacy	
100 Salaries	44,242
200 Employee Benefits	11,212
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TOTAL INSTRUCTION	3,892,973
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200 SUPPORT SERVICES	
210 Pupil Services	
212 Guidance Services	
100 Salaries	47,763
200 Employee Benefits	14,538
300 Purchased Services	61,954
400 Supplies and Materials	1,648
600 Other Objects	85
213 Health Services	
100 Salaries	251,775
200 Employee Benefits	96,720
400 Supplies and Materials	547
220 Instructional Staff Services	
221 Improvement of Instruction - Curriculum Development	
400 Supplies and Materials	34,617
222 Library and Media	
100 Salaries	17,424
200 Employee Benefits	4,661
400 Supplies and Materials	17,986
223 Supervision of Special Programs	
100 Salaries	277,395

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

200 Employee Benefits	107,564
300 Purchased Services	12,787
400 Supplies and Materials	35
224 Improvement of Instruction - Inservice and Staff training	
100 Salaries	18,005
200 Employee Benefits	4,440
300 Purchased Services	183,450
400 Supplies and Materials	38,246
600 Other Objects	17,699
250 Finance and Operations Services	
251 Student Transportation (Federal/District Mandated)	
300 Purchased Services	280
253 Facilities Acquisition and Construction	
400 Supplies and Materials	12,955
260 Central Support Services	
264 Staff Services	
100 Salaries	8,106
266 Technology and Data Processing Services	
400 Supplies and Materials	10,117
270 Support Services Pupil Activity	
271 Pupil Services Activities	
300 Purchased Services	7,818
TOTAL SUPPORT SERVICES	1,248,615
TOTAL EXPENDITURES	5,141,588
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds	
5220 Transfer from General Fund	400,000
420-710 Transfer to General Fund	(1,462,388)
421-710 Transfer to Special Revenue Fund - Alternative School	(86,722)
421-710 Transfer to Special Revenue Fund - McCarthy-Teszler	(147,987)
TOTAL OTHER FINANCING SOURCES (USES)	(1,297,097)
Excess (Deficiency) of Revenues over Expenditures	-
FUND BALANCE - JULY 1, 2015	-
FUND BALANCE - JUNE 30, 2016	\$ -

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR FISCAL YEAR ENDED JUNE 30, 2016

Program	Revenues		Expenditures		EIA Interfund Transfers		Other fund Transfers		Unearned Revenue
	\$		\$		In/(Out)		In/(Out)		
3502 ADEPT	\$	22,110	\$	22,110	\$	-	\$	-	\$ 12,512
3504 Level Data Reimbursement		12,955		12,955		-		-	-
3505 Technology Support		10,117		10,117		-		-	-
3509 Arts in Education		12,780		12,780		-		-	399
3511 Professional Development		37,582		37,582		-		-	6,182
3512 Technology Professional Development		-		-		-		-	37,130
3518 Formative Assessment		36,145		36,145		-		-	14,486
3525 Career and Technology Education Equipment		88,194		88,194		-		-	78,309
3526 Refurbishment of K-8 Science Kits		20,960		20,960		-		-	30,270
3532 National Board Certification (NBC) Salary Supplement		609,297		609,297		-		-	-
3533 Teacher of the Year Award		1,077		1,077		-		-	-
3535 Reading Coaches		-		-		-		-	8,000
3538 Students at Risk of School Failure		1,037,950		1,437,950		-	400,000	-	812,057
3541 Child Development Education Program (CDEP)		1,170,282		1,170,282		-	-	-	576,503
3550 Teacher Salary Increase		1,475,764		-		-	(1,475,764)	-	-
3555 School Employer Contributions		221,333		-		-	(221,333)	-	-
3556 Adult Education		559,591		559,591		-	-	-	158,757
3557 Summer Reading Program		49,090		49,090		-	-	-	26,484
3558 Reading		38,247		38,247		-	-	-	35,425
3571 Palmetto Priority Technical Assistance		264,469		264,469		-	-	-	55,946
3577 Teacher Supplies		164,250		164,250		-	-	-	-
3581 Student Health and Fitness - Nurses		295,279		295,279		-	-	-	-
3592 Work-Based Learning		31,112		31,112		-	-	-	5,049
3595 EEDA - Supplies and Materials - Career Awareness		2,009		2,009		-	-	-	18,007
3597 Aid to Districts		222,478		222,478		-	-	-	-
3599 Other EIA		55,614		55,614		-	-	-	-
Total	\$	6,438,685	\$	5,141,588	\$	-	\$(1,297,097)		\$ 1,875,516

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SPECIAL REVENUE FUND - FOOD SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

REVENUES

1000 Revenue from Local Sources	
1600 Food Service	
1610 Lunch Sales to Pupils	\$ 232,028
1640 Lunch Sales to Adults	60,623
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	19,152
	<hr/>
Total Local Sources	311,803
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3000 Revenue from State Sources	
3140 School Lunch	
3142 Program Aid	321
	<hr/>
Total State Sources	321
	<hr/>
4000 Revenue from Federal Sources	
4800 USDA Reimbursement	
4810 School Lunch and After School Snacks Program	2,440,427
4830 School Breakfast Program	1,081,652
4860 Fresh Fruits and Vegetables Program (FFVP)	90,923
4870 School Food Service (Equipment)	10,000
4880 Summer Feeding Programs (SFSP)	263,218
4900 Other Federal Sources	
4991 USDA Commodities (Food Distribution Program)	258,988
4999 Revenue from Other Federal Sources	223,312
	<hr/>
Total Federal Sources	4,368,520
	<hr/>
TOTAL REVENUE ALL SOURCES	4,680,644
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EXPENDITURES

256 Food Service	
100 Salaries	45,682
200 Employee Benefits	16,326
300 Purchased Services	3,603,862
400 Supplies and Materials	391,954
500 Capital Outlay	69,129
600 Other Objects	3,433
	<hr/>
TOTAL EXPENDITURES	4,130,386
	<hr/>
Excess (Deficiency) of Revenues over Expenditures	550,258
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FUND BALANCE - JULY 1, 2015	1,238,083
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FUND BALANCE - JUNE 30, 2016	\$ 1,788,341
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Debt Service Fund

Debt Service Fund

Fund used to account for the collection and payment of interest and principal on long term General Obligation Debt.

The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
DEBT SERVICE FUND
COMBINING BALANCE SHEET
JUNE 30, 2016

	<u>Debt Service Fund</u>	<u>McCarthy-Teszler</u>	<u>Totals</u>
ASSETS			
Taxes receivable	\$ 989,060	\$ -	\$ 989,060
Less allowance for uncollectibles	(692,342)	-	(692,342)
Due from other funds	-	250,172	250,172
Due from County Government	<u>4,326,035</u>	<u>-</u>	<u>4,326,035</u>
Total Assets	<u>\$ 4,622,753</u>	<u>\$ 250,172</u>	<u>\$ 4,872,925</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ 1,127,108	\$ -	\$ 1,127,108
Unearned revenue	<u>296,718</u>	<u>-</u>	<u>296,718</u>
Total Liabilities	<u>1,423,826</u>	<u>-</u>	<u>1,423,826</u>
Fund Balances:			
Restricted:			
Debt service	<u>3,198,927</u>	<u>250,172</u>	<u>3,449,099</u>
Total Fund Balances	<u>3,198,927</u>	<u>250,172</u>	<u>3,449,099</u>
Total Liabilities and Fund Balances	<u>\$ 4,622,753</u>	<u>\$ 250,172</u>	<u>\$ 4,872,925</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
DEBT SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Debt Service Fund		McCarthy-Teszler		Total	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
1000 Revenue from Local Sources						
1100 Taxes						
1110 Ad Valorem Taxes - Including Delinquent	\$ 12,200,000	\$ 12,081,426	\$ -	\$ -	\$ 12,200,000	\$ 12,081,426
1200 Revenue from Local Governmental Units Other than LEAs						\$ (118,574)
1280 Revenue in Lieu of Taxes	50,000	129,966	-	-	50,000	129,966
1500 Earnings on Investments						79,966
1510 Interest on Investments	30,000	42,127	-	5	30,000	42,132
Total Local Sources	12,280,000	12,253,519	-	5	12,280,000	12,253,524
						(26,476)
3000 Revenue from State Sources						
3800 State Revenue in Lieu of Taxes						
3820 Homestead Exemption (Tier 2)	550,000	576,459	-	-	550,000	576,459
3830 Merchant's Inventory Tax	220,000	219,180	-	-	220,000	219,180
3840 Manufacturers Depreciation Reimbursement	50,000	74,676	-	-	50,000	74,676
Total State Sources	820,000	870,315	-	-	820,000	870,315
						50,315
TOTAL REVENUE ALL SOURCES	13,100,000	13,123,834	-	5	13,100,000	13,123,839
						23,839
EXPENDITURES						
500 Debt Service						
319 Legal Services	10,500	10,274	1,183	1,182	11,683	11,456
395 Other Professional and Technical Services	-	3,614	-	-	-	3,614
610 Redemption of Principal	11,975,000	11,961,488	662,000	662,000	12,637,000	12,623,488
620 Interest	1,725,000	1,766,726	210,930	210,930	1,935,930	1,977,656
690 Other Objects	-	1,747	-	-	-	1,747
TOTAL EXPENDITURES	13,710,500	13,743,849	874,113	874,112	14,584,613	14,617,961
						(33,348)
OTHER FINANCING SOURCES (USES)						
5110 Premium on Bonds Sold	-	13,771	-	-	-	13,771
						(13,771)
Interfund Transfers, From (To) Other Funds						
5220 Transfer From Special Revenue Fund - McCarthy-Teszler	-	-	-	874,000	-	874,000
						874,000
TOTAL OTHER FINANCING SOURCES (USES)	-	13,771	-	874,000	-	887,771
						860,229
Excess (Deficiency) of Revenues over Expenditures	\$ (610,500)	(606,244)	\$ (874,113)	(107)	\$ (1,484,613)	(606,351)
						\$ 850,720
FUND BALANCE - JULY 1, 2015		3,805,171		250,279		4,055,450
FUND BALANCE - JUNE 30, 2016		\$ 3,198,927		\$ 250,172		\$ 3,449,099



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Capital Projects Fund

Capital Projects Fund

Fund used to account for financial resources to be used for the acquisition and construction of major capital facilities.

The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
JUNE 30, 2016

	Capital Projects Fund	McCarthy- Teszler	Total
ASSETS			
Due from County Government	\$ 5,115,380	\$ -	\$ 5,115,380
Due from other funds	11,171,571	1,566,716	12,738,287
Total Assets	<u>\$ 16,286,951</u>	<u>\$ 1,566,716</u>	<u>\$ 17,853,667</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,089,455	\$ -	\$ 1,089,455
Retainage payable	52,412	-	52,412
Total Liabilities	<u>1,141,867</u>	<u>-</u>	<u>1,141,867</u>
Fund Balances:			
Assigned:			
Capital projects	<u>15,145,084</u>	<u>1,566,716</u>	<u>16,711,800</u>
Total Fund Balances	<u>15,145,084</u>	<u>1,566,716</u>	<u>16,711,800</u>
Total Liabilities and Fund Balances	<u>\$ 16,286,951</u>	<u>\$ 1,566,716</u>	<u>\$ 17,853,667</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
CAPITAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Capital Projects Fund			McCarthy-Teszler			Total		Variance Favorable (Unfavorable)
	Budget	Actual		Budget	Actual		Budget	Actual	
REVENUES									
1000 Revenue from Local Sources									
1500 Earnings on Investments									
1510 Interest on Investments	\$ -	\$ 371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 371	\$ 371
1900 Other Revenue from Local Sources									
1920 Contributions & Donations Private Sources	-	52,911	-	-	-	-	-	52,911	52,911
Total Local Sources	-	53,282	-	-	-	-	-	53,282	53,282
TOTAL REVENUE ALL SOURCES	-	53,282	-	-	-	-	-	53,282	53,282
EXPENDITURES									
100 INSTRUCTION									
110 General Instruction									
114 High School Programs									
300 Purchased Services	83,864	83,864	-	-	-	-	83,864	83,864	-
400 Supplies and Materials	12,261	12,211	-	-	-	-	12,261	12,211	50
160 Other Exceptional Programs									
161 Autism									
400 Supplies and Materials	-	-	6,900	6,900	6,500	6,900	6,900	6,500	400
TOTAL INSTRUCTION	96,125	96,075	6,900	6,900	6,500	103,025	102,575	450	450
200 SUPPORT SERVICES									
210 Pupil Services									
213 Health Services									
400 Supplies and Materials	8,840	8,300	-	-	-	8,840	8,300	540	540
220 Instructional Staff Services									
221 Improvement of Instruction Curriculum Development									
100 Salaries	46,691	6,931	-	-	-	46,691	6,931	39,760	39,760
180 Head of Organizational Unit Salaries	-	28,352	-	-	-	-	28,352	(28,352)	(28,352)
200 Employee Benefits	13,452	4,059	-	-	-	13,452	4,059	9,393	9,393
280 Head of Organizational Unit Employee Benefits	-	9,391	-	-	-	-	9,391	(9,391)	(9,391)
230 General Administrative Services									
231 Board of Education									
300 Purchased Services	5,457	5,456	-	-	-	5,457	5,456	1	1

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
CAPITAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Capital Projects Fund		McCarthy-Teszler		Total	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual
250 Finance and Operations						
253 Facilities Acquisition and Construction						
300 Purchased Services	1,605,987	1,250,559	10,000	3,980	1,615,987	1,254,539
400 Supplies and Materials	806,090	449,894	-	-	806,090	449,894
500 Capital Outlay						
510 Land	-	9,974,620	-	-	-	9,974,620
520 Construction Services	3,238,213	1,677,397	-	-	3,238,213	1,677,397
530 Improvements Other Than Buildings	1,767,485	1,567,119	-	-	1,767,485	1,567,119
540 Equipment	83,096	80,966	-	-	83,096	80,966
550 Vehicles	66,547	32,200	-	-	66,547	32,200
600 Other Objects						
690 Other Objects	-	39,666	-	-	-	(39,666)
254 Operation and Maintenance of Plant						
300 Purchased Services	176,999	163,818	35,742	35,742	212,741	199,560
500 Capital Outlay	43,500	30,926	-	-	43,500	30,926
260 Central Support Services						
266 Technology and Data Processing Services						
300 Purchased Services	32,505	32,505	-	-	32,505	32,505
270 Support Services - Pupil Activity						
271 Pupil Service Activities						
300 Purchased Services	124,450	124,433	-	-	124,450	124,433
400 Supplies and Materials	50,053	46,836	-	-	50,053	46,836
TOTAL SUPPORT SERVICES	8,069,365	15,533,428	45,742	39,722	8,115,107	15,573,150
500 DEBT SERVICES						(7,458,043)
319 Legal Services	-	17,500	-	-	-	17,500
395 Other Professional and Technical Services	-	17,500	-	-	-	(17,500)
TOTAL DEBT SERVICES	-	35,000	-	-	-	(35,000)
TOTAL EXPENDITURES	8,165,490	15,664,503	52,642	46,222	8,218,132	15,710,725
						(7,492,593)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
CAPITAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Capital Projects Fund		McCarthy-Teszler		Total	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual
OTHER FINANCING SOURCES (USES)						
5110 Premium on Bonds Sold	-	656,033	-	-	-	656,033
5120 Proceeds of General Obligation Bonds	5,528,485	20,500,000	-	-	5,528,485	20,500,000
						14,971,515
Interfund Transfers, From (To) Other Funds						
5210 Transfer from General Fund	-	1,350,000	-	-	-	1,350,000
5220 Transfer from Special Revenue Fund - McCarthy-Teszler	-	-	-	750,000	-	750,000
	5,528,485	22,506,033	-	750,000	5,528,485	23,256,033
						17,727,548
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$(2,637,005)</u>	<u>6,894,812</u>	<u>\$ (52,642)</u>	<u>703,778</u>	<u>\$(2,689,647)</u>	<u>\$10,288,237</u>
Excess (Deficiency) of Revenues over Expenditures						
		8,250,272		862,938		9,113,210
FUND BALANCE - JULY 1, 2015						
		<u>\$ 15,145,084</u>		<u>\$ 1,566,716</u>		<u>\$ 16,711,800</u>
FUND BALANCE - JUNE 30, 2016						



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Fiduciary Fund

Fiduciary Fund

Fund used to account for the collection and payment of Pupil Activity receipts and disbursements from and on behalf of the School District's students.

The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
FIDUCIARY FUND
PUPIL ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN DUE TO STUDENT ORGANIZATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

RECEIPTS

1000 Receipts from Local Sources	
1700 Pupil Activities	
1710 Admissions	\$ 266,009
1730 Pupil Organization Membership Dues and Fees	65,951
1740 Student Fees	17,969
1790 Other	1,215,188
1900 Other Revenue from Local Sources	
1920 Contributions & Donations Private Sources	206,324
1999 Revenue from Other Local Sources	17,506
	<hr/>
TOTAL RECEIPTS ALL SOURCES	1,788,947

DISBURSEMENTS

100 Instruction	
190 Instructional Pupil Activity	
100 Salaries	71,703
200 Employee Benefits	17,692
300 Purchased Services	27,465
400 Supplies and Materials	125,196
660 Pupil Activity	274,391
200 Support Services	
250 Finance and Operations Services	
258 Security	
100 Salaries	8,182
200 Employee Benefits	2,056
270 Support Services Pupil Activity	
271 Pupil Service Activities	
100 Salaries	21,439
200 Employee Benefits	4,443
300 Purchased Services	150,399
400 Supplies and Materials	732,994
600 Other Objects	80,192
660 Support Services Pupil Activity	208,870
	<hr/>
TOTAL DISBURSEMENTS	1,725,022

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 FIDUCIARY FUND
 PUPIL ACTIVITY AGENCY FUND
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN DUE TO STUDENT ORGANIZATIONS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds
 5210 Transfer from General Fund

10,000

TOTAL OTHER FINANCING SOURCES (USES)

10,000

Excess (Deficiency) of Receipts over Disbursements

73,925

DUE TO STUDENT ORGANIZATIONS - JULY 1, 2015

742,967

DUE TO STUDENT ORGANIZATIONS - JUNE 30, 2016

\$ 816,892

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 AGENCY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Balance 6/30/2015	Additions	Deletions	Balance 6/30/2016
ASSETS				
Account receivable	\$ 909	\$ 165	\$ (909)	\$ 165
Due from general fund	760,531	61,873	-	822,404
Total Assets	<u>\$ 761,440</u>	<u>\$ 62,038</u>	<u>\$ (909)</u>	<u>\$ 822,569</u>
LIABILITIES				
Accounts payable	\$ 18,473	\$ 5,677	\$ (18,473)	\$ 5,677
Due to student organizations	742,967	73,925	-	816,892
Total Liabilities	<u>\$ 761,440</u>	<u>\$ 79,602</u>	<u>\$ (18,473)</u>	<u>\$ 822,569</u>

Other Supplementary Information

Other Supplementary Information

The following schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Program	Project Grant Number	Revenue Code	Description	Amount Due to SCDE/ Federal
---------	-------------------------	-----------------	-------------	-----------------------------------

No Due to State Department of Education.

No Due to Federal Government.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
LOCATION RECONCILIATION SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
100	Districtwide	Non-Schools	Central	\$ 29,701,497
101	All Schools	Non-Schools	Central	2,734,488
110	Student Services Center	Non-Schools	Central	562
131	Meeting Street Academy	Private School	School	16,263
141	Gifted and Talented	Other Schools	School	616,154
151	Boyd Elementary	Elementary Schools	School	4,029,035
190	District 7 Instructional Services Center	Other Schools	School	25,182
202	Carver Junior High	Middle Schools	School	5,291,808
251	Chapman Elementary	Elementary Schools	School	3,665,277
302	Whitlock Junior High	Middle Schools	School	217,323
353	Daniel Morgan Technology Center	Other Schools	School	311,974
402	McCracken Junior High	Middle Schools	School	6,191,809
451	Cleveland Elementary	Elementary Schools	School	5,598,448
501	Houston Elementary	Elementary Schools	School	3,617,282
521	Elementary (name TBD)	Elementary Schools	School	125,053
601	Madden Elementary	Elementary Schools	School	108,564
651	Park Hills Elementary	Elementary Schools	School	2,268,668
701	Pine Street Elementary	Elementary Schools	School	7,308,199
743	Spartanburg Freshman Academy	High Schools	School	3,697,601
753	Spartanburg High School	High Schools	School	24,309,867
760	Adult Education	Other Schools	School	1,252,338
801	Todd Elementary	Elementary Schools	School	6,487,940
851	Wright Elementary	Elementary Schools	School	4,370,892
871	McCarthy/Teszler School	Other Schools	School	12,380,707
872	McCarthy Alternative Program	Other Schools	School	954,248
910	Transportation Office	Non-Schools	Central	2,164,232
921	Teacher Incentive Fund Program	Non-Schools	Central	501,478
975	Duncan Park	Non-Schools	Central	240,706
976	Wofford Stadium	Non-Schools	Central	124,433
980	Instructional Materials Center	Non-Schools	Central	58,507
990	Operations/Warehouse	Non-Schools	Central	2,500,123
Total expenditures/disbursements for all funds				<u><u>\$ 130,870,658</u></u>

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

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 63,079,200
Special Revenue Fund - McCarthy-Teszler School	11,102,442
Special Revenue Fund - Spartanburg County Alternative School	3,901,554
Special Revenue Fund - Special Projects	11,461,780
Special Revenue Fund - EIA	5,141,588
Special Revenue Fund - Food Service	4,130,386
Debt Service Fund	14,617,961
Capital Projects Fund	15,710,725
Pupil Activity Agency Fund	1,725,022
	<u><u>\$ 130,870,658</u></u>



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Spartanburg School District 7 has set the bar for public school systems across the state for decades. While we are proud of that legacy, we understand that students today need to be challenged in new ways to be prepared for the future. That is why we continually strive to develop new programs that excite students and engage their minds. By honoring our tradition while fostering a passion for learning, our students thrive in an atmosphere of excellence and innovation.



Statistical Section

Statistical Section

This section of the Spartanburg Seven School District's comprehensive annual financial report presents detailed trend and other information as a context for understanding what the information in the basic financial statements, notes to the basic financial statements, required supplementary information and other supplementary information says about the school district's overall financial health.

	Page Number
Financial Trends	116-120
These schedules contain trend information to help the reader understand how the school district's financial performance and well-being have changed over time.	
Revenue Capacity	121-125
These schedules contain information to help the reader assess the school district's most significant local revenue source, property tax.	
Debt Capacity	126-129
These schedules present information to help the reader assess the affordability of the school district's current level of outstanding debt and the school district's ability to issue additional debt in the future.	
Demographic and Economic Information	130-131
These schedules offer demographic and economic indicators to help the reader understand the environment within the school district's financial activities take place.	
Operating Information	132-136
These schedules contain service and infrastructure data to help the reader understand how the information in the school district's financial report relates to the services Spartanburg Seven school district provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

The following schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.



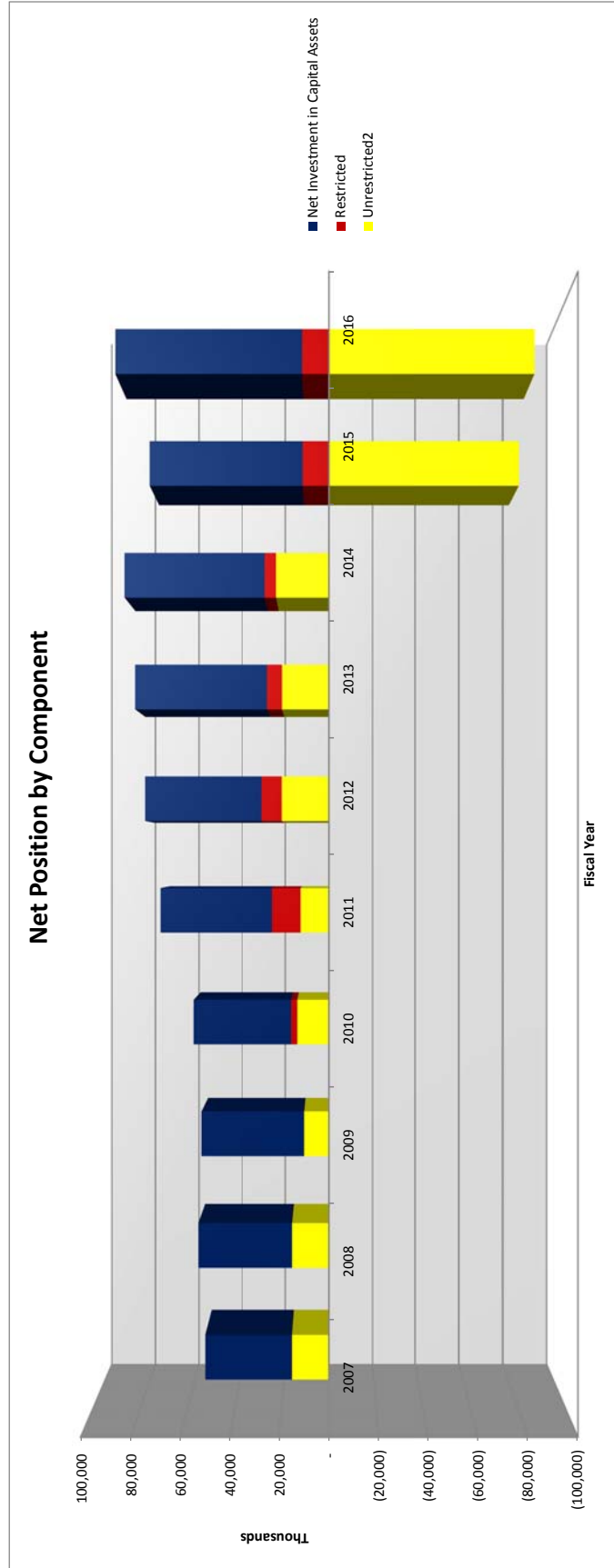
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SPARTANBURG COUNTY SCHOOL DISTRICT 7

**Net Position by Component
(Last Ten Fiscal Years)
(Unaudited)**

Net Position Components	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Primary Government										
Net Investment in Capital Assets	\$ 36,560,879	\$ 39,539,449	\$ 43,324,332	\$ 41,204,531	\$ 47,027,940	\$ 49,087,936	\$ 55,574,763	\$ 58,950,668	\$ 64,329,631	\$ 78,460,060
Restricted	103,203	79,267	65,280	2,539,287	11,907,130	8,438,644	6,181,271	4,777,196	11,006,272	11,278,398
Unrestricted ²	15,437,845	15,401,178	10,325,751	13,233,394	11,888,584	19,748,371	19,675,187	22,121,148	(79,530,447)	(86,091,970)
Total Primary Government Net Position	\$ 52,101,927	\$ 55,019,894	\$ 53,715,363	\$ 56,977,212	\$ 70,823,654	\$ 77,274,951	\$ 81,431,221	\$ 85,849,012	\$ (4,194,544)	\$ 3,646,488



Source: District Basic Financial Statements

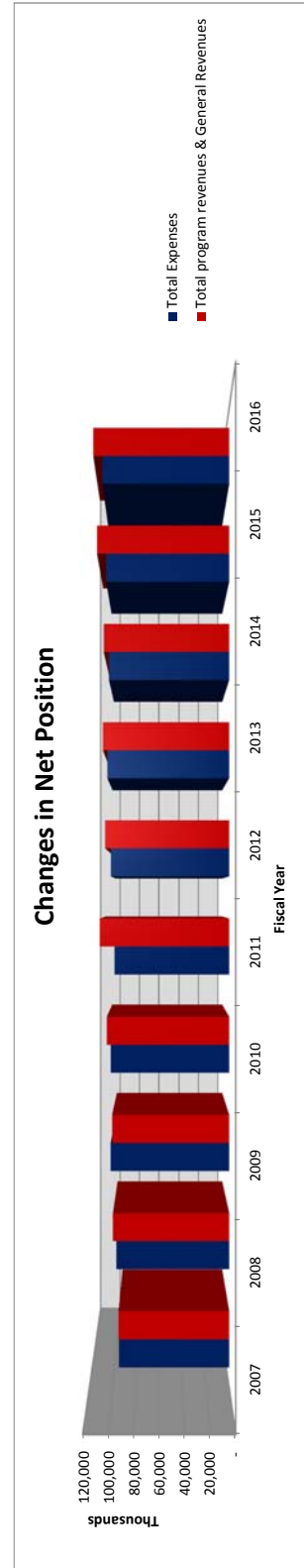
Note: 1 - With the implementation of GASB Statement No. 63 as of Fiscal Year 2013, the terminology of Net Position is used instead of Net Assets.

2 - With the implementation of GASB No. 68 as of Fiscal Year 2015, each school district that participates in a pension plan administered through trusts must place their portion of the net pension liability as well as their total deferred outflows and deferred inflows of resources on the government-wide financial statements. FY14 Net Position was not restated for the statistical section purposes.

SPARTANBURG COUNTY SCHOOL DISTRICT 7

**Changes in Net Position
(Last Ten Fiscal Years)
(Unaudited)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Primary Government Expenses										
Governmental Activities:										
Instruction	\$ 56,250,960	\$ 55,469,540	\$ 52,784,532	\$ 52,832,775	\$ 50,883,215	\$ 52,800,820	\$ 55,087,734	\$ 54,793,412	\$ 57,027,914	\$ 58,455,868
Support Services	34,050,594	36,981,827	44,504,191	43,283,875	42,838,808	44,269,906	45,069,001	44,146,649	45,194,862	46,455,908
Community Services	1,514	2,320	178,936	125,926	117,513	119,429	133,232	131,671	2,228	1,195
Intergovernmental	817,322	989,897	1,135,883	2,348,828	1,516,124	1,616,591	1,667,652	1,446,356	1,858,954	2,024,919
Interest and Other Charges	3,254,988	3,181,722	2,978,095	2,936,811	2,764,381	2,498,591	2,420,131	2,476,692	1,276,682	1,691,572
Disposal of Capital Assets	6,285	-	-	-	679	-	-	-	-	-
Total Expenses	94,381,563	96,625,306	101,581,637	101,528,215	98,120,720	101,305,337	104,377,750	102,994,780	105,360,640	108,629,462
Program Revenues										
Governmental Activities:										
Charges for Services										
Instruction	4,623,922	4,322,997	4,186,738	2,534,714	2,988,768	3,588,883	3,120,778	2,242,078	3,430,583	4,352,488
Support Services	607,940	510,709	517,040	441,992	383,662	372,334	340,040	302,558	284,699	292,651
Community Services	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	44,424,076	47,031,359	45,982,461	45,365,634	47,256,961	43,826,169	44,871,237	42,890,583	44,170,368	44,780,222
Capital Grants and Contributions	-	-	-	-	571,114	-	-	-	-	-
Total Program Revenues	49,655,938	51,865,065	50,686,239	48,342,340	51,200,505	47,787,386	48,332,055	45,435,219	47,885,650	49,425,361
Primary Government Net Expense	44,725,725	44,760,241	50,895,398	53,185,875	46,920,215	53,517,951	56,045,695	57,559,561	57,474,990	59,204,101
General Revenues										
Property Taxes (General Purposes)	32,745,675	27,603,371	25,726,417	31,027,306	32,943,854	31,802,642	32,930,837	34,471,183	36,420,314	37,603,689
Property Taxes (Debt Services)	2,298,752	3,476,644	7,310,060	9,781,227	10,031,004	10,368,127	10,532,089	10,835,795	11,905,493	12,211,392
Unrestricted State Grants	8,077,497	14,856,361	15,359,330	14,519,063	14,614,152	14,835,157	15,123,910	15,338,724	15,658,125	15,857,426
Rentals	52,928	-	-	-	-	-	-	-	-	-
Contributions	156,822	174,607	446,429	237,212	856,451	370,975	323,826	111,228	232,164	218,579
Refunds Prior Year	40,018	-	-	-	-	-	-	-	-	-
Miscellaneous	579,042	795,192	515,818	731,364	1,200,636	1,005,096	895,252	1,205,013	1,100,957	1,081,565
Premium on Bonds Sold	-	1,510	53,001	-	-	-	-	-	-	-
Unrestricted Investment Earning	1,115,590	758,815	175,979	79,182	100,810	67,719	63,175	52,403	55,189	72,482
Insurance Proceeds	23,014	11,708	3,833	72,370	-	-	-	-	-	-
Federal Revenue	11,256	-	-	-	-	-	-	-	-	-
Transfer to Fiduciary Fund	-	-	-	-	-	-	(1,933)	-	-	-
Total Primary Government Changes in Net Position Total Primary Government	45,100,594	47,678,208	49,590,867	56,447,724	59,746,907	58,449,716	59,867,156	62,014,346	65,372,242	67,045,133
Government	\$ 374,869	\$ 2,917,967	\$ (1,304,531)	\$ 3,261,849	\$ 12,825,692	\$ 4,931,765	\$ 3,821,461	\$ 4,454,785	\$ 7,897,252	\$ 7,841,032



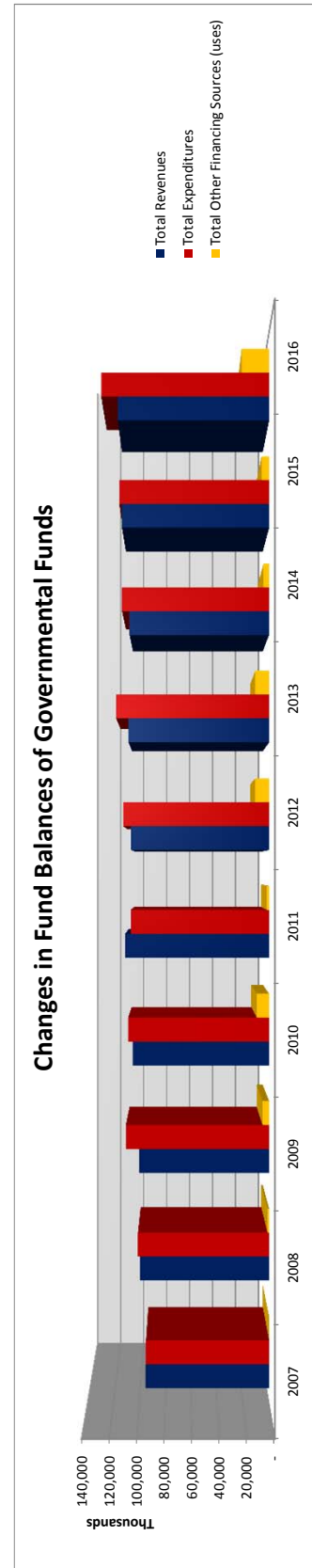
SPARTANBURG COUNTY SCHOOL DISTRICT 7
Fund Balances of Governmental Funds
(Last Ten Fiscal Years)
(Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 822,988	\$ 822,988	\$ 1,699,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	13,927,011	13,666,361	8,208,176	7,975,941	-	-	-	-	-	-
Nonspendable	-	-	-	-	500,887	405,904	415,352	448,010	427,138	431,293
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	246,166	391,913	407,695	461,744	434,281	491,447
Unassigned	-	-	-	-	9,820,283	10,885,099	12,775,440	13,246,978	10,108,600	10,704,084
Total General Fund	14,749,999	14,489,349	9,907,904	7,975,941	10,567,336	11,682,916	13,598,487	14,156,732	10,970,019	11,626,824
All Other Governmental Funds										
Reserved	385,419	361,483	5,274,980	2,539,287	-	-	-	-	-	-
Unreserved, reported in:										
Food Service	(399,993)	(460,030)	(441,471)	(184,315)	-	-	-	-	-	-
Special Revenue/Special Projects	-	-	-	726,394	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Projects	1,204,878	750,946	(446,400)	5,080,996	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Special Revenue/Food Service	-	-	-	-	-	-	-	46,005	28,955	63,507
Restricted										
Special Revenue/McCarthy-Teszler	-	-	-	-	-	-	-	-	4,086,983	4,246,338
Special Revenue/Special Projects	-	-	-	-	563,241	484,773	410,470	169,979	479,146	487,449
Special Revenue/Food Service	-	-	-	-	63,945	507,136	892,905	973,613	1,209,128	1,724,834
Special Revenue/Alternative School	-	-	-	-	-	-	589,428	464,681	719,472	875,878
Special Revenue/Debt Service	-	-	-	-	3,050,974	7,040,831	3,873,116	2,674,908	4,055,450	3,449,099
Assigned										
Special Revenue/Special Projects	-	-	-	-	874,664	795,977	75,000	130,502	156,011	155,744
Capital Projects	-	-	-	-	8,228,970	7,136,451	9,255,184	8,541,617	9,113,210	16,711,800
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 1,190,304	\$ 652,399	\$ 4,387,109	\$ 8,162,362	\$ 12,781,794	\$ 15,965,168	\$ 15,096,103	\$ 13,001,305	\$ 19,848,355	\$ 27,714,649

Source: District Basic Financial Statements
GASB 54 was implemented effective June 30, 2011 which required new categories used to classify fund balances
Effective June 30, 2015 McCarthy Teszler School was no longer consider part of the General Fund. It is now reclassified as a Special Revenue Fund.

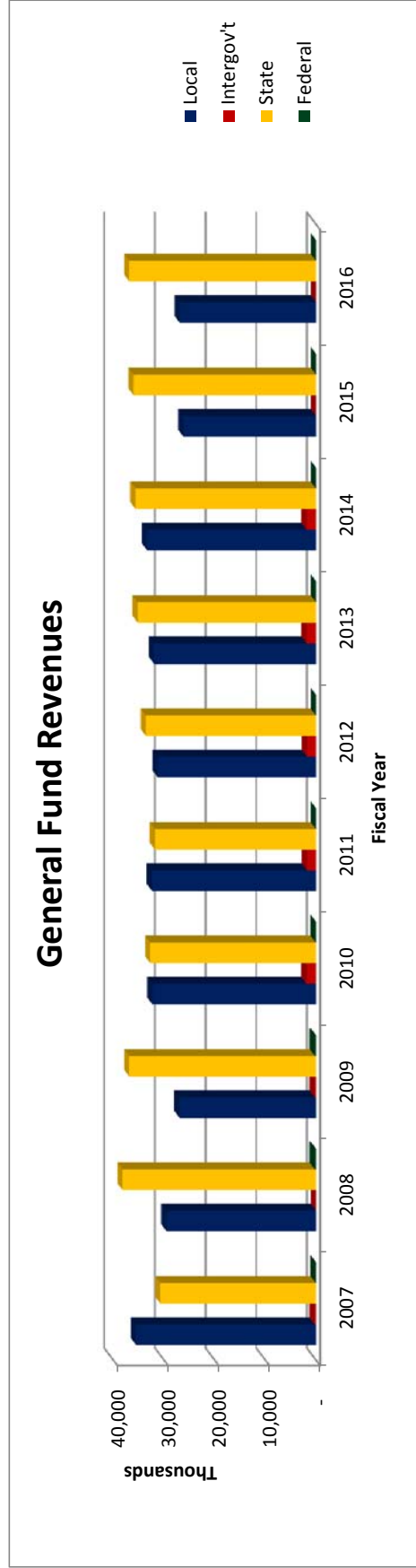
SPARTANBURG COUNTY SCHOOL DISTRICT 7
Changes in Fund Balances of Governmental Funds
(Last Ten Fiscal Years)
(Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Governmental Activities:										
Local Property Taxes	\$ 35,461,186	\$ 31,015,787	\$ 32,828,854	\$ 40,804,110	\$ 42,930,121	\$ 42,097,194	\$ 43,395,343	\$ 45,256,766	\$ 48,185,426	\$ 49,838,153
Other Local	7,195,506	6,363,132	5,847,005	4,028,829	5,475,955	5,375,007	4,743,069	4,106,965	5,241,290	6,109,125
Total Local	42,656,692	37,378,919	38,675,859	44,832,939	48,406,076	47,472,201	48,138,412	49,363,731	53,426,716	55,947,278
Intergovernmental	914,368	398,702	749,321	2,427,210	3,868,554	3,391,049	3,364,413	3,263,525	3,520,172	3,405,748
State	40,742,680	49,230,657	46,204,077	41,253,011	40,792,681	42,851,030	43,783,407	43,669,136	45,143,649	46,571,829
Federal	10,855,782	12,258,358	14,388,395	16,307,560	17,845,655	12,419,251	12,847,330	11,101,771	11,096,365	11,580,896
Total Revenues	95,169,522	99,266,636	100,017,652	104,820,720	110,912,966	106,133,531	108,133,562	107,397,163	113,186,902	116,505,751
Expenditures										
Current:										
Instruction	53,130,775	54,025,250	54,517,677	54,281,498	50,826,594	52,665,427	54,410,925	54,741,744	56,230,958	57,442,795
Support Services	33,604,715	36,463,313	39,809,128	38,812,711	38,622,752	40,121,736	42,457,520	40,696,959	41,079,738	41,691,464
Community Services	1,514	2,320	178,936	125,926	117,513	119,429	133,231	131,671	2,228	1,195
Intergovernmental Expenditures	817,322	989,897	1,135,883	2,348,828	1,516,124	1,616,591	1,667,653	1,446,356	1,858,954	2,024,919
Debt Services										
Legal Services	-	-	-	-	-	-	-	67,696	13,059	28,956
Other Professional & technical services	-	-	-	-	-	-	-	-	3,606	21,114
Principal	3,745,398	4,538,374	6,046,686	6,130,640	8,702,159	5,424,151	12,703,370	11,347,458	10,437,584	12,623,488
Interest	3,298,092	3,218,439	2,970,581	2,932,701	2,950,506	2,651,410	2,692,584	2,411,121	1,871,828	1,977,656
Other Objects	-	5,235	66,986	74,536	181,092	2,600	2,650	101,575	1,711	1,747
Capital Outlay	143,966	1,740,419	5,541,511	3,772,000	3,492,692	9,682,969	3,600,021	2,264,584	3,878,144	13,332,302
Total Expenditures	94,741,782	100,983,247	110,267,388	108,478,840	106,399,432	112,284,313	117,667,954	113,209,164	115,377,810	129,145,636
Excess of Revenues over (under) Expenditures	427,740	(1,716,611)	(10,249,736)	(3,658,120)	4,513,534	(6,150,782)	(9,534,392)	(5,812,001)	(2,190,908)	(12,639,885)
Other Financing Sources (uses)										
Sale of Capital Assets	3,769	266,546	-	-	-	-	-	-	-	3,180
Other Financing Sources	-	1,001,510	5,053,001	9,536,489	1,677,543	10,594,141	10,582,831	4,273,258	5,920,636	21,169,804
Transfers In	6,035,445	6,148,578	4,342,402	3,636,254	9,039,661	3,942,391	4,508,057	4,397,889	5,360,288	5,756,842
Transfers Out	(6,035,445)	(6,148,578)	(4,342,402)	(3,671,333)	(9,039,661)	(3,942,391)	(4,509,990)	(4,395,699)	(5,429,679)	(5,766,842)
Total Other Financing Sources (uses)	3,769	1,268,056	5,053,001	9,501,410	1,677,543	10,594,141	10,580,898	4,275,448	5,851,245	21,162,884
Net Change in Fund Balances	\$ 431,509	\$ (448,555)	\$ (5,196,735)	\$ 5,843,290	\$ 6,191,077	\$ 4,443,359	\$ 1,046,506	\$ (1,536,553)	\$ 3,660,337	\$ 8,523,099
Debt Service as a Percentage of Noncapital Expenditures	7.4%	7.8%	8.7%	8.7%	11.5%	7.9%	13.5%	12.6%	11.1%	12.7%



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
General Fund Revenues by Source (Excluding Transfers From Other Funds)
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Local	Intergov't	State	Federal	Total	Local	Intergov't	State	Federal	Total
2007	35,570,209	332,265	30,758,672	122,721	66,783,867	53.3%	0.5%	46.1%	0.18%	100.0%
2008	29,530,345	-	38,217,525	271,655	68,019,525	43.4%	0.0%	56.2%	0.40%	100.0%
2009	26,978,399	309,712	36,878,336	276,797	64,443,244	41.9%	0.5%	57.2%	0.43%	100.0%
2010	32,333,226	1,920,702	32,761,030	108,795	67,123,753	48.2%	2.9%	48.8%	0.16%	100.0%
2011	32,407,564	1,817,796	31,833,508	80,131	66,138,999	49.0%	2.7%	48.1%	0.12%	100.0%
2012	31,268,177	1,791,067	33,598,529	75,835	66,733,608	46.9%	2.7%	50.3%	0.11%	100.0%
2013	31,978,769	1,875,873	35,235,073	76,775	69,166,490	46.2%	2.7%	50.9%	0.11%	100.0%
2014	33,358,593	1,888,636	35,660,823	47,972	70,956,024	47.0%	2.7%	50.3%	0.07%	100.0%
2015	26,209,348	-	36,039,806	42,155	62,291,309	42.1%	0.0%	57.9%	0.07%	100.0%
2016	26,914,481	-	36,876,839	53,372	63,844,692	42.2%	0.0%	57.8%	0.08%	100.0%



SPARTANBURG COUNTY SCHOOL DISTRICT 7
Assessed and Estimated Actual Value of Taxable Property
(Last Ten Fiscal Years)
(Unaudited)

Fiscal Year Ended June 30	Personal Property						Total Taxable Assessed Value	Total Estimated Market Value	Total Direct Tax Rate (Millage)	Assessed Value as a Percentage of Market Value
	Tax Year	Entity	Assessed Real Property	Motor Vehicles	Other					
					Exemptions					
2007	2006	S/D M/T	120,826,230 540,170,563	15,350,420 90,218,980	34,623,714 223,661,664	5,646,293 8,038,120	176,446,657 862,089,327	2,637,148,765 19,811,130,067	188.6 7.5	6.69% 4.35%
2008	2007	S/D M/T	121,489,253 544,468,547	14,609,620 87,822,940	34,044,434 228,624,558	7,881,388 10,020,335	178,024,695 870,936,380	2,713,766,815 20,858,354,450	200.6 7.5	6.56% 4.18%
2009	2008	S/D M/T	142,839,567 646,237,019	15,392,580 94,563,860	31,286,223 219,473,316	9,513,459 13,186,516	199,031,829 973,460,711	3,303,772,932 22,204,160,180	200.3 7.4	6.02% 4.38%
2010	2009	S/D M/T	143,512,585 660,078,847	16,159,860 100,350,101	33,583,751 221,650,615	7,251,102 11,233,346	200,507,298 993,312,909	3,283,708,853 22,868,122,016	244.1 8.4	6.11% 4.34%
2011	2010	S/D M/T	140,883,014 660,176,916	14,362,492 87,934,375	30,578,141 212,826,476	8,171,178 10,557,863	193,994,825 971,495,630	3,303,850,689 17,742,961,081	244.1 13.7	5.87% 5.48%
2012	2011	S/D M/T	140,181,594 662,610,582	14,177,630 85,473,026	29,112,417 207,844,111	8,405,265 10,286,628	191,876,906 966,214,347	3,176,582,618 17,393,748,863	239.0 13.9	6.04% 5.55%
2013	2012	S/D M/T-Alt	140,548,307 667,906,917	14,648,682 90,325,702	29,249,856 198,248,423	8,091,818 9,249,664	192,538,663 965,730,706	3,125,381,713 17,281,830,615	244.5 13.9	6.16% 5.59%
2014	2013	S/D M/T-Alt	145,846,991 690,717,309	14,974,199 96,791,472	37,830,844 213,231,302	1,383,514 1,760,767	200,035,548 1,002,500,850	3,037,139,348 16,052,071,639	243.8 13.9	6.59% 6.25%
2015	2014	S/D M/T-Alt	146,060,303 698,754,702	17,401,790 107,343,181	39,305,027 215,321,475	1,271,196 1,629,621	201,495,924 1,019,789,737	3,081,929,293 17,860,089,472	248.8 15.2	6.54% 5.71%
2016	2015	S/D M/T-Alt	145,657,166 713,927,435	18,976,342 116,176,764	41,010,950 216,851,415	1,292,967 1,672,319	204,351,491 1,045,283,295	3,076,142,534 18,142,380,182	248.8 15.2	6.64% 5.76%

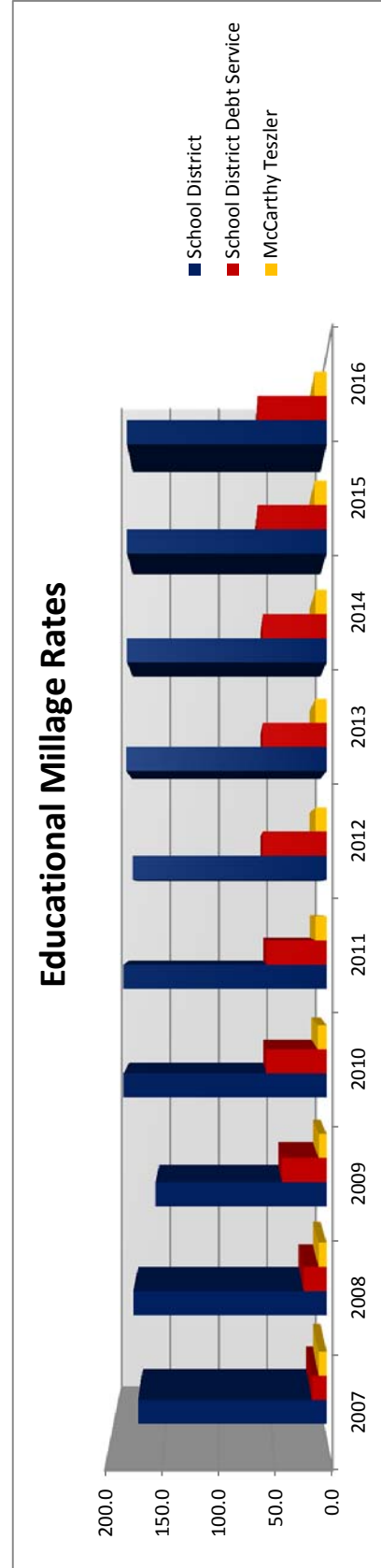
Source: Spartanburg County Assessor and Auditor Office

(1) Exemptions are the percentage of the assessments of TIF Properties that are assigned to Spartanburg School District 7

Note: S/D is Spartanburg County School District 7. M/T is McCarthy Teszler School. The McCarthy Teszler School provides countywide services. The State of South Carolina treats the McCarthy Teszler School as one of Spartanburg School District 7's schools. Alt represents the Spartanburg County Alternative School. District 7 is the fiscal agent for Spartanburg County Alternative School, which also serves the entire county.

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Direct and Overlapping Property Tax Rates
(Last Ten Fiscal Years)
(Unaudited)

Fiscal Year	District Direct Rates			Overlapping Rates				
	School District	School District Debt Service	Total	Spartanburg County			Spartanburg County	City of Spartanburg
				McCarthy Teszler	Alternative School	Countywide Equalization		
2007	174.8	13.8	188.6	7.5	0.0	13.0	64.8	104.7
2008	179.3	21.3	200.6	7.5	0.0	13.0	50.0	105.0
2009	158.6	41.7	200.3	7.4	0.0	11.6	49.1	101.0
2010	188.1	56.0	244.1	8.4	3.4	13.0	52.9	101.0
2011	188.1	56.0	244.1	10.3	3.4	13.0	51.9	101.0
2012	180.0	59.0	239.0	10.5	3.4	13.0	52.3	101.0
2013	185.5	59.0	244.5	10.5	3.4	13.0	52.3	101.0
2014	184.8	59.0	243.8	10.5	3.8	13.0	53.7	103.0
2015	184.8	64.0	248.8	11.4	3.8	13.0	53.7	105.0
2016	184.8	64.0	248.8	11.4	3.8	13.0	53.7	105.0



SPARTANBURG COUNTY SCHOOL DISTRICT 7
Direct and Overlapping Property Tax Rates (Continued)
(Last Ten Fiscal Years)
(Unaudited)

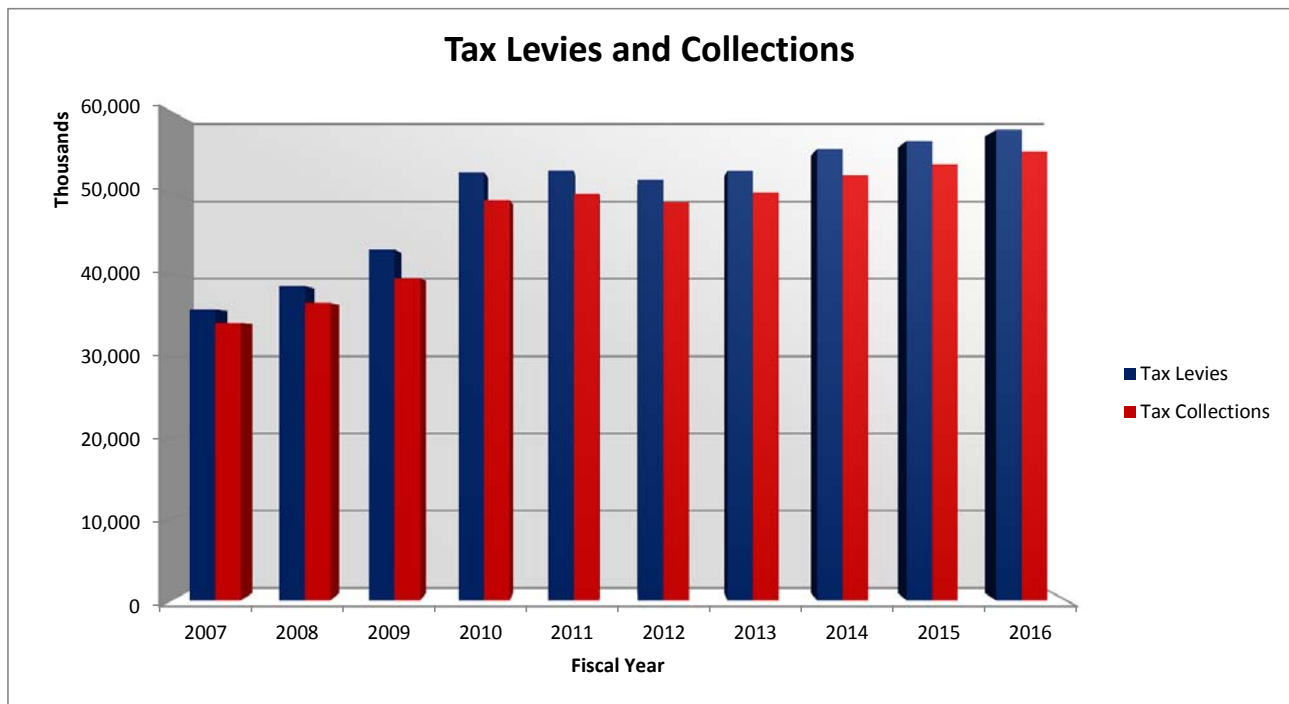
Special Districts (Fire, Water, Sewer)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Arkwright Fire	20.0	20.0	18.8	18.8	18.8	0.0	0.0	0.0	0.0	0.0
Converse Fire	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
Croft Fire	27.5	28.0	27.5	27.5	27.5	27.5	27.5	27.5	28.0	30.0
Cherokee Springs Fire	21.0	27.0	26.4	27.0	27.0	27.0	27.0	29.9	30.5	31.2
Drayton Fire	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Glendale Fire	13.9	14.0	13.1	13.4	13.4	13.4	13.4	13.4	13.7	13.4
Whitney Fire	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	17.5
Hilltop Fire	30.0	30.0	35.2	36.7	36.9	37.0	36.9	36.2	42.4	41.8
Sanitary Sewer	8.2	8.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Westview-Fairforest Fire	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Una Fire	20.6	21.0	20.0	21.2	21.2	20.9	21.2	21.0	21.0	23.4
Woodruff-Roebuck Water	12.4	12.0	11.9	10.4	10.4	10.4	10.7	10.8	10.4	10.7
Draper Fire	13.9	14.0	11.6	12.3	12.3	12.3	12.3	12.3	12.3	12.3

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Spartanburg County Principal Property Taxpayers
Fiscal Year Ended June 30, 2016 and Nine Years Prior
(Unaudited)

Taxpayer	Tax Year 2015				Tax Year 2006		
	Assessed Value	Rank	Percentage of Total Assessed Value	County Taxes Paid	Assessed Value	Rank	Percentage of Total Assessed Value
Duke Energy Corp	\$ 6,845,140	1	3.3%	\$ 2,614,917	\$ 5,283,740	1	3.0%
Mary Black Health System LLC	5,323,340	2	2.6%	2,114,405	2,427,750	3	1.4%
Bellsouth Telecommunications	2,818,600	3	1.4%	1,068,396	3,395,850	2	1.9%
Coveris Flexibles US LLC	1,821,470	4	0.9%	745,345			
Colonial Pipeline Co	1,760,200	5	0.9%	718,374			
ERP Hillcrest LLC	1,612,060	6	0.8%	594,366	1,413,600	7	0.8%
Kohler Company	1,596,382	7	0.8%	653,239	2,364,030	4	1.3%
NHI-REIT of Seaside LLC	1,500,000	8	0.7%	595,950			
JM Smith Corporation	1,483,150	9	0.7%	546,837	1,285,150	10	0.7%
IAC Spartanburg Inc	1,469,972	10	0.7%	591,369			
Mary Black Hospital					1,829,620	5	1.0%
Renaissance Park Hotel LLC					1,418,320	6	0.8%
Piedmont Natural Gas					1,328,120	8	0.8%
Spartanburg City Of					1,313,752	9	0.7%
	<u>\$ 26,230,314</u>		<u>12.8%</u>	<u>\$ 10,243,198</u>	<u>\$ 22,059,932</u>		<u>12.5%</u>

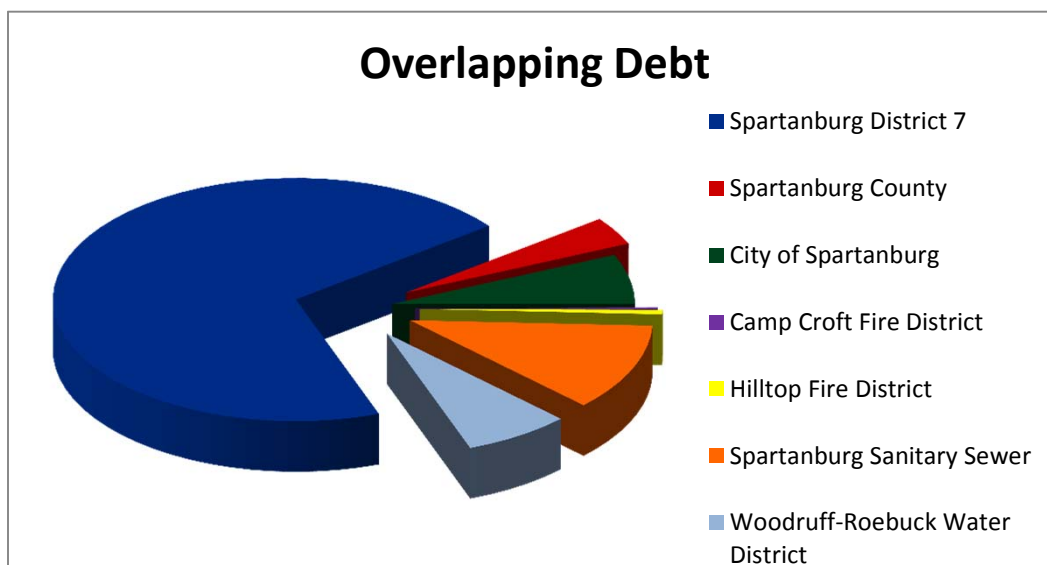
SPARTANBURG COUNTY SCHOOL DISTRICT 7
Property Tax Levies and Collections
(Last Ten Fiscal Years)
(Unaudited)

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2007	2006	35,726,816	33,269,433	93.12%	792,879	34,062,312	95.34%
2008	2007	38,591,262	35,563,189	92.15%	965,820	36,529,009	94.66%
2009	2008	43,084,889	38,981,367	90.48%	547,038	39,528,405	91.75%
2010	2009	52,535,769	48,290,141	91.92%	874,202	49,164,343	93.58%
2011	2010	52,777,715	49,148,395	93.12%	793,028	49,941,423	94.63%
2012	2011	51,630,394	48,364,496	93.67%	538,360	48,902,856	94.72%
2013	2012	52,729,158	49,462,001	93.80%	604,395	50,066,396	94.95%
2014	2013	55,404,989	51,750,994	93.40%	401,440	52,152,434	94.13%
2015	2014	56,384,631	53,074,933	94.13%	426,377	53,501,310	94.89%
2016	2015	57,761,378	54,702,253	94.70%	364,674	55,066,927	95.34%



SPARTANBURG COUNTY SCHOOL DISTRICT 7
Computation of Direct and Overlapping Debt
Fiscal Year Ended June 30, 2016
(Unaudited)

Government	Net General Bonded Debt Outstanding	Estimated Percentage Applicable to District	District's Share of Debt
Direct:			
Spartanburg District 7	\$ 59,866,401	100%	\$ 59,866,401
Overlapping:			
Spartanburg County	\$ 16,268,598	19.64%	\$ 3,195,500
City of Spartanburg	5,590,000	100.00%	5,590,000
Camp Croft Fire District	144,482	100.00%	144,482
Hilltop Fire District	525,000	100.00%	525,000
Spartanburg Sanitary Sewer	30,637,000	32.32%	9,901,601
Woodruff-Roebuck Water District	6,068,200	100.00%	6,068,200
Overlapping Subtotal	59,233,280		25,424,783
Totals	\$ 119,099,681		\$ 85,291,184



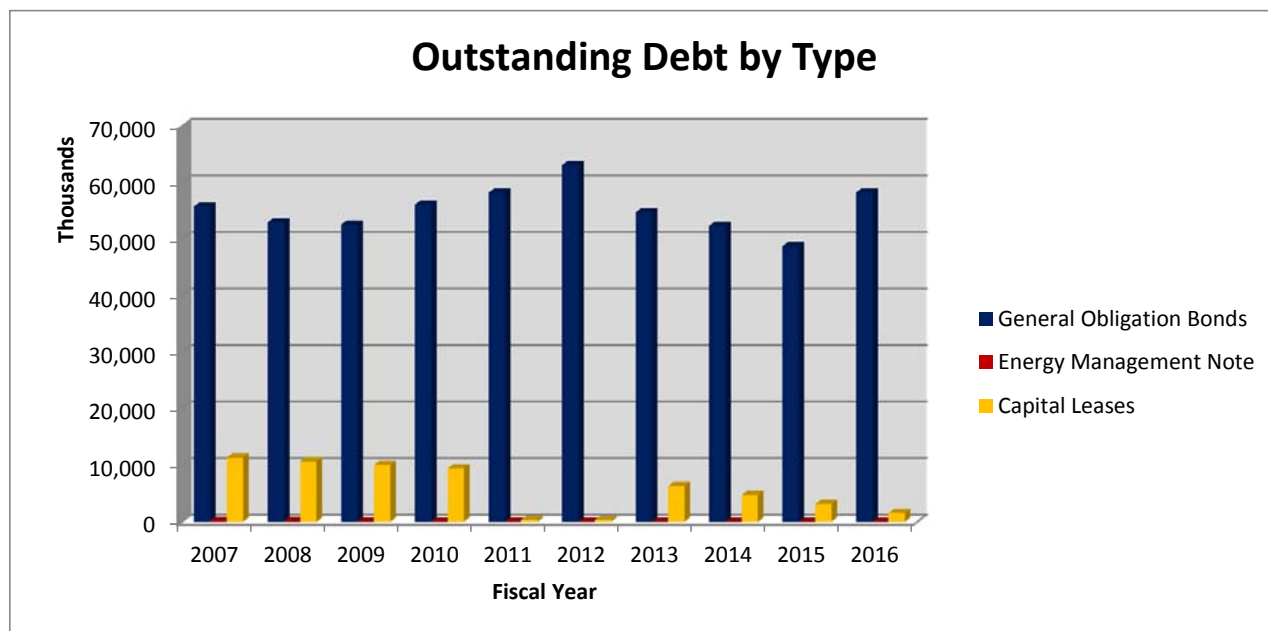
Source: Spartanburg County Finance Office and County Auditor's Office

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Spartanburg School District 7's taxable assessed value that is within the government's boundaries and dividing it by the Spartanburg School District 7's total taxable assessed value.

Overlapping rates are those of local and county governments that apply to property owners within Spartanburg School District 7. Not all overlapping rates apply to all of Spartanburg School District 7's property owners.

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation Bonds	Energy Management Note	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita - Spartanburg County
2007	55,827,000	169,395	11,387,193	67,383,588	8.5%	251
2008	53,034,000	120,995	10,690,220	63,845,215	7.7%	233
2009	52,645,000	72,595	10,043,323	62,760,918	7.2%	224
2010	56,150,000	24,195	9,456,083	65,630,278	7.6%	232
2011	58,265,000	-	357,781	58,622,781	6.7%	206
2012	63,170,000	-	328,630	63,498,630	7.0%	221
2013	54,797,000	-	6,353,260	61,150,260	6.1%	212
2014	52,382,380	-	4,752,802	57,135,182	5.3%	195
2015	48,790,435	-	3,166,218	51,956,653	4.5%	177
2016	58,301,671	-	1,564,730	59,866,401	4.9%	202



SPARTANBURG COUNTY SCHOOL DISTRICT 7
Ratio of General Bonded Debt Outstanding
(Last Ten Fiscal Years)
(Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percent of Estimated Actual Taxable Value of Property	Per Capita - Based on County Population
2007	55,827,000	103,203	55,723,797	2.11%	207
2008	53,034,000	79,267	52,954,733	1.95%	193
2009	52,645,000	65,280	52,579,720	1.59%	188
2010	56,150,000	2,539,287	53,610,713	1.63%	189
2011	58,265,000	3,050,974	55,214,026	1.67%	194
2012	63,170,000	7,040,831	56,129,169	1.77%	196
2013	54,797,000	3,873,116	50,923,884	1.63%	176
2014	52,382,380	2,674,908	49,707,472	1.64%	170
2015	48,790,435	4,055,450	44,734,985	1.45%	152
2016	58,301,671	3,449,099	54,852,572	1.78%	185

Source: District Basic Financial Statements

Notes: 1 Details regarding the District's outstanding debt can be found in the notes to the financial statements.

2 This amount represents funds reserved for Debt Service.

3 See the Schedule of Assessed and Estimated Actual Value of Taxable Property.

4 Population data can be found on the Schedule of Spartanburg County Demographic Statistics

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Computation of Legal Debt Margin
(Last Ten Fiscal Years)
(Unaudited)

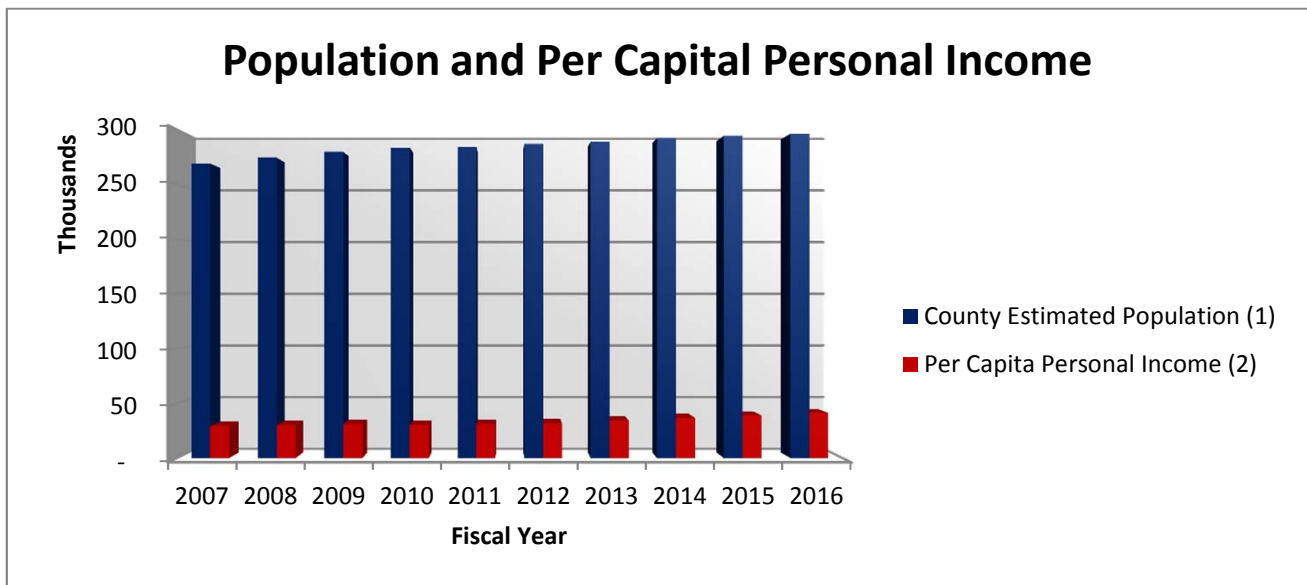
Last 10 Fiscal Years	2016	Fiscal Year	Debt Limit	Total Debt		Total Debt Applicable as a Percentage of Debt Limit
				Applicable to Limit	Legal Debt Margin	
Total Assessed Value	\$ 204,351,491	2015	\$ 16,119,674	\$ 10,100,985	\$ 6,018,689	62.7%
Legal Debt Limit - 8% of Assessed Value	16,348,119	2014	\$ 15,781,482	\$ 10,137,472	\$ 5,644,010	64.2%
Amount of Debt Applicable to Debt Limit		2013	15,403,093	7,121,884	8,281,209	46.2%
*Total General Obligation Debt	53,729,671	2012	15,350,152	8,299,169	7,050,983	54.1%
Less General Obligation Debt issued through Referendum	(40,090,000)	2011	15,519,586	11,179,026	4,340,560	72.0%
Less: Amount Available for Repayment of GO Debt	(3,449,099)	2010	16,040,584	11,150,000	4,890,584	69.5%
Total Amount of Debt Applicable to Debt Limit	10,190,572	2009	15,922,546	10,645,000	5,277,546	66.9%
Legal Debt Margin	6,157,547	2008	14,241,976	7,434,000	6,807,976	52.2%
		2007	14,274,653	12,406,828	1,867,825	86.9%

*Amount include Bond Anticipation Note issued in 2016

Article X, Section 15 of the Constitution of the State of South Carolina, 1895 as amended (the "Constitution"), empowers each school district of the State to incur General obligation debt in such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1982, and the bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum will not be considered in the computation of the 8% limitation.

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Spartanburg County Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	County Estimated Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2007	268,898	7,884,703	29,123	5.6%
2008	274,215	8,325,388	30,085	6.8%
2009	279,673	8,775,338	31,061	12.0%
2010	283,335	8,674,039	30,242	11.4%
2011	284,307	8,811,156	30,939	10.6%
2012	286,868	9,085,133	31,670	10.1%
2013	288,745	10,033,299	34,482	8.4%
2014	292,425	10,738,530	36,583	6.3%
2015	294,195	11,493,331	38,812	6.4%
2016	295,976	12,301,186	41,177	5.4%



Note: Data pertains to Spartanburg County which has 7 school districts.

Source: 1: SC Appalachian Council of Governments - Estimates for most recent year
 2: Bureau of Economic Analysis - Estimates for most recent years
 3: Bureaus of Labor Statistics

SPARTANBURG COUNTY SCHOOL DISTRICT 7
Spartanburg County Principal Employers
Fiscal Year Ended June 30, 2016 and Nine Years Prior
(Unaudited)

Employer	Fiscal Year 2016			Fiscal Year 2007		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
BMW Manufacturing	8,000	1	5.8%	4,415	2	20.2%
Spartanburg Co. Schools	6,722	2	4.8%	4,365	3	20.0%
Spartanburg Reg Med Ctr	6,851	3	4.9%	4,607	1	21.1%
State of South Carolina	2,156	4	1.6%	2,354	4	10.8%
Spartanburg County	1,549	5	1.1%	1,379	5	6.3%
Michelin Tire Company	1,163	6	0.8%	952	8	4.4%
Mary Black Memorial Hospi	1,095	7	0.8%	1,006	7	4.6%
Bi-Lo	762	8	0.5%			
Inman Mills	682	9	0.5%			
Kohler Company	583	10	0.4%	909	9	4.2%
Cryovac				1152	6	5.3%
Reeves Brothers				672	10	3.1%

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years
(Unaudited)

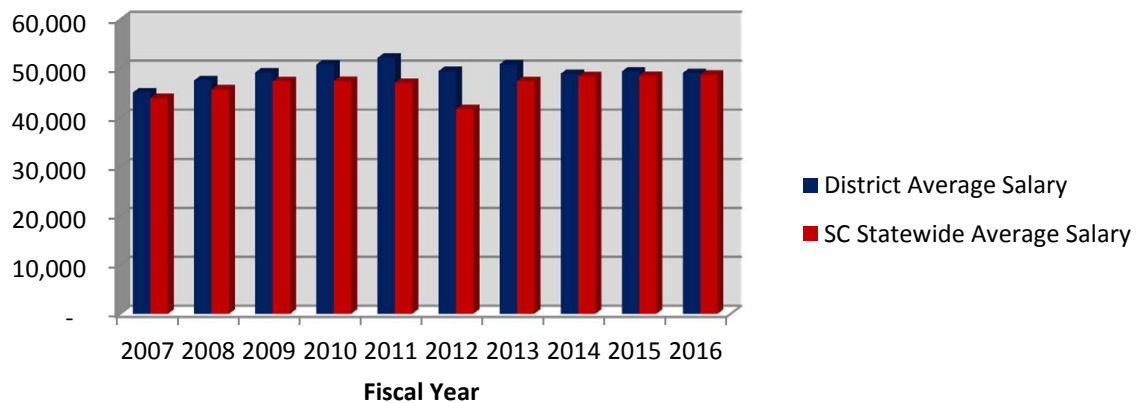
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Supervisory										
Instructional Administrators	14	14	17	20	18	14	12	10	9	8
Noninstructional Administrators	5	5	6	6	7	8	8	8	8	7
Principals and Assistant Principals	38	37	36	37	39	40	42	40	41	41
Total Supervisory	57	56	59	63	64	62	62	58	58	56
Instruction										
Elementary	264	256	255	253	227	207	201	210	217	221
Secondary	273	260	241	234	222	255	255	258	257	256
*Vocational	21	21	5	4	5	2	2	-	-	-
Special Education	152	167	149	141	128	129	131	143	140	149
Gifted and Talented	11	10	9	8	8	7	7	7	7	8
Adult Education	4	4	4	4	5	5	5	5	3	3
Aides	163	150	145	161	143	143	162	176	168	185
Total Instruction	888	868	807	805	738	747	763	798	792	821
Student Services										
Guidance Counselors	32	32	30	29	29	30	29	29	29	29
Health Services	23	22	24	22	23	24	28	26	29	28
Psychologist	6	5	5	4	4	5	5	5	6	6
Media Center	14	14	13	14	13	12	12	11	12	12
Other professionals	27	33	44	39	47	45	39	38	39	37
Technicians	5	5	3	3	3	3	3	3	3	3
Total student services	107	111	118	110	118	118	116	112	118	115
Support and Administration										
Transportation	53	51	55	61	56	52	57	46	46	62
Operations and Maintenance	86	83	84	95	90	88	90	91	92	89
Data Processing	2	2	2	2	2	2	2	1	1	1
Food Service	13	12	12	12	10	8	5	5	4	1
Other professionals	20	19	25	21	23	21	16	18	29	39
Other clerical/secretarial	45	46	46	48	51	50	54	62	63	64
Total support and administration	219	213	224	239	231	221	224	223	234	255
Total	1,270	1,248	1,209	1,217	1,151	1,149	1,165	1,191	1,202	1,247

*Spartanburg School District 3 became the Fiscal Agent for Daniel Morgan Technology Center effective July 1, 2008.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
Teacher Base Salaries
Last Ten Fiscal Years
(Unaudited)

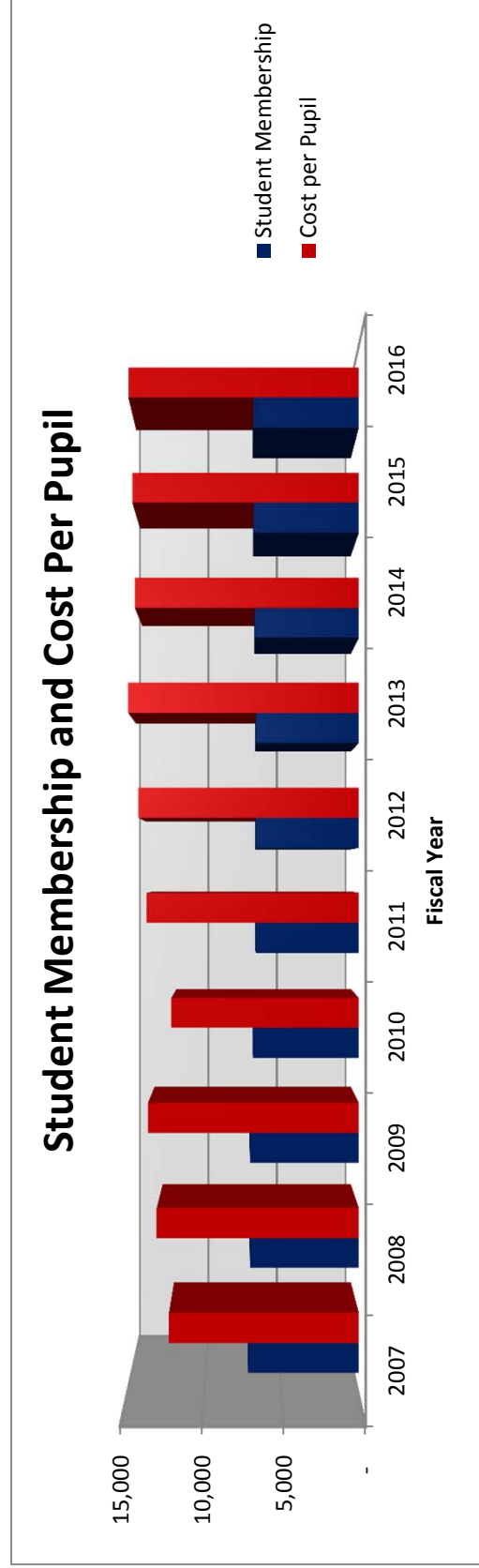
Fiscal Year	District Minimum Salary	District Maximum Salary	District Average Salary	SC Statewide Average Salary
2007	30,482	65,376	45,169	43,991
2008	31,492	67,523	47,618	45,758
2009	32,706	70,107	49,234	47,421
2010	32,706	70,107	50,859	47,508
2011	32,706	70,107	52,177	47,050
2012	32,706	70,107	49,503	41,727
2013	33,360	71,510	50,892	47,428
2014	33,360	71,510	48,938	48,430
2015	33,360	71,510	49,407	48,561
2016	33,360	71,510	49,118	48,769

**SC Statewide Average Salary Compared to
District 7 Average Salary**



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
Operational Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Expenditures	Student Membership	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2007	87,689,552	7,152	12,261	7.2%	665	10.75
2008	91,701,087	7,028	13,048	6.4%	718	9.79
2009	95,683,764	7,027	13,617	4.4%	662	10.61
2010	82,617,601	6,829	12,098	-11.2%	644	10.60
2011	91,147,645	6,658	13,690	13.2%	594	11.21
2012	94,523,183	6,646	14,223	3.9%	604	11.00
2013	98,669,329	6,624	14,896	4.7%	601	11.02
2014	97,016,730	6,707	14,465	-2.9%	622	10.78
2015	99,171,878	6,781	14,626	1.1%	624	10.87
2016	101,160,373	6,798	14,881	1.7%	636	10.69



Source: District Records, District Basic Financial Statements
Expenditures are total expenditures in the governmental funds less debt service and capital outlay

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
School Building Information
Last Ten Fiscal Years
(Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
Jesse Boyd (1965, 2001)										
Square Feet	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400
Capacity	696	696	696	696	696	696	696	696	696	696
Enrollment	594	502	517	479	503	448	456	432	437	440
Chapman (1969, 2002)										
Square Feet	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728
Capacity	523	523	523	523	523	523	523	523	523	523
Enrollment	414	463	461	459	436	381	372	399	378	388
Cleveland (1950, new building 1999)										
Square Feet	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612
Capacity	566	566	566	566	566	566	566	566	566	566
Enrollment	300	456	418	407.28	402.23	419	455	495	516	545
Houston (1955, 2001)										
Square Feet	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968
Capacity	537	537	537	537	537	537	537	537	537	537
Enrollment	366	314	356	395	388	322	343	365	349	320
Z.L. Madden (1958, 2006, 2008 two portables)										
Square Feet	89,294	90,794	90,794	90,794	90,794	89,294	89,294	89,294	89,294	89,294
Capacity	558	567	567	567	567	558	558	558	558	558
Enrollment	368	-	-	-	-	-	-	-	-	-
Park Hills Early Learning Center (1954, 2001)										
Square Feet	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341
Capacity	515	515	515	515	515	515	515	515	515	515
Enrollment	350	378	363	338	285	-	-	-	-	-
Pine Street (1928, 2000)										
Square Feet	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475
Capacity	828	828	828	828	828	828	828	828	828	828
Enrollment	739	745	780	749	732	683	686	677	645	681
E.P. Todd (1939, new building 2001, 2010 3K-8th grade, 2014 Port										
Square Feet	116,303	116,303	116,303	116,303	116,303	117,803	117,803	119,303	119,303	119,303
Capacity	727	727	727	727	727	736	736	736	736	736
Enrollment	651	615	636	621	732	864	854	858	866	828
Mary H. Wright (1950, new building 2001)										
Square Feet	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975
Capacity	456	456	456	456	456	456	456	456	456	456
Enrollment	175	324	316	312	319	492	448	466	534	488
Middle School										
Carver (1933, new building 2001)										
Square Feet	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828
Capacity	679	679	679	679	679	679	679	679	679	679
Enrollment	647	626	594	520	565	520	525	526	536	531
McCracken (1978, 2001)										
Square Feet	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779
Capacity	910	910	910	910	910	910	910	910	910	910
Enrollment	761	730	703	751	818	689	708	710	740	718

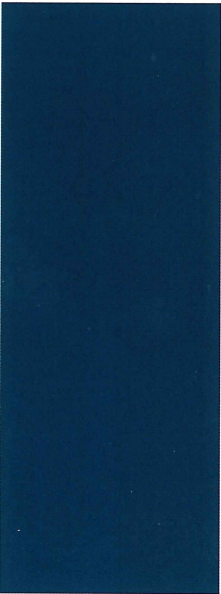
Source: District Records
Note: Original construction and most major renovation years are listed. Totals do not include early childhood programs.

Whittlock Flexible Learning Center(1978, 2001, 2010 New Name)										
Square Feet	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145
Capacity	883	883	883	883	883	883	883	883	883	883
Enrollment	564	354	325	285	-	-	-	-	-	-
High School										
Spartanburg (1957, 2001, 2005, 2012-FA, Athletic Storage)										
Square Feet	412,856	412,856	412,856	412,856	412,856	412,856	412,856	412,856	412,856	412,856
Capacity	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877
Enrollment	1,555	1,521	1,552	1,513	1,476	1,827	1,779	1,779	1,779	1,857
Auxiliary										
Administration (1970)										
Square Feet	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320
Transportation (2001)										
Square Feet	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980
District Instructional Support Ctr. (1984, 1999)										
Square Feet	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589
District Seven Operational Ctr. (1929, 1981, 2008 new building)										
Square Feet	84,632	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
Southside Learning Ctr. (1950) No longer										
Square Feet	76,162	-	-	-	-	-	-	-	-	-
	7,484	7,028	7,021	6,829	6,658	6,645	6,626	6,707	6,781	6,798
	8052	7744	7484	7021						
	568	716	463	192						



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Single Audit

Single Audit

The following information is related to the annual single audit including the schedule of federal assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations.

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

To the Board of Trustees of
Spartanburg County School District No. 7
Spartanburg, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District No. 7 ("the District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

To the Board of Trustees of
Spartanburg County School District No. 7
Page Two

Purpose of this Report

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

McAbee, Schwartz, Halliday & Co.

Spartanburg, South Carolina
October 24, 2016

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

To the Board of Trustees of
Spartanburg County School District No. 7
Spartanburg, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Spartanburg County School District No. 7's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Spartanburg County School District No. 7'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 of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, Spartanburg County School District No. 7 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, 2016.

Report on Internal Control over Compliance

Management of Spartanburg County School District No. 7 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

McAbee, Schwartz, Halliday & Co.

Spartanburg, South Carolina
October 24, 2016

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number		Expenditures
<u>U.S. Department of Agriculture</u>					
Pass-through S.C. Department of Education					
600	National School Lunch Equipment Assistance Grant	10.579	Child N. Food Equip.	\$	10,000
600	Fresh Fruit and Vegetable Program	10.582	N/A		90,923
Child Nutrition Cluster					
600	USDA Commodities (Food Distribution Program) - Non-Cash Assistance	10.550	N/A	\$ 258,988	
600	School Breakfast Program	10.553	N/A	1,017,396	
600	National School Lunch Program	10.555	N/A	2,295,452	
600	Summer Food Service Program for Children	10.559	Summer Food Program	247,581	
	Total Child Nutrition Cluster				3,819,417
Pass-through S.C. Department of Social Services					
600	Child and Adult Care Food Program	10.558	N/A		210,046
	Total U.S. Department of Agriculture				4,130,386
<u>U.S. Department of Education</u>					
Direct Program					
295	Full Service Community Grant	84.215J	U215J100232		119,592
Pass-through S.C. Department of Education					
201	Title I, Regular	84.010	16 Title I Regular	2,549,064	
201	Title I, Regular	84.010	15 Title I Regular	371,466	
221	Title I, Neglected and Delinquent	84.013	16 Title I N&D	35,664	
221	Title I, Neglected and Delinquent	84.013	15 Title I N&D	16	
238	Title I, Support	84.010	15 Title I Support	42,000	
239	Title I, Priority Schools	84.010	15 Title I Priority	99,909	
239	Title I, Priority Schools	84.010	14 Title I Priority	109,772	3,207,891
Special Education Cluster					
203	IDEA - Children with Disabilities	84.027	16 IDEA	917,505	
203	IDEA - Children with Disabilities	84.027	15 IDEA	544,670	
203	IDEA - Children with Disabilities		15 IDEA Supplement	153,782	
203	IDEA - Children with Disabilities	84.027	14 IDEA	56,993	
204	IDEA - Children with Disabilities		ESY	5,079	
205	Handicapped Preschool Grant	84.173	16 IDEA Preschool	38,978	
205	Handicapped Preschool Grant		15 IDEA Preschool	70,842	
205	Handicapped Preschool Grant	84.173	14 IDEA Preschool	539	
	Total Special Education Cluster				1,788,388
207	CATE (subprogram 04)	84.048	16 CATE	2,915	
207	CATE (subprogram 06)	84.048	16 CATE	12,119	
207	CATE (subprogram 09)	84.048	16 CATE	109,748	
207	CATE (subprogram 14)	84.048	16 CATE	1,000	
207	CATE (subprogram 15)	84.048	16 CATE	2,943	128,725
232	McKinney-Vento Homeless Assistance Act	84.196	16 McKinney-Vento	27,299	
233	McKinney-Vento Homeless Assistance Act	84.196	14 McKinney-Vento	7,845	35,144
243	Adult Education - Basic Grants to States	84.002	16 Adult Education	233,056	
243	Adult Education - Basic Grants to States	84.002	15 Adult Education	897	
243	Adult Education - Basic Grants to States	84.002	15 Adult Ed - Literacy	18,019	251,972

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number	Expenditures	
U.S. Department of Education - Continued					
Pass-through S.C. Department of Education - Continued					
264	Title III, Language Instruction for Limited English Proficient and Immigrant Students	84.365	16 Title III	4,544	
264	Title III, Language Instruction for Limited English Proficient and Immigrant Students	84.365	15 Title III	21,615	26,159
267	Title II, Improving Teacher Quality	84.367	16 Title II	473,243	
267	Title II, Improving Teacher Quality	84.367	15 Title II	54,948	528,191
Total U.S. Department of Education					6,086,062
U.S. Department of Defense					
Direct Program					
100	Army Air Force ROTC	12.000	N/A		53,372
Total U.S. Department of Defense					53,372
U.S. Department of Health and Human Services					
Pass-through Mary Black Foundation					
809	Adolescent Pregnancy Assistance Fund	93.500	SP1AH000030-01-00		55,202
810	Tier 1B Office of Adolescent Health	93.297	TP1AH000119-01-00		17,740
Total U.S. Department of Health and Human Services					72,942
Total Federal Assistance Expended					\$ 10,342,762

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity for the District under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spartanburg County School District No. 7 and is presented on the modified accrual basis of accounting.
- B. For the fiscal year ended June 30, 2016, the District used the indirect cost rate as calculated based on the grant against which the costs are being charged or the indirect cost rate as calculated by the South Carolina Department of Education in conjunction with the Office of Health and Nutrition for the Child Nutrition cluster.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
JUNE 30, 2016

Fiscal year ended June 30, 2015:

Financial Statement Findings:

None.

Federal Award Findings and Questioned Costs:

None.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2016

Section I - Summary of Auditor's ResultsFinancial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material Weakness(es) identified? yes x no

Significant deficiency(ies) identified that are not considered to be material weaknesses? yes x none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major programs:

Material Weakness(es) identified? yes x no

Significant deficiency(ies) identified that are not considered to be material weaknesses? yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200? yes x no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I
84.027 & 84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? x yes no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

