

Beaufort County School District

Beaufort, South Carolina

Approved Budget



**For The Fiscal Year Ending
June 30, 2016**

Dr. Jeffrey Moss, Superintendent • www.beaufort.k12.sc.us

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
APPROVED BUDGET**

**FOR THE FISCAL YEAR ENDING
JUNE 30, 2016**

PREPARED BY:

The Finance Department

Jeffrey C. Moss, Ed.D., Superintendent

Beaufort County School District

2016 Board Members

Bill Evans Chairman

District 2 (Term 2011-2018)

9 Bobwhite Ct.
Beaufort, SC 29907
(H) 843-522-0156
(C) 843-301-6858

Mary Cordray Vice Chairman

District 8 (Term 2013-2018)

21 Spindle Lane
Hilton Head Island, SC 29926
(H) 843-681-9838
(C) 803-312-1196

Laura Bush Secretary

District 9 (Term 2013-2016)

PO Box 172
Bluffton, SC 29910
(H) 843-757-2638
(C) 843-290-2185



Earl Campbell

District 1 (Term 2013-2016)

93 Bruce Smalls, Grays Hill
P.O. Box 768, Lobeco, SC 29931
(H) 843-846-4531
(C) 843-476-7512

Michael F. Rivers, Sr.

District 3 (Term 2013-2018)

734 Seaside Road
St. Helena, SC 29920
(H) 843-838-2277
(C) 843-263-8467

Joseph Dunkle

District 4 (Term 2014-2018)

P.O. Box 71
Port Royal, SC 29901
(H) 843-321-9031

Geri Kinton

District 5 (Term 2013-2018)

134 Collin Campbell
Beaufort, SC 29906
(H) 843-846-2366

Paul Roth

District 6 (Term 2013-2016)

13 Oldfield Village Road
Okatie, SC 29909
(H) 843-422-3528

Evva Anderson

District 7 (Term 2013-2018)

P.O. Box 1491
Bluffton, SC 29910
(H) 843-683-0680

Bill Payne

District 10 (Term 2013-2018)

20 Sunningdale Lane
Hilton Head Island, SC 29926
(H) 843-422-9793
(C) 310-600-0873

JoAnn Orischak

District 11 (Term 2013-2016)

29 Long Brow Road
Hilton Head Island, SC 29928
(H) 843-338-1737

Beaufort County School District 2015-2016 Budget Schedule

Budget Work Session

January 10, 2015

Budget Work Session

March 31, 2015

Budget Work Session

April 10, 2015

Public Forum

Bluffton High School

May 6, 2015

Public Forum

Battery Creek High School

May 7, 2015

Board Certifies Budget

Battery Creek High School

May 7, 2015

County Council

Finance Committee

April 20, 2015

First Reading by County Council

May 11, 2015

Second Reading by County Council

May 26, 2015

Third Reading and Adoption by County Council

County Council Chambers

June 8, 2015



Superintendent Jeffrey C. Moss, Ed.D.

Jeffrey Moss is a 30-year education veteran who began his career in Hoke County, N.C., where he worked as a teacher, as director of vocational and technical education, and as assistant district superintendent for instruction and technology, and as associate superintendent for curriculum and technology.

He served as superintendent in three North Carolina school districts: in Beaufort County (Washington, N.C.) for five years, in Stanly County (Albemarle, N.C.) for three years and in Lee County (Sanford, N.C.) for four years. He became superintendent in Beaufort County, S.C. in July 2013.

Moss was the recipient of the North Carolina Technology in Education Society 2011 Outstanding Leader Award and was a finalist for the National ISTE Leader Award in 2011. He was the 2012 Outstanding Science, Mathematics, and Technology Education Administrator for North Carolina and is also a three-time nominee for the North Carolina Superintendent of the Year award. In May 2013 he was awarded the Long Leaf Pine, one of North Carolina's most prestigious honors.

He holds a Bachelor of Science degree in Business Administration with a concentration in accounting from Pembroke State University; a Master's Degree from North Carolina A&T University and a Ed.D. and Ed.S. in Education Leadership from South Carolina State University.

BEAUFORT COUNTY SCHOOL DISTRICT
Senior Management
July 1, 2015

Superintendent	Dr. Jeffrey Moss
Chief Legal Services Officer	Drew Davis
Chief Instructional Services Officer	Dr. Dereck Rhoads
Chief Operational Services Officer	Mrs. Phyllis White, CPA
Chief Administrative and Human Resource Services Officer	Mrs. Alice Walton
Chief Student Services Officer	Dr. Gregory McCord



Introductory Section

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Beaufort County School District
South Carolina**

For the Fiscal Year Beginning

July 1, 2014

Jeffrey R. Emsw

Executive Director

Executive Summary



The Beaufort County School District (the “District”) budget for the fiscal year 2015-2016 is the District’s financial plan that will guide the Board staff and stakeholders in working toward the District’s commitment to “ensure excellence in education for every learner that prepares each with the knowledge, skills and personal responsibility to succeed in a rapidly changing global society.”

Introduction

The District is proud to publish and disseminate budget information to the Board and our community. This budget permits the District to continue its progress toward its strategic goals for improving student success in Beaufort County and to focus on its priorities of:

- maintaining classroom momentum,
- maximizing resources, and
- minimizing tax increases

The development, review, and consideration of the 2015-2016 Budget (the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Food Service Fund) was completed with a review of every budget and how it met the objectives of the District’s Strategic Plan. Information on each of these funds is included in this document.

This budget document and the year-end Comprehensive Annual Financial Report (CAFR) are the primary sources used to present the financial plan and the results of programs and services of the District. The objective of this document is to provide transparency to the public about the District’s financial plans and how they relate to the strategic goals. It represents the balance between the resources provided by the local, state, and federal sources and the educational needs of students.

How this Document is Organized

The organization of this budget document fulfills several needs. First, the budget document provides transparent information on the resources needed to fulfill the organization’s goals and beliefs. It is organized in a manner intended to enhance the reader’s understanding of the Beaufort County School District’s budget development, policies, management and processes and to foster community involvement in the budget process. The format conforms to the standards of budget presentation as recommended by the Government Finance Officers Association, and the document has been prepared to achieve the Distinguished Budget Presentation Award for the eighth consecutive year. It functions as a policy document, an operations guide, a financial plan, and as a communications device. The document contains the four major sections listed and defined below.

- The **Introductory Section** contains an overall view of the approved budget along with the *Executive Summary*. It also includes *The Strategic Plan* which explains the priorities set by the Board of Education and strategy to achieve success. A summary of accomplishments highlights the prior year's activity.
- The **Financial Section** includes an organizational chart, fund description and structure along with budget data in both summary and program levels for the General Fund and a *Comprehensive Budget Report* of all District funds. This section provides information on the General Fund, the Special Revenue Funds, Education Improvement Act (EIA) Funds, Debt Service Fund, Capital Projects Fund, Food Service Fund, Internal Service Fund and the Pupil Activity Funds. It includes financial policies and a description of the budget process. Information on fund balance, revenue trends and expenditures are included in this section.

The **Capital Section and Debt Service Section** include information about the District's ongoing capital projects, funded through bond referenda and under the 8% constitutional debt limit.

- The **Organizational Section** includes a description of the organization's departments along with positions summaries and departmental breakdowns.
- The **Informational Section** includes the following information of interest to District stakeholders:
 - Demographic Statistics
 - Principal Property Tax Payers
 - School Building Information
 - Property Assessment Information
 - List of Acronyms
 - Glossary



Facts About Beaufort County School District

The Beaufort County School District is organized to meet the needs of its 21,620¹ students while managing 31 schools, one charter school and a vocational school. It provides a program of public education from pre-kindergarten through grade twelve. In addition to the regular educational programs, the District offers programs in areas such as vocational education, career and technology education, aeronautics and engineering, STEM, International Baccalaureate program, Advanced Placement, Montessori, Mandarin Chinese, and early college high school.

The District encompasses all of Beaufort County serving residents of Hilton Head Island, Beaufort, Port Royal, St. Helena Island, Bluffton, Fripp Island, Callawassie Island, Dataw Island, Daufuskie Island, Sheldon Township and other areas across the county. The region's major economic drivers continue to be tourism and the military, which in turn support a range of industries such as hospitality, arts and culture, retail, real estate, construction, healthcare and recreation.

The Beaufort County School District is governed by an 11 member elected board. Working within state laws and federal guidelines, the school board determines educational policy, employs the superintendent, authorizes the employment of all certified personnel on the recommendation of the superintendent and approves the annual operating budget.

Board of Education members represent the electoral district in which they live and serve four-year terms on a staggered basis. Following each November election, the board meets in January to elect a chairman, vice chairman and a secretary, who serve in these positions for two years. Board members are paid for their service.

The District does not have fiscal autonomy from Beaufort County Council. The County Council reviews the proposed annual budget for reasonableness, approves the expenditure budget and levies the mills necessary to insure sufficient tax revenue is generated.

As one of the largest employers in Beaufort County, SC, the District employs approximately 3,000 people (including part-time employees and substitute teachers). In addition the District contracts several major services: bus transportation, food service, maintenance, custodial and grounds maintenance.

In July of 2013, the Board of Education appointed Jeffrey C. Moss, Ed.D. Superintendent of the Beaufort County School District. Dr. Moss is a 30-year education veteran who has served as a superintendent for over ten years. He joined Beaufort County Schools from Lee County Schools in Sanford, N.C., where he had been the Superintendent since January 2009.

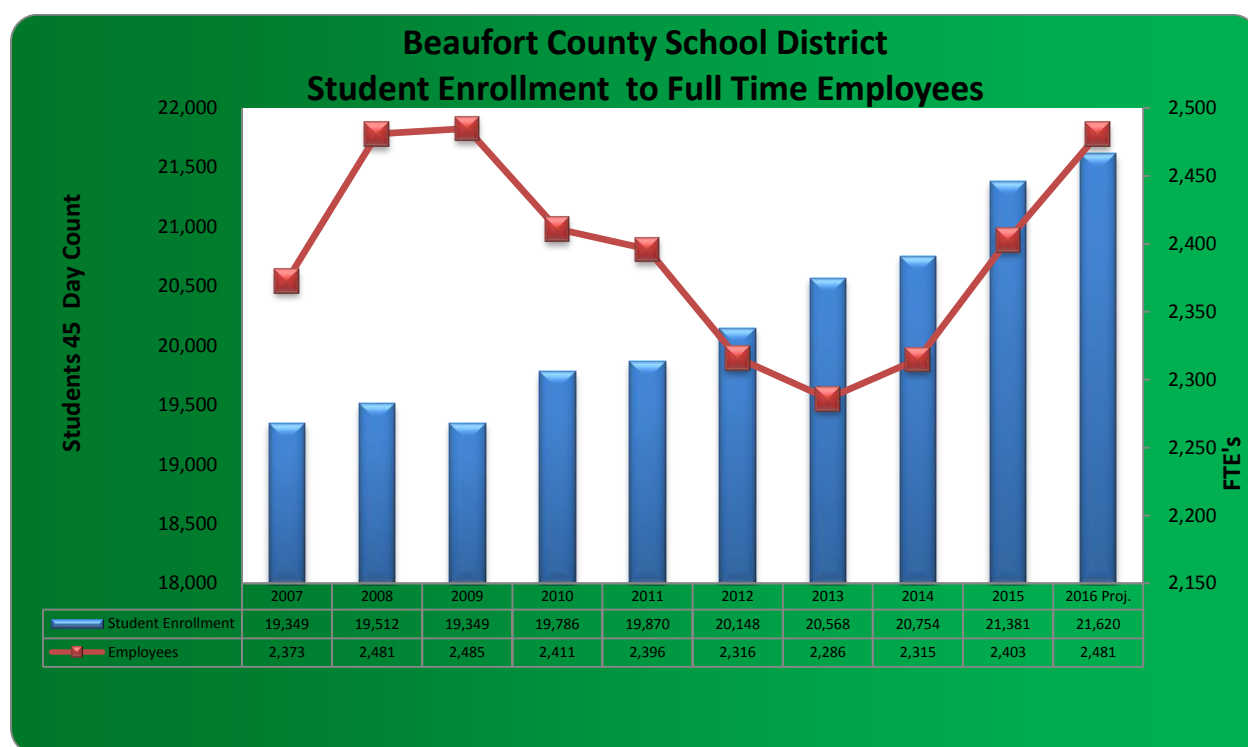
Population

According to the 2015 Census estimates, Beaufort County has grown by 8.4% since the 2010 Census, making it the fourth fastest growing county in the state. The other three counties that grew faster during that period were Dorchester at 11.3% York at 10.1% and Horry at 9.4%. Since the 2010 Census, the student population has grown by 9.3% based on enrollment projection for the 2015-2016 school year.

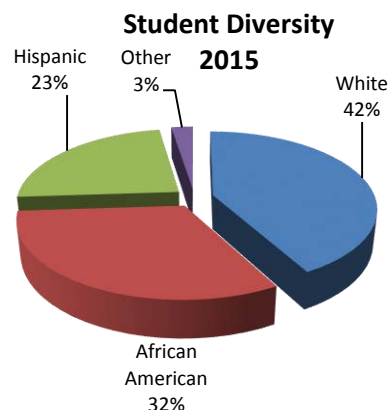
¹ 2015-2016 projected enrollment

Student Enrollment

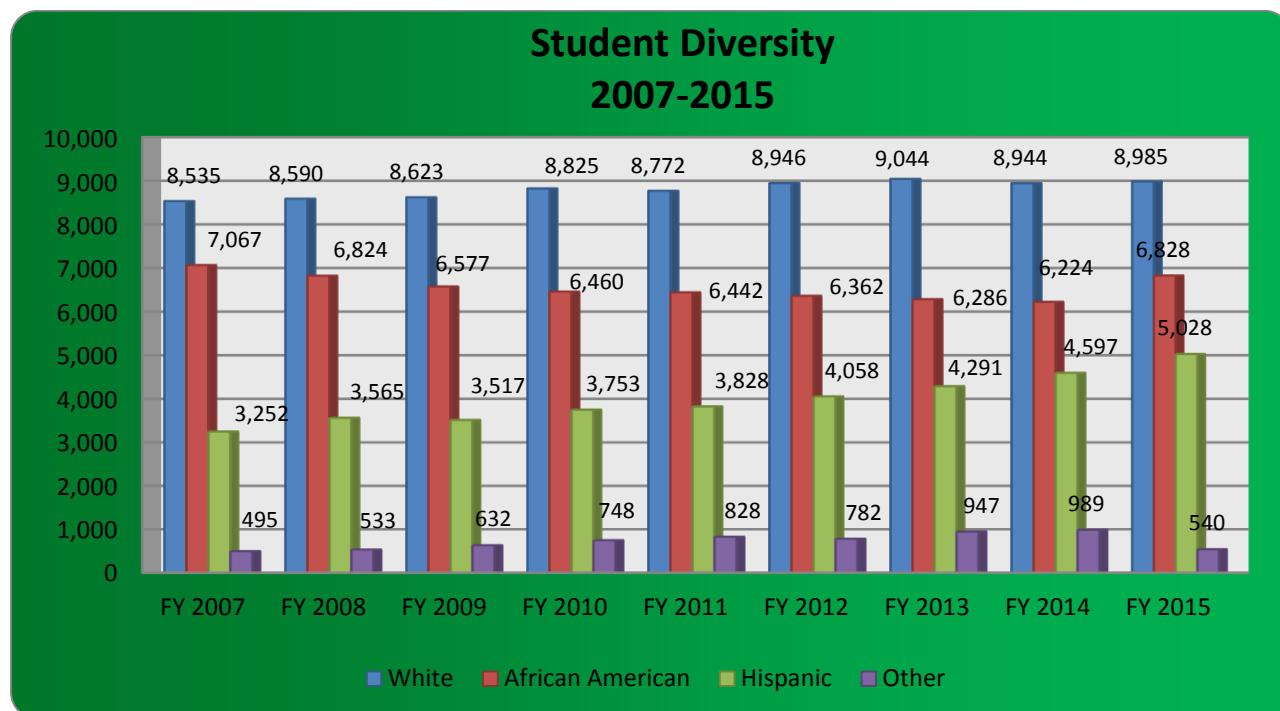
Student enrollment continues to show steady increases over the last several years. The District is budgeting conservatively for 21,620 students in FY 2016, but early indications of enrollment show that the District will exceed this number. Staffing has increased for FY 2016 to meet the growing student enrollment and the opening of a new school. The graph below depicts the trends of student enrollment and full time employees over a 10 year period.



From 2007 to 2015, the Hispanic population has increased from 16.8% to 23.5% of the total population. This represents a growth of 55.5% over the eight year period. Many of these students require the School District to provide specialized instruction and smaller class sizes to help instruct non-English speaking students. The adjacent graph represents the student diversity of the School District. Based on historical data, the administration anticipates an increase of 6% in the Hispanic population in FY 2016. Most of this growth is seen in the Bluffton and Hilton Head Island communities.



Beaufort County School District has a diverse population of students. This diversity allows its students to develop an understanding of the perspectives of people from different backgrounds and learn to function in multicultural, multiethnic environments. Yet, as schools become more diverse, demands increase to provide services that help all students succeed academically. The graph below shows the progression of students by ethnicity over the last nine years.



Budget Development Process

Many rules and laws govern the budget process for the School District. The extensive process begins as soon as the previous year's budget ends. The District expresses its financial plan through three types of budgets: the operating budget, the capital budget and the debt service budget.

Operating budget (or General Fund Budget) - a budget for the provision of annual resources to support the general operations of the District

Capital budget - a budget for the provision of necessary sites, buildings, major improvements and equipment

Debt Service budget - a budget for the provision of principal and interest payments on outstanding debt

The General Fund and the Debt Service Fund are the only funds appropriated by the Beaufort County Council. The budget must be certified by the Board and approved by Beaufort County Council by June 30 of each year. The Board of Education is involved at the very beginning of the process, and community discussions are held each year to encourage community input in the process. Final mill setting occurs in late August, in which County Council has the authority to make changes to the millage rate originally approved in June.

Budget at a Glance

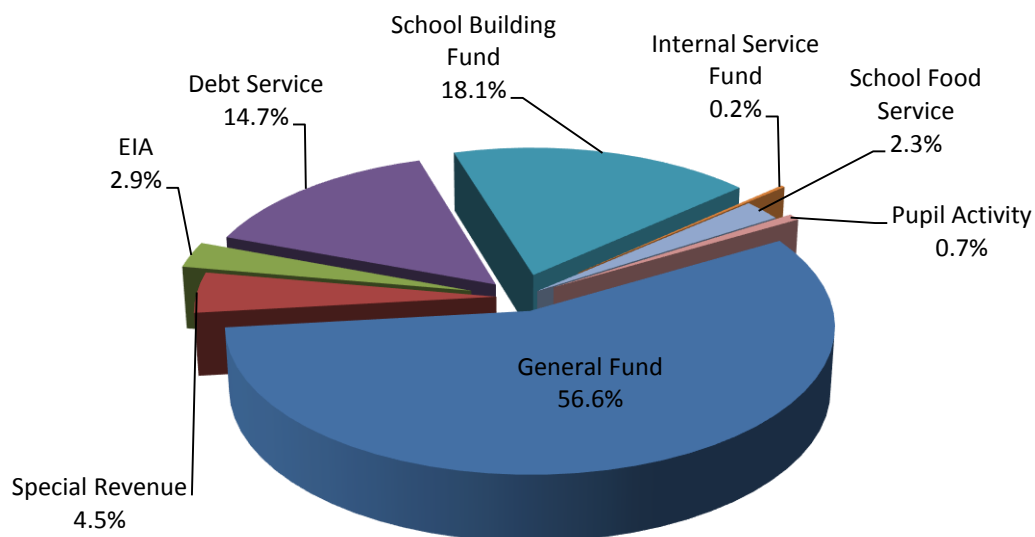
The 2015-2016 Comprehensive Budget include multiple funds, totaling \$360 million. The following chart provides all expenditure budgets by fund.

	2014-2015	2015-2016	Change
	Approved Budget	Approved Budget	
Comprehensive Budget (Total)	\$331,460,031	\$360,024,373	\$28,564,342
General Fund	189,558,841	203,513,932	\$13,955,091
Special Revenue Funds	17,318,443	16,195,710	(\$1,122,733)
Education Improvement Act Funds	10,272,968	10,356,498	\$83,530
Debt Service Fund	52,724,333	53,028,100	\$303,767
School Building Fund	50,183,959	65,193,792	\$15,009,833
Internal Service Fund	900,000	900,000	\$0
School Food Service Fund	7,913,000	8,247,854	\$334,854
Pupil Activity Fund	2,588,487	2,588,487	\$0
Millage required for General Fund	103.5	103.5	-
Millage required for Debt Service	31.7	31.7	-
Total Millage Required	135.2	135.2	-
Projected Student Enrollment	21,381	21,620	239

*Actual 2014-2015 45 day count

Overview of all Fund Revenue FY 2016

Total = \$360,024,373



Overview of Funds

Governmental Fund Types

General Fund - \$203,513,932

The General Fund is the general operating fund of the School District and accounts for all revenues and expenditures except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund and the unassigned fund balance is considered a resource available for use.

The expenditure budget of \$203,513,932 reflects a 7.4% increase over the FY 2015 budget.

Special Revenue Funds - \$16,195,710

Special Revenue Funds are budgeted funds used to account for financial resources provided by federal, state, and local projects and grants. Revenue from specific sources is legally restricted to expenditures for specified purposes. Each specific fund has defined objectives and responsibilities required by the funding source. These funds include but are not limited to Title I, Special Education, Adult Education, and Medicaid. The special revenue budgets are amended on a frequent basis because of timing of the receipt of funds. A decrease of \$1.1 million is expected in FY 2015-2016 due to the elimination of lottery funding for school districts and the completion of the Teacher Advancement Program (TAP).

Education Improvement Act - \$10,356,498

The Education Improvement Act (EIA) provides funding from the state through sales tax revenues. It includes but is not limited to At Risk and Aid to Districts funds, National Board Certified Teacher funding and pre-school programs. This special revenue budget is amended on a frequent basis because of timing of the receipt of funds. Since this source of funding is derived from sales tax, it is particularly volatile and is historically the target of budget reductions. EIA funding levels are expected to remain stable for the 2015-2016 school year.

Debt Service Fund - \$53,028,100

The Debt Service Fund, a budgeted fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs associated with the issuance of general obligation bonds for capital projects. The primary financing source for this fund is county property taxes.

School Building Fund (or Capital Projects Fund) - \$65,193,792

The School Building Fund is used to account for financial resources to be used for site acquisitions, site construction, equipping, and renovation of all major capital facilities. The funding comes primarily from the sale of general obligation bonds. Expenditures are increasing due to the construction of two new schools.

Proprietary Fund Types

The District's proprietary funds include School Food Service and the Internal Service Fund.

Internal Service Fund - \$900,000

The Internal Service Fund was established in FY 2006 to manage the insurance and risk management needs of the District. Transfers from the General fund are made at fiscal year-end based on savings in General Fund insurance budgets and have accumulated to a level that is sufficient to support the School District's outstanding insurance claims.

School Food Service Fund - \$8,247,854

The School Food Service Fund is used to account for the financial resources provided by state and federal agencies in addition to payments from students and adults for breakfast and lunch programs. In this fund, payments for food, the contracted services of the School District's vendor and other costs relating to the provision of meals are included.

Fiduciary Fund Types

Pupil Activity Fund - \$2,588,487

In a Fiduciary Fund the School District acts as a trustee, or fiduciary, for assets that belong to others. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District cannot use these assets to finance its operations. The School District's Pupil Activity Fund is the only fiduciary fund. It is an unbudgeted fund, and it accounts for the receipt and disbursements of funds related to student activity organizations.

Priorities

The FY 2016 budget was built with the following priorities in mind:

1. **Students performing on grade level in all subjects by third grade** - Expansion of the early childhood program is one of the major initiatives included in the 2015-2016 budget. This expansion began in 2014-2015 with a four phase process with an ultimate goal of serving all four year old children in Beaufort County. Phase one of the expansion converted all half day programs to full day programs (with the exception of HHIECC). Phase two involves adding 5 additional pre-K classrooms at schools with the longest waiting lists. Additionally, reading intervention teachers will be used to focus on literacy for grades kindergarten through 2nd grade. These initiatives will provide the foundational skills for future school success.
2. **Expand choice opportunities for parents in each attendance area** - School communities will begin to offer choice options for each school. Schools will continue to offer their current "core" academic programs, but all schools in the district may also elect to offer approved Choice programs limited to thirteen approved curriculum options. In addition to curriculum options

that are currently available such as International Baccalaureate, arts infused and dual language immersion programs, new options will include a classical studies program, college and career cluster communities, as well as several other options. The choices were identified in 2014-2015 and the new programs will go into effect for the 2015-2016 school year.

3. **Evaluate alternative programs and modify, if necessary, to provide effective interventions for our at-risk population** - The School District plans to consolidate middle and high school alternative programs into a single location. Renovations to a former high school, also home to the School District's administrative offices were made to accommodate the program consolidation and expansion.
4. **Provide quality teachers and administrators in every classroom and building** - The School District has established a recruitment model that will be essential to attracting and retaining high quality staff in upcoming years. We will maintain our focus on hiring Highly Qualified Teachers (HQT) and require those already hired to obtain HQ status by October 1 of the current school year. A locality supplement will be provided to all staff as a recruitment and retention incentive.
5. **Increase technology opportunities for student learning** - The Connect2Learn initiative includes a plan to expand its program in 2015-2016 by providing mobile devices to all students in grades kindergarten through 12th grade. . This initiative will give students access to information, allow them to think critically, problem solve, collaborate and create while learning to safely, ethically, and effectively utilize 21st century tools.

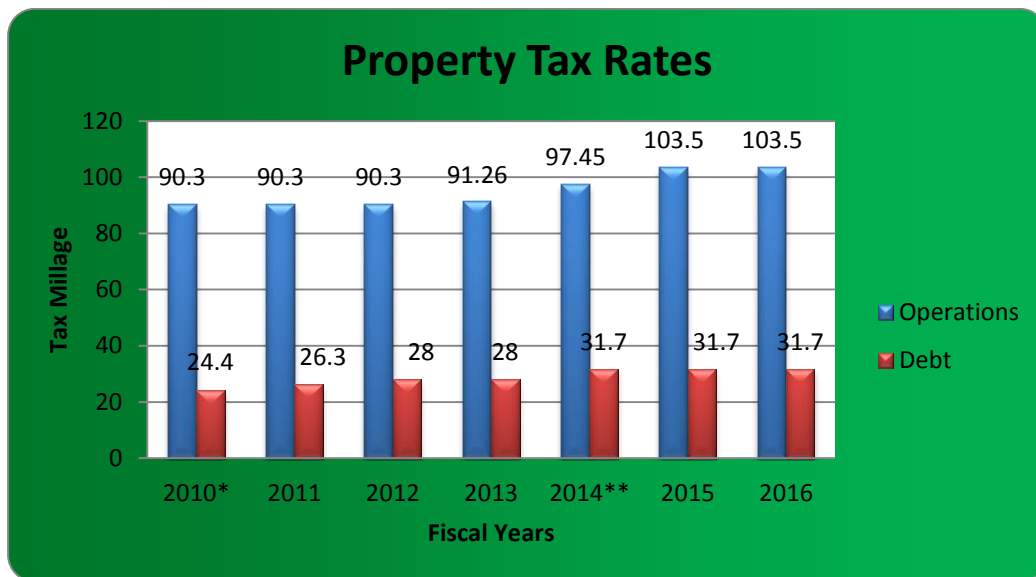
These priorities were established in the prior budget year and our Board wants to remain focused on these core goals. Making changes to meet these priorities requires multi-year planning and implementation. As initiatives are implemented that have a direct impact on instruction, the School District continues to find ways to maximize resources to support these efforts.

Impact on the Taxpayer

During times of a stabilizing economy, the School District strives to hold tax increases at a minimum. This has been difficult due to state mandated cost increases on an annual basis. The School District is also facing consistent enrollment increases which has created a need for additional schools. With new schools, comes unavoidable operating cost increases. We will continue to work toward balancing the needs of the taxpayers with those of the growing number of students in order to maintain a stable financial position and to accomplish the School District's overall mission.

Millage Levy

State law mandates a property reassessment every 5 years. Beaufort County underwent a reassessment in tax year 2013. As anticipated, the reassessment resulted in an overall decrease in assessed value, presenting a need for a roll forward of the operating millage. During the 2014-2015 tax year, collections exceeded the budget by \$2.9 million. The millage rate is expected to result in a level of collections that will support the School District's \$203.5 million budget without the need for a tax increase. The 2015-2016 General Fund budget is based upon an approved operating millage of 103.5. Debt service mills remained constant at 31.7 mills for FY 2016. Following is a graph of property tax millage for Beaufort County School District over a seven-year period:



* Reassessment Year with Rollback

** Reassessment Year with Roll Forward

Issues Impacting the FY 2016 Budget Year

Legislative Issues

Governor's Education Initiative

In FY 2014-2015, the Governor implemented a plan to increase the major General Fund state revenue source for school districts in the state. In order to accomplish this, funds historically dedicated to other programs were eliminated. The programs which were affected were High Achieving and At-Risk funding. Expenditures associated with these two programs were moved from special revenue to the General Fund. While transition funds were allocated towards any loss in funds, the expenditures of programs were transferred into the General Fund causing an overall increase.

Act 388

The effects of Act 388, signed into law in June of 2006, continue to impact Beaufort County School District. Non-owner occupied homes have decreased because owners are changing residency status in order to avoid paying for school operations property taxes. The revenue previously generated cannot be regained under the current legislation.

In addition to eliminating property taxes from owner-occupied residences, effective in FY 2007-2008, this same legislation established an annual millage increase limit for all local governments and school districts based on the most recent CPI increase plus the percent growth in county population over the previous year. Permission from the governing authority (County) must be granted to increase millage.

Index of Taxpaying Ability

In conjunction with the property tax relief constraints, the current Educational Finance Act (EFA) funding established in 1977 severely limits the funding Beaufort County receives due to a formula base that is based on assessed value. Our County is perceived to be one of the wealthiest in the State based on our assessed value; therefore, Beaufort County receives the least amount of EFA funding in the state. After a period of several years in which the School District received no EFA funds, the School District is beginning to benefit from increases in this revenue source due to a drop in assessed value during reassessment and an increase in enrollment.

Under these legislative constraints, along with the other state and federal mandates imposed, our District continues to be challenged to maintain our current level of operation. The School District will have to continue to make decisions that keep costs low to avoid using the fund balance.

Economic Conditions

The School District receives approximately 62% of its operating budget from Beaufort County property taxes. The remaining 37% is received from the State; 59% of which is funded through sales tax reimbursement as a part of Act 388. Due to a change in the Education Finance Act (EFA) funding formula, as well as our increase in enrollment, this has caused the District's state support to increase over the past three years. Prior to enactment of Act 388 in 2006, our local support was as high as 91%. Any fluctuations in the economy could have a direct impact on educational funding. Because of this it continues to be important to pay close attention to revenue streams in fiscal year 2016 and future years to determine whether cost reductions will be required in the event revenues drop below budget.



Approximately 60% of the District's tax base is composed of Hilton Head Island, a popular destination for repeat annual visitors who either own a second home or consistently vacation on the island over consecutive years. The area is also home of the RBC Heritage Golf Tournament, an official PGA Tour event. Held annually since 1969, the tournament is hosted at Harbour Town Golf Links in April of each year and generates more than \$96 million into the State of South Carolina's economy, attracting nearly 100,000 visitors annually.

The District also continues to derive economic benefits from the presence and expansion of military facilities, including the U.S. Marine Corps Recruit Depot, the Marine Corps Air Station and the Beaufort Naval Hospital. The military facilities provide steady employment despite the poor economic times. The

U.S. Marine Corps Recruit Depot at Parris Island, the Marine Corps Air Station-Beaufort, and the Beaufort Naval Hospital are all located within the County. Currently, the Marine Corps Air Station-Beaufort consists of more than 700 Marines and Sailors along with 600 civilian personnel who ensure approximately 3,400 personnel of marine Air Group 31 and its component squadrons and tenant units are readily deployable. At the U.S. Marine Corps Recruit Depot, there are over 4,500 military and non-military personnel in our local areas supporting over 20,000 recruits. In 2013, the total economic impact was estimated at approximately \$403 million with more than 976 direct jobs on or near the installation at any given time.

In 2009, Beaufort City Council signed a resolution supporting the Department of Defense's proposal to locate up to 11 joint strike fighter jets at the Air Station beginning in 2013. Because the U.S. Marine Corps is concentrating its training for pilots and crews of the F-35B Joint Strike Fighter at Beaufort, additional families with school-age children may be moving into the area.



Tourism is a major industry in Beaufort County. In 2011, tourists spent approximately \$1 billion in Beaufort County, according to a report by the U.S. Travel Association to the South Carolina Department of Parks, Recreation and Tourism entitled "The Economic Impact of Travel on South Carolina Counties 2011." Almost 10% of the total amount spent by tourists in all of South Carolina's 46 counties in 2011 was spent in Beaufort County.

Overall the numbers paint a fairly positive picture, with a number of positive indicators. Total retail sales were up 1% and the average number of home foreclosures each month reached a 6-year low in 2014. Countywide, the number of residential new construction permits increased from 2013 to 2014 and fewer homes on the market are selling at discounted prices. Commercial business showed steady signs of improvement with 72 new startup firms during the first quarter of 2015.

The county's unemployment rate at 5.5% remains below the State of South Carolina's rate of 5.7% as of September 2015. The rate has continued to drop over the past two years. The presence of military bases and the rebound of the tourism industry have contributed to this low rate.

There have not been any changes in the major taxpayers in the County, with the top ten taxpayers including four local utility companies and major resorts. The County has a median family income of

\$57,316 for calendar year 2014. This income level continually ranks the County as one of the highest in the State and is above national levels.

Despite having a very high median family income, many of our students' families have been affected by the recent downturn in the economy. The number of students eligible for free and reduced meal prices has increased from 52% to 58% since 2007. These conditions have a financial impact on our community and schools. Economic conditions and outlook of the county and state play a substantial role in the financial condition of the District. Close attention to revenue streams must be paid in the FY 2015-2016 year and future years.

FY 2016 General Fund Highlights

This FY 2016 budget represents a balance between keeping momentum in student achievement and preventing cuts from affecting the classroom.

Historical Effects on the Budget

Student enrollment has increased by 15.6% since 2005 (from 18,501 to 21,381) and six new schools were built to accommodate the growth. A new pre-K through 8 school opened in August and a high school is currently under construction. Despite this growth, the School District cut \$22.9 million between 2010 and 2013 to offset mandated increases by the State and other contractual requirements. Almost 200 positions were eliminated during that time period to balance the budget, including the closure of one elementary school. Since 2013, the School District has been forced to increase staff to meet the needs of growth in student enrollment. Major increases and decreases in the FY 2016 are summarized as follows:

Budget Increases/(Decreases)	
Increases due to state mandates (step increase & benefits)	\$2,409,146
Increases due to loss in state and federal funding	2,013,500
Increases due to enrollment growth	3,929,960
Program Expansions (Pre-K, CATE, Tutoring, Reading)	1,805,800
Operational Increases	1,431,460
Other Increases	3,210,980
Major Decreases	<u>(845,755)</u>
Change in Budget	\$13,955,091

Details of the budget increases and decreases may be found on the following pages.

Details of Budget Increases/(Decreases) 2015-2016

Increases due to State mandates

	<u>Amount</u>
Step increase for certified staff	\$ 1,259,146
Benefit increase for retirement	\$ 300,000
Benefit increase for insurance	850,000
Total Increases due to State mandates	<u>\$ 2,409,146</u>

Increases due to loss in State and Federal Funding

Guidance Counselors	\$ 201,000
6 Chinese Teachers	390,000
Gifted & Talented Teachers	650,000
ESOL Teachers	552,500
Reading Coaches	220,000
Total Increases due to loss in State and Federal Funding	<u>\$ 2,013,500</u>

Increases due to enrollment growth

44 school based employees	\$ 2,860,000
7.5 Special Education teachers	487,500
4 Special Education assistants	108,000
1 Special Education Coordinator	87,100
3 Technology Technicians for Schools	195,000
School Non-Salary Allocations	155,160
ESOL Welcome Center	37,200
Total Increases due to enrollment growth	<u>\$ 3,929,960</u>

Increases due to program expansion:

Pre-K expansion-6 classrooms	460,800
Career & Technical Education (CATE) - 6 teachers	390,000
During and afterschool tutoring programs	955,000
Total Increases due to program expansion	<u>1,805,800</u>

Operational Increases:

School Resource Officers	124,770
Student Transportation	189,874
Utilities	121,448
Repairs Maintenance	56,000
Contractual Increases (Custodial, Grounds, Maintenance)	404,874
Musical Instruments	54,500
Instructional Materials and Textbooks	41,058
Teacher Evaluation and Recruitment	272,385
Technology Networking Equipment & Internet Filtering	166,551
Total Operational Increases	<u>1,431,460</u>

Other Increases:

Locality Supplement	\$ 2,666,492	
Step increase for classified staff	391,720	
Step increase for administrators	152,768	
Total Other Increases		<u>\$ 3,210,980</u>

Decreases:

Insurance-Property & Casualty	(65,534)	
TAN Interest	(15,000)	
Virtual Summer School	(83,080)	
Telecommunications	(122,102)	
Charter School	(25,315)	
Unemployment	(25,000)	
Water, Sewer, Trash Disposal	(81,095)	
Departmental Decreases	(123,204)	
Miscellaneous	(305,425)	
Total Decreases		<u>(845,755)</u>

Grand Total	\$ 13,955,091
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General Fund Long-Term Budget Projection

During tax year 2013 (FY 2014), the County underwent a mandatory reassessment. The reassessment resulted in a drop in overall assessed values by 7%. The District worked with the County to prepare for the change and necessary modifications to our long-range plans in operations and debt were made to ensure continuity of the district's excellent bond rating which ultimately saves interest costs for the taxpayers of Beaufort County.

Local tax revenues for FY 2016 are based upon a millage rate of 103.5. This was not an increase in millage from the prior year. This was achievable because of the increase in our assessed value. The economy in Beaufort County is slowly improving with an increase in construction every day. We anticipate this to continue over the next year or two.

Expenditure projections generally include increases of about \$5 million per year on average. However, costs will increase at a higher rate in FY 2016 and beyond due to the opening of the new school. (Details of those costs are included in the Capital Projects section of this document.) Budget assumptions include growth in student enrollment of 1% per year, increases in benefits of 1% per year and annual adjustments for inflation. Mandatory teacher salary increases and step increases for all staff are assumed. A 2% cost of living increase is also incorporated into long-term projections.

Budget Projection-General Fund FY 2016- FY 2021 (\$ in millions)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Expenditures:						
Salaries	113.7	116.3	120.1	124.5	128.5	133.0
Benefits	40.3	40.2	42.8	44.9	47.0	48.7
New Students	1.0	1.1	1.1	1.1	1.1	1.1
Supplies	13.4	13.5	13.7	13.9	14.0	14.1
Repairs and Renewals	30.6	35.0	35.4	35.7	36.4	37.1
Charter School Allocation	4.5	4.8	4.8	4.8	4.9	4.9
Total Expenditures	203.5	210.9	217.9	224.9	231.9	238.9
Increase/(Decrease)	7.33%	3.64%	3.32%	3.21%	3.11%	3.02%
Revenues:						
Taxes	127.5	128.3	129.6	130.9	132.2	133.6
Additional Revenue Needed*	0.0	5.5	12.0	15.0	19.0	24.0
Other Local Revenue	0.7	1.5	1.5	1.5	1.5	1.5
State	69.9	69.6	70.2	70.9	71.6	72.3
Federal	0.9	0.9	0.9	0.9	0.9	0.9
Total Revenues	199.0	205.8	214.2	219.2	225.2	232.3
Other Financing Sources						
Transfers from Special Revenue	4	4	4	4	4	4
Transfers from Other Funds	0.5	0.5	0.5	0.5	0.5	0.5
Total Other Financing Sources (Uses)	4.5	4.5	4.5	4.5	4.5	4.5
Total Revenue and Other Financing Sources	203.5	210.3	218.7	223.7	229.7	236.8
Surplus/Deficit	0.0	-0.6	0.8	-1.2	-2.2	-2.1
Projected Fund Balance	31.7	31.1	31.9	30.7	28.5	26.4
Projected Fund Balance as % of Next Year Expenditures	15.0%	14.3%	14.2%	13.2%	11.9%	10.7%

* revenue needed to maintain fund balance to comply with Board policy

The Challenges Ahead

- **Continuing Instructional Momentum** - Sustaining the progress made in the last few years with existing resources.
- **Student Growth and Diversity** - Enrollment continues to climb, as does the number of students in poverty and students with limited English proficiency.
- **Fund Balance Reserves** - The Board recognizes the importance of maintaining the fund balance at a level that provides financial stability for the District in the event of a catastrophic occurrence. A healthy fund balance also helps to keep interest costs low when borrowing for capital renewal and improvement needs.
- **Facilities Maintenance** - Appropriately funding capital projects to prevent the accumulation of deferred maintenance costs.

Board Policies

The Board fund balance policy requirements are the guide for long-term financing planning. This policy states that the General Fund maintains a desired target of an unassigned fund balance of 13 to 15% of next year's expenditures. It is crucial to regularly update the District's long-range financial plans to meet this directive.

Board policy requires that budget projections are updated each year, used as a starting point for discussion and planning, and revised each year to reflect trends and factors affecting enrollment numbers. The policy requires three to five years of historical information, as well as three to five years of projections. In addition, Board policy requires an annual updated five-year capital and debt plan. Typically these projections are revised more frequently than on an annual basis to monitor the District's borrowing capacity and financial stability.

Budget Contacts

Individuals who have questions regarding this budget document may contact:

Phyllis S. White, CPA
Chief Operational Services Officer
(843) 322-2346
phyllis.white@beaufort.k12.sc.us

or

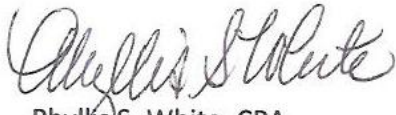
Tonya V. Crosby, CPA
Financial Services Officer
(843)322-2397
tonya.crosby@beaufort.k12.sc.us

Conclusion

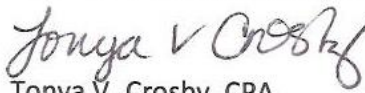
We appreciate the support provided by the Board, community, and staff needed to develop the FY 2015-2016 budget. Despite the many challenges facing the School District, this budget utilizes the resources we are allocated in a manner that produces the biggest gains in achievement for the students of Beaufort County. Our District has seen significant gains in student achievement in the past few years, and we intend to maintain that momentum.

This budget allows our School District to maintain our reserves at an acceptable level, one which is essential to our bond rating and ultimately saves money for taxpayers. More importantly, it is prepared with a focus on putting children at the center of all decision making.

Respectfully,



Phyllis S. White, CPA
Chief Operational Services Officer



Tonya V. Crosby, CPA
Financial Services Officer

ORDINANCE NO. 2015 / 16

FY 2015-2016 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

An Ordinance to provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2015 and ending June 30, 2016, and to make appropriations for said purposes.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3 and 4 of this Ordinance and establishes the millage rates as detailed in Section 2 of this Ordinance.

SECTION 2. MILLAGE

In Fiscal Year 2015-2016 and in accordance with the laws of South Carolina, the County Auditor is hereby authorized and directed to levy a tax on the following mills on the dollar of assessed value of property within the County.

School Operations	103.50
School Bond Debt Service (Principal and Interest)	31.71

These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations as may be hereafter passed by the County Council of Beaufort County.

SECTION 3. SCHOOL OPERATIONS APPROPRIATION

An amount of \$203,513,932 is hereby appropriated to the Beaufort County Board of Education to fund school operations. This appropriation is to be spent in accordance with the school budget approved by the County Council of Beaufort County, and will be funded from the following revenue sources:

- A. \$126,674,710 to be derived from tax collections;
- B. \$ 69,971,382 to be derived from State revenues;
- C. \$ 900,000 to be derived from Federal revenues;
- D. \$ 1,463,500 to be derived from other local sources;
- E. \$ 4,494,025 to be derived from inter-fund transfers; and
- F. \$ 10,315 to be derived from fund balance.

The Beaufort County Board of Education is responsible for ensuring that the school expenditures do not exceed those amounts herein appropriated without first receiving the approval of a supplemental appropriation from County Council.

SECTION 4. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets submitted by the Beaufort County Board of Education under separate cover for FY 2015-2016 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 5. OUTSTANDING BALANCE APPROPRIATION

The balance remaining in each fund at the close of the prior fiscal year, where a reserve is not required by State or Federal law, is hereby transferred to the appropriate category of Fund Balance of that fund.

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2016 are hereby approved.

SECTION 7. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2015. Approved and adopted on third and final reading this 8th day of June, 2015.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: 
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:


Thomas J. Keaveny, II, County Attorney

ATTEST:


Suzanne M. Rainey, Clerk to Council

First Reading: May 11, 2015
Second Reading: May 26, 2015
Public Hearings: May 11, 2015 and May 26, 2015
Third and Final Reading: June 8, 2015

Beaufort County School District Strategic Plan

In the spring of 2014, the Board of Education approved a new strategic plan for the next five years. The first stage of the process featured two days of discussions among a steering committee of 67 members representing a cross-section of our schools and community. This group agreed on the school district's mission, vision and core beliefs, and also agreed to align the new strategic plan's goals and objectives with five quality standards:

- Purpose and Direction
- Teaching and Assessing for Learning
- Using Results for Continuous Improvement
- Governance and Leadership
- Resources and Support Systems

The next step was the work of five Action Teams, with each team assigned to develop specific goals and strategies for one of the five quality standards listed above. Action Teams included educators, parents, students, business leaders and community members. When these five teams completed their work, the community at large was able to review their reports and send comments to the Strategic Plan Steering Committee. Then, with the public's feedback in hand, the Steering Committee reconvened to review the five Action Teams' recommendations and request revisions. Those revised Action Team reports went to the Board of Education and were approved on January 7, 2014. The final plan was sent to the South Carolina Department of Education in April 2014.

Goal

The goal is to become the best school district in South Carolina and the nation – one that produces capable, skilled and creative graduates who can become productive citizens who succeed and thrive in the global marketplace.

Mission

The Beaufort County School District, through a personalized learning approach, will prepare graduates who compete and succeed in an ever-changing global society and career marketplace.

Vision

The district will work with families and our diverse community to ensure that students perform at an internationally competitive level in a learning environment that is safe, nurturing and engaging.



Core beliefs

- Every student can learn using his or her valuable and unique talents and skills.
- Learning takes place when the physical, emotional, social and intellectual well-being of all students is assured at every level and during every transition.
- High expectations of the school community positively impact student success.
- Early childhood learning experiences form the foundation of future school success.
- Students learn best when they are engaged and provided with opportunities for problem solving and active participation.
- All students are entitled to learning experiences so that they can develop the competent and confident skills and knowledge needed to become successful and productive citizens.
- Investment, involvement and connection of all members of the school community are essential to a student's success.
- Frequent informal and formal assessment aligned to clearly defined learning objectives will provide improved student achievement.
- The collection, analysis and use of data from a variety of sources are critical to making decisions.
- Students should be prepared to compete and contribute in a changing global and multilingual society.



**2014-2019 Strategic Plan
Beaufort County School District
Last Updated 2014**



Purpose and Direction

ACTION TEAM WORK PROCESSES

COMMUNITY	Indicator 1: Engage in a comprehensive process to review, revise and communicate that our purpose is to create student success.	
	1.1.1	Host cluster School Improvement Council meetings.
	1.1.2	Host an annual district-wide School Improvement Council meeting.
	1.1.3	Host Board of Education community meetings.
	Indicator 2: Foster collaboration with community stakeholders and use their knowledge, skills and resources to support student learning.	
	1.2.1	Actively recruit volunteers within the community.
	1.2.2	Advertise volunteer opportunities and resources.
	1.2.3	Identify a person within each school to serve as volunteer coordinator.
	1.2.4	Develop relationships with business partners.
	1.2.5	Streamline the approval process for volunteers and reduce waiting periods.
	Indicator 3: Use system-wide strategies to listen to and communicate with stakeholders.	
	1.3.1	Develop forthright, genuine relationships with public opinion influencers.
	1.3.2	Hold Board of Education meetings in clusters through a rotating schedule.
	1.3.3	Host twice-yearly "Superintendent town hall meetings" in each high school attendance area.
	1.3.4	Establish and publicize a speakers bureau available to service organizations.
	1.3.5	Build confidence among stakeholders that a capable leadership team is in place.
	Indicator 4: Communicate expectations and results for student learning and goals for improvement to all stakeholders.	
	1.4.1	Use a variety of methods to disseminate information to parents and stakeholders.
	1.4.2	Share best-practice strategies among schools for using newsletters.
	1.4.3	Establish top five objectives for the district and set measurables for evaluating success or failure.
STUDENTS & STAFF	Indicator 5: Commit to a student- centered culture based on shared values and beliefs regarding teaching and learning; support challenging, equitable educational programs and learning experiences for all students. Each school will develop a shared set of values and beliefs and build a climate and culture that supports the district's mission and vision.	
	1.5.1	Student leaders share information, expectations, values and beliefs regarding teaching and learning with their peers.
	1.5.2	Student leaders meet with administrative teams (district-level administrative staff) to share values and receive district-wide information to share with their peers.
	1.5.3	Include classified and certified staff in the sharing process.
	1.5.4	Address students' overall sense of well-being – physical, social and emotional.

Resources and Support Systems

ACTION TEAM WORK PROCESSES

HUMAN RESOURCES	Indicator 1: Recruit, employ and mentor qualified professional staff capable of fulfilling assigned roles and responsibilities.	
	2.1.1	Investigate and balance staff benefit packages by comparing to local, regional and national packages.
	2.1.2	Develop or adopt programs and practices to improve the performance and retention rates of highly qualified staff.
	2.1.3	Improve five-year staff retention rates.

HUMAN RESOURCES	Indicator 2: Assign professional staff responsibilities based on their qualifications (i.e., professional preparation, ability, knowledge and experience).	
	2.2.1	Maintain equitable staff experience levels at the individual school level throughout the district.
	Indicator 3: Ensure that all staff participate in a continuous program of professional development.	
	2.3.1	Align professional development with goals for student achievement, individual staff needs and published teacher evaluation standards.
	2.3.2	Establish an ongoing system of tracking, monitoring, assessing and analyzing the effectiveness of professional development programs.
	2.3.3	Create a supportive and fulfilling work environment with conditions that support professional development time.
	Indicator 4: Provide and assign sufficient staff to meet the vision and purpose of each school.	
	2.4.1	Monitor staff-student ratios at individual schools and compare to changes in student achievement. Adjust ratios as needed to improve student achievement.

RESOURCES

Indicator 5: Budget sufficient resources to support educational programs and to implement plans for improvement.

2.5.1	Ensure that funds/resources support programs that are state and federally mandated as well as programs that current research have demonstrated to be effective in fostering student achievement and engagement.
2.5.2	Develop a long-range programming plan, including funding sources, to use in developing all new programming.

Indicator 6: Monitor all financial transactions through a recognized, regularly audited accounting system.

2.6.1	Maintain qualified employees on staff with professional certifications.
2.6.2	Utilize in-house and independent accounting professionals to develop regular reports with a focus on transparency.

Indicator 7: Equitably maintain the district's sites, facilities, services and equipment to provide an environment that is safe and orderly for all occupants.

2.7.1	Develop, establish and maintain short- and long-term planning processes for facilities construction, energy use, and technology systems and their maintenance.
2.7.2	Balance decisions based on facilities, capital resources and instructional programming needs.

I.T. & SECURITY

Indicator 8: Provide a technology infrastructure that supports schools' teaching, learning and operational needs.

2.8.1	Provide technology equipment to students on an equitable basis.
2.8.2	Train teachers on technology equipment, software and applications available in the classroom.
2.8.3	Provide resources needed to maintain existing technology equipment.

Indicator 9: Develop and keep current a written security and crisis management plan with appropriate training for stakeholders.

2.9.1	Regularly review existing plans, equipment and security measures with in-house staff and independent personnel trained in law enforcement.
2.9.2	Update and maintain relationships with local emergency management services.
2.9.3	Conduct ongoing training and monitoring of staff in emergency management procedures.

NEEDS & GUIDANCE

Indicator 10: Ensure that each student has access to guidance services that include, but are not limited to, counseling, appraisal, mentoring, staff consulting, referral and educational and career planning.

2.10.1	Base guidance services' procedures and staff-student ratios on state and nationally recognized standards.
2.10.2	Involve guidance services in classroom instruction to address differences in culture, values and lifestyles.
2.10.3	Educate parents, school staff and students about guidance services and outside resources.
2.10.4	Monitor parent, school staff, student and guidance counselor satisfaction with guidance services and administration.
2.10.5	Establish meeting student needs for guidance services as the primary mission. Other functions, such as administration and testing services, shall be addressed only after students' guidance services needs have been met.

Indicator 11: Provide appropriate support for students with special needs.

2.11.1	Improve special needs graduation rates with a focus on job readiness and other post-secondary opportunities.
2.11.2	Support programs to identify students with special needs, and expand opportunities for special education students
2.11.3	Educate parents, school staff and students about services available for special needs students, including gifted and talented, and the criteria to access those services.
2.11.4	Monitor parent, school staff and student satisfaction levels with services for students with special needs.
2.11.5	Ensure appropriate training for staff who work with special needs students, including gifted and talented.

NEEDS & GUIDANCE

Indicator 12: Provide services that support the counseling, assessment, referral, educational and career planning needs of all students.

2.12.1	Annually update individual graduation plans for all students in grades 8-12.
2.12.2	Increase the percentage of students graduating from high school "on time" in four years.
2.12.3	Begin career planning in middle school.
2.12.4	Develop programs that allow teachers to merge student career plans into instruction.
2.12.5	Annually decrease the percentage of students receiving in-school suspension, out-of-school suspension and expulsion.

Teaching and Assessing for Student Learning

TEACHING

Indicator 1: Provide equitable and challenging learning experiences that ensure all students have sufficient opportunities to develop learning, thinking and life skills that lead to success at the next level.

3.1.1 Ensure that the curriculum in each grade level or course provides students with the opportunity to develop knowledge, thinking and life skills so that they may be successful at the next level.

Indicator 2: Promote active engagement of students in the learning process, including opportunities for them to apply higher-order thinking skills.

3.2.1 Ensure the implementation and application of instructional practices that require active student engagement and higher-order thinking.

Indicator 3: Allocate and protect instructional time to support student learning.

3.3.1 Ensure that district-wide procedures are in place to maximize instructional time.

Indicator 4: Provide for articulation and alignment among all levels of schools.

3.4.1 Implement rigorous, organized PK-12 curricula consistently across all grade levels and courses to meet the needs of all learners. Curricula will appropriately support personalized student transitions across grade levels and school sites.

Indicator 5: Implement interventions to help students meet expectations for student learning.

3.5.1 Anticipate, design and employ interventions that support student academic growth and development and that address the needs of learners at all ability levels.

Indicator 6: Provide comprehensive information and media services that support the curricular and instructional programs.

3.6.1 Integrate, align and support information and media services across all grade levels, and which support courses that prepare 21st Century learners for a global society and career marketplace.

Indicator 7: Ensure that all students and staff members have regular and ready access to instructional technology and a comprehensive collection of materials that supports the curricular and instructional program.

3.7.1 Ensure instructional and technological resources are current, accessible and replenished in alignment with required curricular and instructional programs.

Indicator 8: Teachers will participate in collaborative learning communities and other professional learning to improve instruction and student learning.

3.8.1 Establish professional learning communities within schools and across grade levels and courses to ensure teacher collaboration to increase student achievement.

TEACHING	Indicator 9: Teachers will implement schools' Instructional processes in support of student learning.	
	3.9.1	Ensure the use of research-based teaching and learning strategies to engage PK-12 students in rigorous and relevant learning.
	Indicator 10: Ensure that mentoring, coaching and induction programs support instructional improvement consistent with schools' values and beliefs about teaching and learning.	
	3.10.1	Implement coaching, mentoring and induction programs that consistently support quality instruction that is aligned with schools' values and beliefs about teaching and learning.
ASSESSING	Indicator 11: Engage families in meaningful ways in their children's educations and keep them informed of their children's learning progress.	
	3.11.1	Regularly communicate with families regarding their children's learning. Provide meaningful opportunities for families to participate actively in their children's educations.
	Indicator 12: Gather, analyze and use data and research in making curricular and instructional choices.	
	3.12.1	Establish a systematic, collaborative process to ensure that teachers have opportunities to analyze and use student assessment data to inform instructional and curricular decisions.
	Indicator 13: Monitor school climate and take appropriate steps to ensure that it is conducive to student learning.	
	3.13.1	Ensure an environment that supports the academic, physical, social, emotional and cultural safety of all students that allows learners to maximize their potential.
	Indicator 14: Monitor and adjust curriculum, instruction and assessment systematically in response to data from multiple assessments of student learning and examinations of professional practice.	
	3.14.1	Regularly review curriculum, instruction and assessment with the expectation that modifications will be based on best practices and multiple sources of data.
	Indicator 15: School leaders will monitor and support the improvement of instructional practices to ensure student success.	
	3.15.1	Ensure best practices in instruction to positively impact student achievement.
	Indicator 16: Ensure grading and reporting practices on clearly defined criteria that represent the attainment of content knowledge and skills and that are consistent across grade levels and courses.	
	3.16.1	Establish and maintain consistent grading and reporting practices across grade levels and courses that reflect clearly defined criteria and the attainment of content knowledge and skills.

Documenting and Using Results for Continuous Improvement

ACTION TEAM WORK PROCESSES

ASSESSMENTS & MEASUREMENTS	Indicator 1: Establish performance measures for student learning that yield information that is reliable, valid and free of bias.	
	4.1.1	Use PASS, MAP, EOC, on-time high school graduation rate, HSAP, Lexile Levels, ACT/SAT and ESEA Waiver Scores – all of which are reliable, valid and free of bias – to monitor student achievement.
	4.1.2	Develop data teams to analyze data at district, cluster and school levels to identify strengths, weaknesses and action plans.
	4.1.3	Analyze performance measures and growth measures together, with consideration given to the performance of student demographic categories within schools.
	Indicator 2: Develop and implement a comprehensive assessment system for assessing progress toward meeting expectations for student learning.	
	4.2.1	Continue to administer MAP testing.
	4.2.2	Administer South Carolina's state standards assessments.
	4.2.3	Continue to administer a district-wide technology proficiency assessment.
	4.2.4	Develop and Implement school-wide common assessments (benchmarks) in science, social studies and writing.
	Indicator 3: Use student assessment data to improve teaching and learning processes. Survey teachers to determine needs to assessments and academic audits.	
	4.3.1	Survey teachers to determine their needs for professional development related to understanding and using data and academic audits.
	4.3.2	Use survey results to provide professional development that helps classroom teachers understand and use assessment data.
	4.3.3	Ensure that instructional coaches or other designees (i.e., district subject coordinators) meet with teachers on a regular basis to discuss assessment data and its use for driving instruction.
	4.3.4	Use multiple sources of data to make accurate and effective decisions on instruction.



ANALYSIS & DISSEMINATION

Indicator 4: Conduct a systematic analysis of instructional and organizational effectiveness and use the results to improve student performance.

4.4.1	Use student assessment data to evaluate instructional and organizational effectiveness.
4.4.2	Document community involvement, including parents, businesses, and faith-based, charitable and civic organizations.
4.4.3	Evaluate the effectiveness of community involvement quantitatively and qualitatively.

Indicator 5: Communicate and explain the results of student performance and school effectiveness to all stakeholders in a timely manner.

4.5.1	Continue to produce an annual "Community Report" that details academic performance, financial efficiencies, budgetary challenges and student demographics. Make reports available in multiple languages.
4.5.2	Continue to develop annual informational brochures for each school in the district containing pertinent information, including student testing performance, to be available in multiple languages.
4.5.3	Hold informational meetings for parents and other stakeholders to discuss the results and meaning of student performance on standardized tests.

Indicator 6: Use expanded comparison and trend data of student performance from comparable schools in evaluating effectiveness.

4.6.1	Use PASS, MAP, EOC, on-time high school graduation rates, HSAP, Lexile Levels, ACT/SAT, and ESEA waiver scores to compare changes in school performance locally, statewide and nationally.
4.6.2	Compare South Carolina schools and districts using performance and growth measures, together with comparison of student demographic categories within schools.
4.6.3	Upon implementation of South Carolina's state standards assessments, compare local data with schools and districts similar to ours.

Indicator 7: Demonstrate verifiable growth in student performance using formal and informal assessments.

4.7.1	Maintain current formal assessments through the use of MAP, PASS and writing benchmarks.
4.7.2	Develop a district-wide database of common formative assessments by grade level and subject area.

Indicator 8: Maintain a secure, accurate and complete student records system in accordance with state and federal regulations.

4.8.1	Continue to use the current records management systems of PowerSchool and Testview.
4.8.2	Establish a process of accountability for student data management.
4.8.3	Ensure that data is entered correctly and in a timely manner.

Governance and Leadership

ACTION TEAM WORK PROCESSES

BOARD OF EDUCATION	Indicator 1: The Board of Education will establish policies and support practices that ensure effective administration of the district.	
	5.1.1	Develop written policies that ensure a balance between proper controls and effective support of staff to ensure accountability for student and staff performance.
	Indicator 2: The Board of Education will operate responsibly and function effectively.	
	5.2.1	Maintain internal oversight, authorization and ethical leadership controls to ensure that services are provided effectively and assets safeguarded.
	5.2.2	Structure policy approval process so that each board member must carefully review and understand the controls, policies and procedures presented for ratification to ensure accountability for student and staff performance.
	5.2.3	Establish at least one annual professional development for Board members to enhance their abilities to advocate for students.
	Indicator 3: The Board of Education will ensure that district and school leaders have the autonomy to meet goals for achievement and instruction and to manage day-to-day operations effectively.	
	5.3.1	Establish clear policies that define “autonomy” for school leaders, making it clear what each level of staff is responsible for doing to improve student achievement and classroom instruction.
	5.3.2	Monitor and measure the achievement of established goals and provide the resources and support for staff to effectively manage day-to-day operations of the district and its schools to ensure accountability for district resources.
	5.3.3	Observe school environments through annual visits to all schools by all Board members so that they can make informed, student-centered decisions.
BOARD OF EDUCATION	Indicator 4: The Board of Education will conduct itself in a manner consistent with the district’s beliefs, purpose and direction.	
	5.4.1	Use professional ethics standards to guide Board members’ conduct to achieve a unity of purpose and ensure a quality education to each student.
	5.4.2	Create a positive organizational culture by working with the Superintendent and working together to adhere to the district’s mission, vision and core beliefs to enhance student learning.
	Indicator 5: Board of Education will advocate for the development and support of adequate financial resources.	
	5.5.1	Align instructional initiatives, budgets and other district and school plans with one another and support the Strategic Plan and Board policies to improve student achievement.
	5.5.2	Establish policies that drive efficiency and effectiveness to improve district office functions to better support schools.
	5.5.3	Seek alternative sources of funding and grants to supplement classroom needs.
	5.5.4	Advocate with legislators to develop sound education policies that benefit student learning.

LEADERSHIP & STAFF

Indicator 6: Leadership and staff will foster a culture consistent with the district's beliefs, mission and vision.

5.6.1	Use communication links to parents and stakeholders to support individual academic growth of students.
5.6.2	Promote involvement by the community to create a culture of support for schools.

Indicator 7: Leadership and staff will engage stakeholders effectively in support of the district's mission and vision.

5.7.1	Provide opportunities for stakeholders to volunteer, give feedback and contribute to schools to provide a sense of investment in the schools and community.
5.7.2	Foster and increase business partnerships, advisory councils and forums to assist with practical student learning inside and outside the classroom.

Indicator 8: Leadership and staff will establish supervision and evaluation processes that result in improved professional practice and student success.

5.8.1	Research and provide professional development to improve professional practice and student success.
5.8.2	Use ongoing teacher evaluation processes to measure classroom effectiveness.

Indicator 9: Leadership and staff will ensure compliance with applicable local, state and federal laws, policies and regulations.

5.9.1	Designate specific offices responsible for informing the Board and staff of changes in statutes and regulations, and for assisting with appropriate inspections to ensure compliance.
5.9.2	Maintain a dedicated phone line and/or email address to ensure that non-compliance will be investigated.

LEADERSHIP & STAFF

Indicator 10: Leadership and staff will employ a system provides accurate analysis and thorough review of student performance and school effectiveness.

5.10.1	Provide a system for accurate analysis and review of student performance and school effectiveness that is guided by sound policies and practices.
5.10.2	Use uniform guidelines and standards that support student achievement goals and ensure consistent measurement.
5.10.3	Provide a balance between structure and flexibility that acknowledges and addresses the variety of ways in which students learn.
5.10.4	Improve student academic performance and educator effectiveness.
5.10.5	Use technology to help students reach their academic goals and prepare them for a technology-rich future.

Indicator 11: Leadership and staff will provide teachers and students with opportunities to lead.

5.11.1	Develop opportunities for teachers to assume shared and distributed leadership roles to provide personal development and assist with student development.
5.11.2	Encourage and foster professional growth to prepare staff and students for future roles beyond the school district.
5.11.3	Encourage students to develop authentic and meaningful leadership roles in order to prepare them for college and/or careers after graduation.

Accomplishments

Beaufort County School District – Improved school accountability ratings, increased high school graduation rates and the beginning of construction on two new schools are among the 2015 highlights for the Beaufort County School District.

Academic Highlights for 2015:

- Five years ago, 75 percent of Beaufort County's schools were rated Excellent, Good or Average on the state's School Report Cards. Today it's 94 percent.
- Five years ago, 69 percent of Beaufort County high school students graduated "on time" in four years. Today, the district's graduation rate is 78 percent.
- Beaufort is one of only two districts in South Carolina to have had four schools selected as "Palmetto's Finest" in the past four years.



Red Cedar Elementary – 2015
Okatie Elementary – 2014
Beaufort Middle – 2012
Hilton Head Island High – 2012

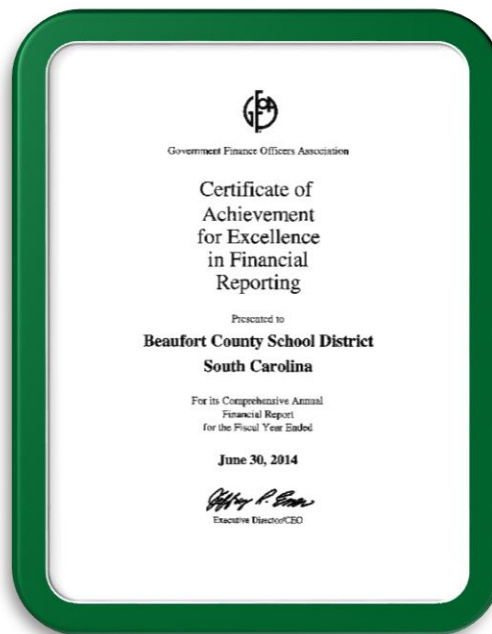
- Four schools received AdvancEd STEM certification (only 15 total received this nationally).
- The class of 2015 earned a record \$30 million in scholarships.

Operational Highlights for 2015

- The district has improved its screening process for school volunteers and, at the same time, increased the number of volunteers from 1,300 last year to 4,400 in 2015.
- Despite rising operating costs, Beaufort County School District has one of the lowest property tax millage rates for school operations in South Carolina at 103.5 (FY 2014-15).
- Over the past 14 years, the district has never had a negative finding in any of its annual independent audits.
- The Beaufort County School District has received a positive outlook rating from Standard and Poor's for "strong historical financial performance."

Financial Reporting Excellence

For the 25th consecutive year, the District received national distinction by the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting. The GFOA certificate is the highest form of recognition in government accounting.

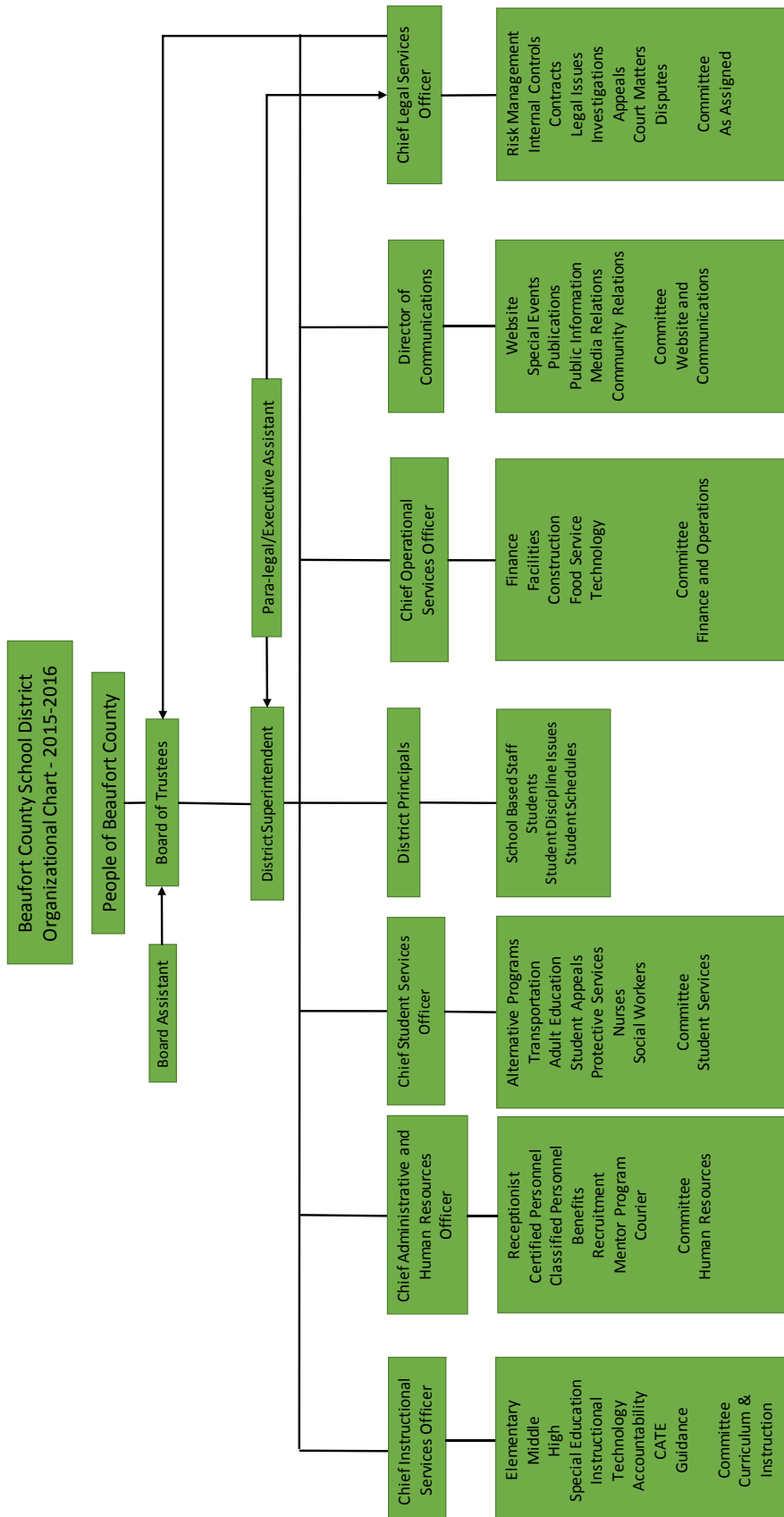


Budget Presentation Award

The Beaufort County School District Finance Department earned for the eighth consecutive year national distinction by the Government Finance Officers Association for the submission of the FY 2014-2015 budget document. The award recognizes the commitment of the governing body and staff to meet the highest principles of governmental budgeting.



Financial Section



Matrix of Program Funding Sources

FUNDING BY PROGRAM	General Fund	Special Revenue Fund	Education Improvement Act	Debt Service Fund	School Building Fund	Internal Service Fund	School Food Service	Pupil Activity Fund
INSTRUCTIONAL PROGRAMS								
Kindergarten Programs	X	X	X					
Primary Programs	X	X	X					
Elementary Programs	X	X	X			X		
High School Programs	X	X	X					
Vocational Programs	X	X	X					
Special Education Prog.	X	X	X					
Preschool Special Ed. Prog.	X	X	X					
Early Childhood Programs	X	X	X					
Gifted & Talented-Academic	X							
Homebound	X							
Gifted & Talented-Artistic	X							
Primary Summer School		X	X					
Elementary/High Summer School								
Instr Prog Beyond Reg School Day	X	X	X					
Adult Education Programs	X	X	X					
Parenting Instruction	X	X	X					
Instructional Pupil Activity	X							X
SUPPORT SERVICES								
Attendance & Social Work	X	X						
Guidance	X	X	X					
Health Services	X	X						
Psychological	X							
Exceptional Programs		X						
Improvement of Instruction	X	X	X					
Media Services	X		X					
Superv. Special Projs.	X	X	X					
Staff Development	X	X	X					
Board of Education	X							
Office of Superint.	X							
School Administration	X							
Fiscal Services	X							
Facilities and Construction	X				X			
Maintenance & Oper.	X	X	X			X		
Transportation	X	X	X					
Food Service	X						X	
School Safety	X							
Data Services	X							
Information Services	X							
Staff Services	X							
Technology	X		X					
Supporting Pupil Activ.	X	X	X					X
TOTAL COMMUNITY SERVICES		X						
TOTAL DEBT SERVICES	X			X				
TOTAL INTERGOVERNMENTAL	X	X	X					

Of the major funding sources for the FY 2016 budget, the General Fund makes up 56% of the budget. Instructional programs are also largely supported by Special Revenue Funds and funding from the Education Improvement Act.

Summary of Accounting Policies

Board Policies and Monitoring

Beaufort County Board of Education adopted a governing process in May of 2008 and updated it in 2010. The Board established an updated strategic plan in the spring of 2014 establishing goals for the next five years. The Strategic Governance Policy as it stands today allows the Board to:

- Manage the District's affairs on a cost effective basis,
- Authorize the Superintendent to serve as the educational and administrative leader of the District,
- Empower District employees to perform their jobs effectively and grow their personal competence, and
- Support each learner in developing his/her potential by providing an excellent education in a safe and nurturing learning environment.

The Board not only established certain commitments and responsibilities for the governing body, but it also adopted performance expectations (PE) that are reasonable for District staff to achieve. With the completion of the updated strategic plan, these performance expectations will be reviewed by the Board and Senior Management to directly correlate with the District's vision, mission and the five quality standards.

- Purpose and Direction
- Governance and Leadership
- Teaching and Assessing for Learning
- Resources and Support Systems
- Documenting and Using Results for Continuous Improvement

Reporting Entity

The School Board members are elected by the public, have decision making authority, the power to designate management, the ability to significantly influence the operation and have primary accountability for fiscal matters. The Board is responsible for approving the annual operating budget and capital budget.

The School District is not fiscally independent; therefore the Beaufort County Government acts in a fiduciary capacity by levying and collecting school taxes. Therefore, the annual budget must be approved by two governing bodies, the Board of Education and the Beaufort County Council.

Two of the School District's funds are appropriated, the General Fund and the Debt Service Fund. The Beaufort County Council has the authority to create the budget ordinance. The ordinance, as presented in the Introductory Section of this document, specifies revenue sources that will generate the funds needed to support the appropriation amount. Millage levies for both funds are stated in this document.

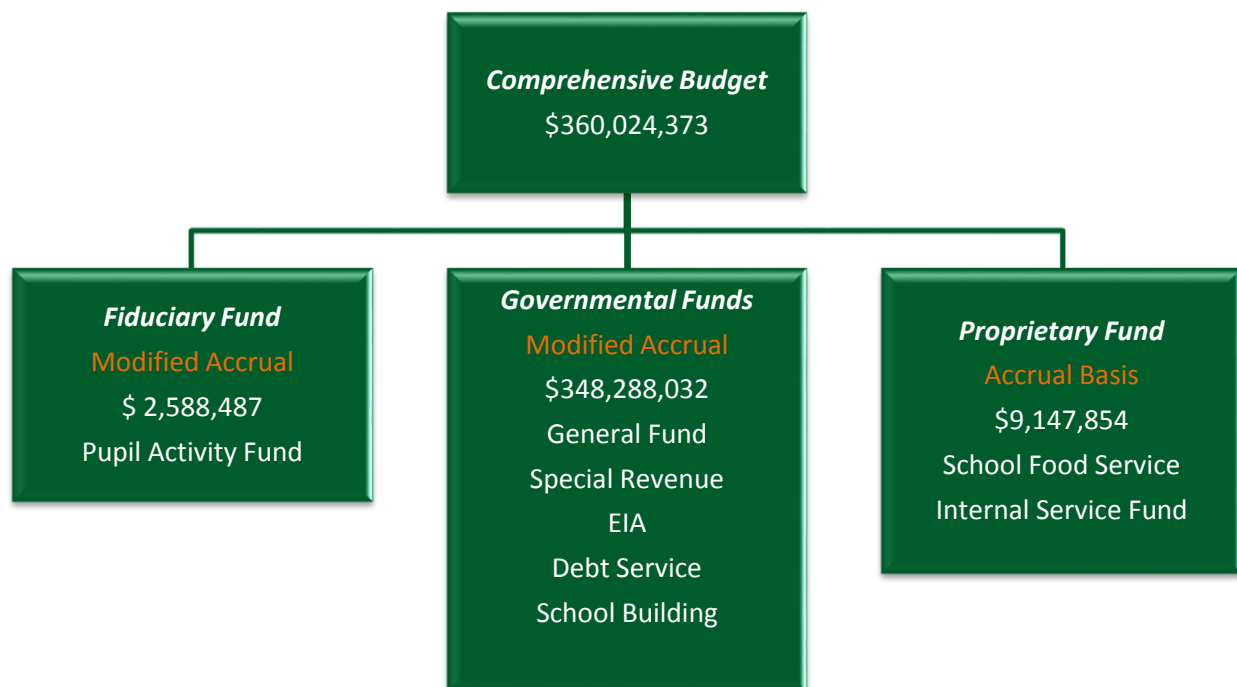
Basis of Accounting

Basis of accounting refers to the timing of recognition of revenues and expenditures or expenses in the accounts and in the financial statements when transactions are recorded in the financial statements. The basis of accounting used depends on the type of financial statements being prepared.

Beaufort County School District uses the budgetary basis of accounting in the preparation of its budget. It is important to readers of both the budget document and the School District's Comprehensive Annual Financial Report (CAFR) to understand the differences between the two documents in order for them to make more informed decisions for the benefit of the students. Budgetary basis refers to the basis of accounting used to estimate financial sources and uses in the budget.

For purposes of financial reporting, the District follows generally accepted accounting principles (GAAP). Governmental agencies are required to use modified accrual accounting for governmental funds in the District's financial statements. The accrual basis of accounting is used for proprietary funds. **For purposes of this budget document, the budgetary basis of accounting and the GAAP basis of accounting are the same.**

Below is a depiction of the fund structure by basis of accounting:



The Governmental Accounting Standards Board (GASB) requires that Comprehensive Annual Financial Reports (CAFR) contain fund financial statements as well as government-wide financial statements, each requiring a different basis of accounting.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable fiduciary funds are accounted for using a current financial resources measurement focus; that is, only current assets and current liabilities generally are included on the balance sheets. Operating statements of these funds present increases (revenues and other financial sources) and decreases (expenditures and other financing uses) in net current position.

Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Proprietary type fund operating statements present increases (revenues) and decreases (expenses) in fund equity (net position).

Modified Accrual Basis of Accounting

The modified accrual basis of accounting is followed for all governmental type funds and fiduciary funds of the school district. Revenues are recognized in the accounting period in which they become susceptible to accrual that is both measurable (the amount of the transaction can be determined) and available (the amount is collectible within the current period or soon thereafter). Expenditures, other than long-term debt and the long term portion of accumulated vacation pay, are recorded when the fund liability is incurred. For the School District, available means they are expected to be received within sixty days of fiscal year end.

Accrual Basis of Accounting

The accrual basis of accounting is utilized by proprietary type funds, such as school food service, and government-wide financial statements. On the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when goods and services are received (whether cash disbursements are made at that time or not).



Other Financial Policies

Financial policies provide the Board of Education with a foundation for decision-making. These policies act as the guidelines and parameters by which the Board of Education must conform, and the goals toward which they must strive. Following is a discussion of various financial policies established by the Beaufort County School District.

Investments

The Board recommends the utilization of financial advisors when practicable to assist in managing the Board's debt portfolio, evaluating and executing transactions, monitoring and verifying fair pricing, making investment decisions and generally representing and acting in the Board's best interests.

The Board has an ongoing fiduciary responsibility to actively manage the proceeds of debt issued for public purposes in a manner that is consistent with state statutes governing the investment of public funds. Section 6.5.10 of the S.C. Code of Laws requires the School District's investments to be fully guaranteed by United States securities. Beaufort County School District's investments are fully collateralized.

Debt Policy

The School District, in conjunction with its Financial Advisor, manages its debt in accordance with the requirements of the SC Code of Laws and Article X, Section 15(7)(a) of the South Carolina Constitution. The objectives of the District's debt management program include:

- Maintaining cost-effective access to the capital markets through prudent policies
- Maintaining moderate debt and debt service payments with effective planning and coordination
- Meeting significant capital demands through debt financing and alternate financing mechanisms
- Achieving the highest credit ratings
- Preventing large fluctuations in millage rates throughout the life span of the debt

Capital Expenditures

Board Policy requires the Superintendent to establish a cycle of renovation and new construction that provides classroom capacity consistent with instructional programs, as well as community and neighborhood needs. The District must develop and provide annual updates of a plan that establishes priorities for construction, renovation, and maintenance projects.

Capital expenditures for referendum projects are kept within the specific projects approved in the referendum. Funds may not be transferred among the projects within a referendum and additional projects may not be added using these funds.

Capital expenditures for capital renewal projects are approved each year by the Board of Education and funded through the borrowing means commonly known as 8% funds. Issuance of these types of funds are allowable under state constitution. Groups of projects are managed as a whole. Budgets of individual projects within the year may be increased or decreased depending on availability of funds. Any funds remaining in an 8% project may be consolidated and transferred to the next year's project or to the debt service fund for reduction of principal amounts outstanding.

Procurement

The Beaufort County School District abides by the Board-adopted Procurement Code for decisions relating to the purchasing of goods and services. As a division of the South Carolina Department of Education, the School District's code must be "substantially similar" to the SC Procurement Code.

The Procurement Department, a department of the Financial Services Office, administers all solicitations for bid on District contracts, processes purchase orders and administers the Purchasing Card Program while adhering to the requirements of the Procurement Code.

Based on the Procurement policy, the Procurement Department also provides semi-annual reports to the Board regarding School District contracts with Minority and Women-Owned Business Enterprises.

Budgeting Controls

The Beaufort County School District maintains budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Council of Beaufort County. Activities of the general fund and debt service fund are included in the annual appropriated budget. The legal level of control is at the fund level. To ensure compliance, budgetary controls are established by function and activity within each individual fund. The budgets of the District may be amended during the year with the appropriate approval levels.

Balanced Budget

A **balanced budget** is a budget for which expenditures are equal to revenue. It occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods and services. The 2015-2016 approved budget of the Beaufort County School District is not a balanced budget due to its projected use of fund balance.

Budget Transfers

The Superintendent grants principals/department heads the discretion to make non-salary budget transfers at the individual school level. Requests for changes to a school/departmental budget may be made by an electronic budget transfer. Budget transfers may only occur within a fund. For example, budget transfers reducing supplies in the general fund and increasing supplies in a special revenue fund are not allowed. Budget transfers with line items exceeding \$5,000 must be approved by the Chief Operational Services Officer (COSO). Only the Superintendent or the COSO is authorized to approve transfers of salary line items in the general fund.

Periodically, the COSO will examine budget categories and estimate the year-end status of each. Based on these estimates, the Superintendent authorizes his/her designee to make budget transfers within the major categories. Transfers outside of program functions (e.g. instructional, support, etc.) exceeding \$50,000 must be approved by the Board of Education.

Each school/department is given a copy of approved budget transfers and a copy is maintained in the Finance Office. The distribution of the school/department copy serves as notification that the transfer was posted to the general ledger.



Budget transfer requests within the capital project funds are requested in writing by the project managers. Transfers to/from the District's construction contingency accounts must be authorized by the Facilities, Planning, and Construction Officer.

Carryover Funds

The administrative staff must operate the school system within the budget established for the particular department or school. Carryover funds in General Fund accounts are not permitted.

Fund Balance

The fund balance of governmental funds is the difference between its assets and liabilities, which represents available, expendable resources. This method of accounting focuses on working capital. The Board of Education is committed to providing sound, fiscal management for the District. In 2011, the Board modified its fund balance policy for the General Fund to stay within 13 to 15% of the next year's expenditures.

Summary of Policies

Each of the policies indicated above serves as a basis of decision-making for the administrators and the Board of Education of the Beaufort County School District.



The Budget Process

The annual budget is the financial plan for the operation of the school system. All financial processes begin with the adoption of the fiscal year budget. The budget provides the framework for both expenditures and revenues for the year. It translates educational programs and priorities for the district into financial terms.

The District will express its financial plan through three types of budgets: the operating budget, the capital budget and the debt service budget.

Operating budget - a budget for the provision of annual resources to support general operations of the District.

Capital budget - a budget for the provision of necessary sites, buildings, major improvements and equipment.

Debt Service budget - a budget for the provision of principal and interest payments on outstanding debt.

The General Fund is the only fund appropriated by the Beaufort County Council. The millage rate for the Debt Service Fund is set based on the total revenue needed for principal and interest payments as established by the School District.

The Operating Budget

The development of the **operating budget** begins late in the calendar year with the establishment of the budget calendar and ends with the adoption of the fiscal year budget by County Council near June 30th of each year. Below is a summary of the stages of the operating budget process for Beaufort County School District:

- Establish the Budget Calendar
- Determination of Budget Priorities
- Enrollment Projection
- Non-salaried School Budgets
- Salaried Budgets and Staffing Allocations
- Department budgets - Modified Zero Base
- Presentations to the Board
- Presentations to County Council
- Public Hearings
- Adoption of the Operating Budget



Establishing the Budget Calendar

The budget process begins with the development of the **budget calendar**. The calendar establishes the time frames necessary to develop the budget and seek approval from the Board of Education and the Beaufort County Council by June 30th of each year.

Budget Calendar
Fiscal Year 2015-2016

BOE	January 10	Budget projections and priorities discussed at Board Work Session
Budget Office	February 1	Budget packages distributed to Department Heads
Budget Office	February 2015	Budget Office projects salaries & benefits
Budget Office	February 16	Budget Packages distributed to Principals
Department Heads	March 6	Departmental Budget Requests due to Budget Office
Budget Office	March 6-13	Budget Office reviews and summarizes the Budget Requests
Leadership Team/ Principals	March 9-13	Leadership Review of the budget
Budget Office	March 16	Deadline for schools to return their budgets
BOE	March 31	Budget Work Session with Board
BOE	April 10	Budget Work Session with Board
County Council	April 20	County Council Finance Committee - 2 P.M.
Public	May 6	Budget Public Forum - Bluffton High School - 6 P.M.
Public	May 7	Budget Public Forum-Battery Creek High School - 6 P.M.
BOE	May 7	Board certifies FY 2016 Budget
County Council	May 11	First Reading of FY 2016 Budget with County Council
County Council	May 26	Second Reading of the FY 2016 Budget with County Council/Public Hearing
County Council	June 8	Third Reading and Adoption of the FY 2016 Budget with Beaufort County Council/Public Hearing
Budget Office	July 1	Execution of the FY 2016 Budget

Determination of Budget Priorities

The budget process continues with the Leadership Team setting **budget priorities** for the new fiscal year. The staff then translates the priorities into monetary terms and begins the process of developing the budget.

Priorities will be based upon the needs identified during the budget planning process as determined by the following:

- Academic achievement goals as specified by the Board
- The needs of the District so that all segments of District programs are treated equitably within the available resources
- State and/or federal legal requirements for funding of programs
- Requirements and regulations of the regional accrediting agencies
- Availability of fiscal and other non-economic resources
- Need of the District to meet fund balance requirements

Enrollment Projection

Once the budget priorities have been established, the District begins its work by creating the **enrollment projection**. The enrollment projection is developed to determine the number of students in attendance during the next school year.

Factors such as birth rates, growth in areas of the county and drop-out rates are taken into consideration. Potential re-zonings of school attendance lines also weigh heavily into the projection. The final enrollment projection is used to build the salaried and non-salaried budgets for each school.

Non-salaried School Budgets – Per Pupil Supply Allocation

The non-salaried budget is derived using an average per pupil cost for elementary, middle and high schools. The average per pupil allocation is multiplied by the number of students from the enrollment projection to generate a school's budget. A lump sum figure along with historical data is distributed to the principals to help them formulate their budget for the upcoming year. The Board of Education held the per pupil allocation (PPA) to FY 2012 levels.

	Original
High School PPA	\$170
Middle School PPA	\$146
Elementary School PPA	\$136

The 10-day membership report will be used to determine any differential in the projected to actual enrollment. The additional students will generate funds only for the instructional programs in which they are enrolled.

Salaried Budgets & Staffing Formula

The enrollment projection is used, in conjunction with the **staffing formula**, for allocating funds for staff positions for the following school year. The teacher/student ratio is also taken into consideration. The staffing formula is used to define the staff resources that are believed to be necessary to achieve the Board's goals. The staffing model represents what a typical elementary, middle, and high school should have for staffing based on the state's defined minimum program and accreditation standards. This model is designed to provide equity among the schools based on population and individual school needs and is reviewed each year for potential changes.

See Tables on pages 67 through 69 for the Staffing Formula

District administrators meet with each principal annually to discuss the staffing needs of the school. These meetings provide the principal an opportunity to express staffing needs in the supplemental and intervention programs based on data analyses. These needs are reviewed by district administrators for equity, appropriateness and availability of funds.

Certified staff are assigned based on different formulas for elementary, middle and high school (see staffing formula). For budget purposes, the Finance Office assigns a unit value for staff positions. A unit of certified staff is valued at the average teacher's salary plus benefits. Units are valued annually during budget development. The 10th day membership report will be used to determine the differential between the projected and actual enrollment. Staffing and supply allocations may be adjusted by the administration based on this information.

Projections of pay increases for certified staff are determined by the mandatory salary schedule established by the South Carolina Department of Education. The mandatory increase is placed into a formula, and a local supplement is added to the state's base. Any pay increases for certified staff in addition to those mandated by the South Carolina Department of Education must be approved by the Board. Cost of living adjustments (COLA) are proposed by the administration based on industry data, the consumer price index (CPI), and historical data.

Department budgets - Modified Zero Base (MZB)

The MZB format is used to determine the non-salaried budget for all programs that are not student driven. Each division administrator is responsible for the budget preparation of his or her division using the MZB format. Among others, the programs which use this format include:

- Early Childhood/Parenting
- Homebound
- Attendance and social work

- Health
- Instructional Services
- Board of Education
- Office of Superintendent
- Facilities Planning and Construction
- Financial Services
- Operations and Maintenance
- Pupil Transportation
- Administrative and Human Resource Services
- Student Services
- Data Services
- Technology Services
- Public/Community Relations

Department heads are provided annually with a budget package which includes a copy of the department's most recent budget, including the amounts spent to date, a mission and objective form, and a budget request form. Each are asked to prepare a budget for their department based on current and projected needs, enter the information (in detail) into the budget module of the district's accounting software and return a signed copy of the forms to the budget office.

Presentations to the Board and Public

The Superintendent has the overall responsibility for budget planning. Principals must develop and submit budgets for their schools after seeking input from the school staff, the School Improvement Council, and a representative from the parent-teacher organization. The budgets submitted by the principals should reflect the principal's judgment as to the most effective way to use resources to achieve the educational objectives of the school.

The Superintendent recommends an annual operating budget to the Board through a series of budget presentations. The Board will give careful consideration to the budget request as presented by the Superintendent and will review the allocations for fairness and consistency with the educational priorities of the school system. After approval by the Board, several presentations are made throughout the county to seek public opinion. The Board must approve the budget by majority vote and must certify it before the second reading with County Council.

Adoption of the Operating Budget

On the date specified by the Beaufort County Council, the Superintendent and the Board of Education will present, in a manner mutually agreed upon by the County Council and the Board of Education, the general operating budget for the operation of schools in the county for the ensuing fiscal year. Three readings of the budget occur before the operating budget is passed.

The final millage rates are set in June as a result of the joint efforts of School District and County staff. Any change to the millage rate after the approval requires an amended ordinance.

If the budget does not receive approval by June 30, the Superintendent will recommend that the Board adopt a continuing resolution based on last year's operating budget until the budget can be approved.

The Capital Budget

Each year a facilities assessment is completed to determine the capital renewal and improvement needs of the District. From this assessment, the Facilities, Planning and Construction office prepares a project listing and seeks approval by the Board of Education. Funding is provided through the sale of general obligation bonds.

The Debt Service Budget

The budget for the debt service fund is determined by the financial needs to meet the principal and interest requirements on the outstanding debt. The amounts needed are then equated to a tax levy value, approved by the Board of Education and the appropriate levy is established by the Beaufort County Auditor.



Beaufort County School District

Basic Staffing Allocation Formula

Elementary School

2015-2016

Position	Enrollment	FTE		Number of Work Days
Administrative Staff				
Principal	0+	1.0	@	260
Assistant Principal	0-750	1.0	@	210
	751+	2.0	@	210

Certified Staff

Teachers	Pre-K	20 to 1	@	190
	Kindergarten	24 to 1	@	190
	Grades 1-3	22 to 1	@	190
	Grade 4	24 to 1	@	190
	Grade 5	24 to 1	@	190
Related Arts Teachers		per formula		
Guidance Counselor	0-750	1.0	@	190
	751+	2.0	@	190
Media Specialist	0+	1.0	@	200
Math or Science Coach	Based on formula			
ESOL Teachers	Based on formula			
Literacy Teachers	Based on formula			
Gifted and Talented Teachers	Based on formula			

Classified Staff

Pre-K Assistant	1.0 per Pre-K classroom	@	190
Kindergarten Assistant	1.0 per Kindergarten classroom	@	190
Social Worker	Case Driven		
Media Assistant	0+	1.0	@ 190
Computer Lab Assistant	0+	1.0	@ 190
Nurse	0+	1.0	@ 190
Data Specialist	0+	1.0	@ 260
Bookkeeper	0+	1.0	@ 260
Support Staff	0-750	1.0	@ 260
	or 751+	1.0	@ 260
	and	1.0	@ 190
Bilingual Liaison	Based on formula		

Beaufort County School District
Basic Staffing Allocation Formula
Middle School

2015-2016

Position	Enrollment	FTE	Number of Work Days
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Administrative Staff

Principal	0+	1.0	@	260
Assistant Principal	0-500	1.0	@	210
	501-850	2	@	210
	851+	3	@	210

Certified Staff

Teachers		21 to 1	@	190
(low enrollment in related arts areas may result in itinerant staff)				
Guidance Counselor	0-500	1	@	205
	501-850	2.0	@	205
	851+	3.0	@	205
Media Specialist	0+	1	@	200
Literacy Coach	Based on formula			
Math or Science Coach	Based on formula			
ESOL Teacher	Based on formula			

Classified Staff

Social Worker	Case Driven			
Media Assistant	0+	1.0	@	190
Computer Lab Assistant	0+	1.0	@	190
Nurse	0+	1.0	@	190
Data Specialist	0+	1.0	@	260
Bookkeeper	0+	1.0	@	260
Support Staff	0-500	1.0	@	260
	and	1.0	@	190
	or 501+	1.0	@	260
	and	2.0	@	190
(one is 260 days, all others are 190 days)	or 750-1000	4.0	@	various
Behavior Interventionist (In School Suspension)	0+	1.0	@	180
Bilingual Liaison	Based on formula			
Behavior Mgmt Specialist	Case Driven			

Beaufort County School District
Basic Staffing Allocation Formula
High School

2015-2016

Position	Enrollment	FTE	Number of Work Days
----------	------------	-----	---------------------

Administrative Staff

Principal	0+	1.0	@	260
Assistant Principal	0-750	1.0	@	220
	751-1000	2.0	@	220
	1001-1500	3.0	@	220
	1501+	4.0	@	220
Athletic Director	0+	1.0	@	220

Certified Staff

Teachers		20.5 to 1	@	190
(low enrollment in related arts areas may result in itinerant staff)				
Guidance Counselor	300 to 1		@	205
Media Specialist	0+	1.0	@	200
Testing Lead Teacher	0+	0.5	@	190

Classified Staff

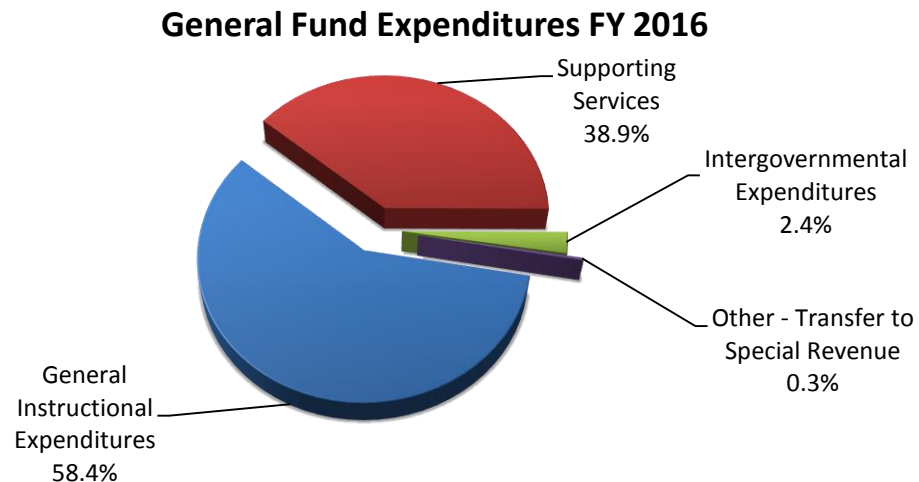
Social Worker	Case Driven			
Media Assistant	751+	1.0	@	190
Nurse	0+	1.0	@	190
Data Specialist	0+	1.0	@	260
Bookkeeper	0+	1.0	@	260
Support Staff	0-750	3.0	@	190
	751-1000	4.0	@	190
	1001-1250	5.0	@	190
	1251+	6.0	@	190
(one is 260 days, all others are 190 days)				
Behavior Interventionist	0+	1.0	@	180
Behavior Mgmt Specialist	Case Driven			

Budget Summary-Appropriated Funds

Beaufort County School District 2015-2016 General Fund Budget

The FY 2016 General Fund Budget was approved at \$203.5 million. The chart below is an overview of funding sources and expenditure uses.

GENERAL FUND	
REVENUE	
Local Revenue	\$128,138,210
State Revenue	\$69,971,382
Federal Revenue	\$900,000
Total Revenue	\$199,009,592
Other Financing Sources-Transfers from Special Revenue	\$4,494,025
Use of Fund Balance	\$10,315
TOTAL REVENUE AND OTHER FINANCING SOURCES	\$203,513,932
EXPENDITURES	
Instructional Expenditures	\$118,936,285
Supporting Services	\$79,260,965
Intergovernmental Expenditures	\$4,666,682
Other - Transfer to Special Revenue	\$650,000
TOTAL EXPENDITURES	\$203,513,932
TOTAL EXPENDITURES	\$203,513,932

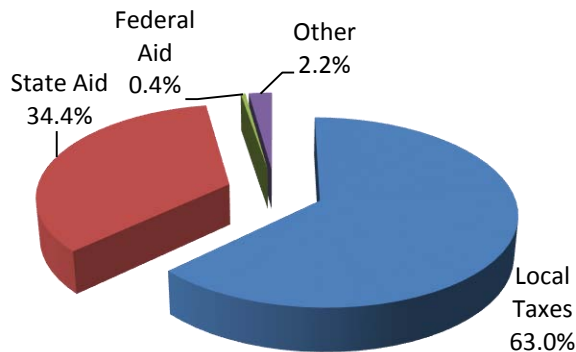


Beaufort County School District 2015-2016 General Fund Budget

General Fund Revenue and Expenditure Highlights

Where it comes from ...

FY 2016 Revenue Sources



Local Taxes:

Includes ad valorem tax and interest income

State Aid:

Primarily includes sales tax revenue, Education Finance Act and other state revenue

Federal Aid:

Includes Impact Aid and E-Rate

Other:

Includes transfers from Special Revenue

Instructional and Instructional Support: Includes costs associated with providing instructional programs and the costs of supporting those programs (such as attendance, guidance, and literacy support).

District Support: Includes costs associated with support services for personnel, purchasing, and central administration. Also includes interest on tax anticipation note.

Transportation: Includes bus driver salaries and bus management.

Academy for Career Excellence: Operations of vocational school.

Charter School: Payments to Riverview Charter School.

Utilities: Includes electric, natural gas, water & sewer, garbage disposal and telecommunications.

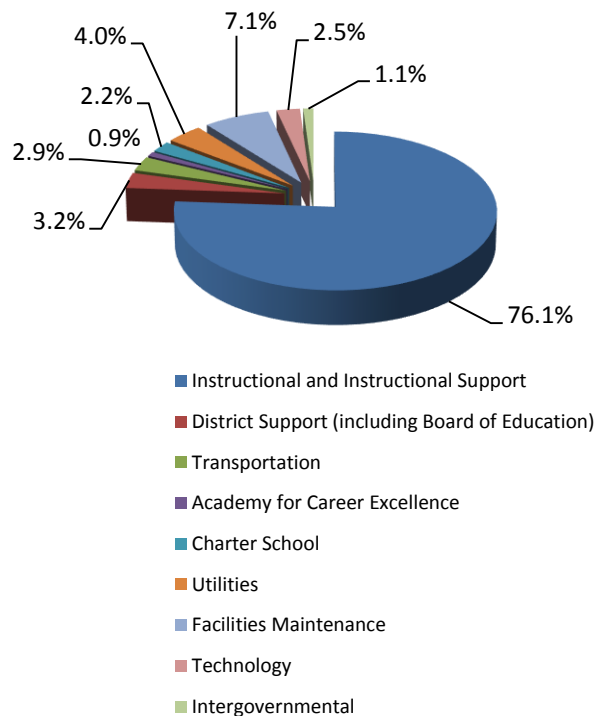
Facilities Maintenance: Building maintenance, custodial services, grounds maintenance, solid waste and recycling.

Technology: Includes costs associated with providing technology services.

Intergovernmental: Payments for County and Municipal storm water utility fees, School Resource Officers, fuel charges for fleet vehicles.

Where it goes to ...

FY 2016 Expenditures



Beaufort County School District
Multi-Year Comparison 2014, 2015 and 2016

Comparative Budgeted
Revenues and Expenditures
General Fund

	FY 14 Original Budget	FY 14 Audited	FY 15 Original Budget	FY 15 Unaudited Actual	FY 16 Approved	Variance	% Change
Revenue:							
Local Revenue:							
Property Taxes	\$ 115,668,815	\$ 110,076,856	\$ 115,668,815	\$ 118,635,520	\$ 127,474,710	\$ 11,805,895	10%
Other Local	663,500	999,494	933,500	362,606	663,500	(270,000)	-29%
Total Local Revenue	116,332,315	111,076,350	116,602,315	118,998,126	128,138,210	11,535,895	10%
State Revenue:							
Education Finance Act	3,929,748	3,560,563	6,692,187	7,611,828	8,062,118	\$ 1,369,931	0%
Fringe Benefits Employment Contributions	3,802,661	4,169,006	5,938,827	6,873,812	7,270,465	1,331,638	22%
Reimbursement for Local Property Tax Relief	7,036,261	7,036,261	7,036,261	7,036,261	7,036,261	0	0%
Sales Tax - Owner Occupied	42,761,119	42,783,003	43,360,281	43,294,332	43,960,281	600,000	1%
Other State Revenue	4,115,639	5,313,662	4,400,739	3,703,353	3,642,257	(758,482)	-17%
Transfer from Special Revenue Fund EIA	3,994,372	3,916,005	3,994,372	4,122,926	4,044,025	49,653	1%
Transfer from Other Funds	362,882	580,400	450,000	472,789	450,000	0	0%
Total State Revenue	66,002,682	67,358,900	71,872,667	73,115,302	74,465,407	2,592,740	4%
Federal Revenue:							
PL 874 (Impact Aid)	-	53,251	-	9,610	-	\$ -	0%
Other Federal Revenue	900,000	938,634	900,000	856,566	900,000	0	0%
Total Federal Revenue	900,000	991,885	900,000	866,176	900,000	0	0%
Total General Fund Budgeted Revenues	\$ 183,234,997	\$ 179,427,135	\$ 189,374,982	\$ 192,979,604	\$ 203,503,617	\$ 14,128,635	7%
Expenditures:							
Salary and Benefits	\$ 135,488,581	\$ 135,404,438	\$ 141,454,641	\$ 139,622,901	\$ 154,017,088	12,562,447	9%
Non-salary	\$ 47,417,431	\$ 46,897,899	\$ 48,104,200	\$ 49,298,862	\$ 49,496,844	1,392,644	3%
Total expenditures	\$ 182,906,012	\$ 182,302,337	\$ 189,558,841	\$ 188,921,763	\$ 203,513,932	\$ 13,955,091	7%
Add to/(Use of) Fund Balance	328,985	(2,875,202)	(183,859)	4,057,841	(10,315)	173,544	-94.4%
Beginning Fund Balance	30,503,375	30,503,375	27,628,173	27,628,173	31,686,014		
Ending Fund Balance	30,832,360	27,628,173	27,444,314	31,686,014	31,675,699		
Beginning Fund Balance as a percentage of expenditures	16.7%	16.7%	14.6%	14.6%	15.6%		
Ending Fund Balance as a percentage of expenditures	16.9%	15.2%	14.5%	16.8%	15.6%		

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comparative Budget Summary
General Fund**

Revenues by Source	2013-14 Audited Actual	2014-15 Approved Budget	2015-16 Approved Budget	2014-15 to 2015-16	
				Increase/ (Decrease)	Percent Change
Local					
Ad Valorem (Current and Delinquent)	\$ 110,076,856	\$ 115,668,815	\$ 127,474,710	\$ 11,805,895	10.21%
Other Local	999,494	933,500	663,500	(270,000)	-28.92%
Total Local Revenue	\$ 111,076,350	\$ 116,602,315	\$ 128,138,210	\$ 11,535,895	9.89%
State					
Sales Tax Reimbursement on Owner Occupied	42,783,003	43,360,281	43,960,281	\$ 600,000	1.38%
Fringe Benefits/Retiree Insurance	4,169,006	5,938,827	7,270,465	1,331,638	22.42%
Education Finance Act	3,560,563	6,692,187	8,062,118	1,369,931	20.47%
Reimbursement for Local Property Tax Relief	7,036,261	7,036,261	7,036,261	-	0.00%
Other State Property Tax	2,460,952	2,442,079	2,332,079	(110,000)	-4.50%
Other State Revenue	2,852,710	1,958,660	1,310,178	(648,482)	100.00%
Total State Revenue	\$ 62,862,495	\$ 67,428,295	\$ 69,971,382	\$ 2,543,087	3.77%
Federal					
Other Federal Sources	\$ 991,885	\$ 900,000	\$ 900,000	\$ -	0.00%
Total Federal Revenue	\$ 991,885	\$ 900,000	\$ 900,000	\$ -	0.00%
Total Revenue	\$ 174,930,730	\$ 184,930,610	\$ 199,009,592	\$ 14,078,982	7.61%
Expenditures:					
Instruction					
Salaries	\$ 70,420,304	\$ 75,032,468	\$ 82,481,282	\$ 7,448,814	9.93%
Employee Benefits	25,797,446	26,497,384	29,659,691	3,162,307	11.93%
Purchased Services	4,023,470	4,030,306	3,509,980	(520,326)	-12.91%
Materials & Supplies	3,093,860	2,465,611	3,004,858	539,247	21.87%
Other	260,963	282,740	280,474	(2,266)	-0.80%
Total Instruction	\$ 103,596,043	\$ 108,308,509	\$ 118,936,285	\$ 10,627,776	9.81%
Supporting Services					
Salaries	\$ 29,232,064	\$ 29,713,222	\$ 31,224,858	\$ 1,511,636	5.09%
Employee Benefits	9,954,624	10,211,567	10,651,257	439,690	4.31%
Purchased Services	23,813,772	25,984,731	26,964,969	980,238	3.77%
Materials & Supplies	8,958,333	8,718,819	8,886,523	167,704	1.92%
Capital Outlay	345,465	82,000	217,500	135,500	165.24%
Other	1,200,821	1,257,996	1,315,858	57,862	4.60%
Total Support	\$ 73,505,078	\$ 75,968,335	\$ 79,260,965	\$ 3,292,630	4.33%
Total Expenditures	\$ 177,101,121	\$ 184,276,844	\$ 198,197,250	\$ 13,920,406	7.55%
Intergovernmental Expenditures and Other Financing Sources (Uses)					
Transfers to Special Revenue	\$ (616,301)	\$ (575,000)	\$ (650,000)	\$ (75,000)	13.04%
Debt Service	(46,350)	(70,000)	(55,000)	15,000	-21.43%
Payment to Other Governmental Units	(41,292)	(40,000)	(40,000)	-	0.00%
Payment to Charter School	(4,387,274)	(4,486,997)	(4,461,682)	25,315	-0.56%
Transfer to Food Service	(110,000)	(110,000)	(110,000)	-	0.00%
Transfers from Special Revenue	3,916,005	3,994,372	4,044,025	49,653	1.24%
Transfers from Other Funds	580,400	450,000	450,000	-	0.00%
Total Intergovernmental Expenditures and Other Financing Sources (Uses)	\$ (704,813)	\$ (837,625)	\$ (822,657)	\$ 14,968	-1.79%
Excess Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (2,875,205)	\$ (183,859)	\$ (10,315)	\$ (173,544)	-94.39%
Beginning Fund Balance	\$ 30,503,370	\$ 27,628,161	\$ 31,686,014		
Ending Fund Balance	\$ 27,628,161	\$ 27,444,302	\$ 31,675,699		
Fund Balance as a Percent of CY Expenditures	15.2%	14.5%	15.6%		

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comparative Budget Summary
Debt Service Fund**

Revenues by Source	2013-14 Audited Actual	2014-15 Approved Budget	2015-16 Approved Budget	2014-15 to 2015-16	
				Increase/ (Decrease)	Percent Change
Local					
Ad Valorem (Current and Delinquent)	\$ 51,969,798	\$ 51,841,079	\$ 53,208,460	\$ 1,367,381	2.64%
Total Local Revenue	\$ 51,969,798	\$ 51,841,079	\$ 53,208,460	\$ 1,367,381	2.64%
State					
Homestead exemption	\$ 1,031,891	\$ 883,254	\$ 1,000,000	\$ 116,746	13.22%
Merchant's inventory tax	85,988	-	-	-	0.00%
Other State Property Tax	38,273	-	-	-	0.00%
Total State Revenue	\$ 1,156,153	\$ 883,254	\$ 1,000,000	\$ 116,746	0.00%
Total Revenue	\$ 53,125,950	\$ 52,724,333	\$ 54,208,460	\$ 1,484,127	2.81%
Expenditures:					
Redemption of principal	\$ 44,850,000	\$ 39,650,204	\$ 40,040,539	\$ 390,335	0.98%
Interest	12,993,508	13,074,129	12,987,561	(86,568)	-0.66%
Other Objects	140,599	-	-	-	0.00%
Total Expenditures	\$ 57,984,107	\$ 52,724,333	\$ 53,028,100	\$ 303,767	0.58%
Other Financing Sources (Uses)					
Proceeds of general obligation bonds	\$ 2,634,407	\$ -	\$ -	\$ -	0.00%
Proceeds of refunding debt	22,000,000	-	-	-	0.00%
Transfer to School Building Fund	(21,730,000)	-	-	-	0.00%
Transfer to EFC Debt Service Fund	(2,634,407)	-	-	-	0.00%
Total Other Financing Sources (Uses)	\$ 270,000	\$ -	\$ -	\$ -	0.00%
Excess Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (4,588,157)	\$ -	\$ 1,180,360	\$ 1,180,360	0.00%
Beginning Fund Balance	\$ 16,836,935	\$ 12,248,778	\$ 19,211,545		
Ending Fund Balance	\$ 12,248,778	\$ 12,248,778	\$ 20,391,905		
Fund Balance as a % of CY Expenditures	21.1%	23.2%	38.5%		

**Budgeted Expenditures and Other
Financing
Uses
General Fund**

Beaufort County School District
Three-Year comparison
Fiscal Years 2014, 2015 and 2016

Comparative Budgeted Expenditures and Other
Financing Uses -
General Fund

Expenditures by Program	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Approved Budget	Approved Budget	Increase/ (Decrease)	Percent Change
Kindergarten Programs	\$ 7,162,724	\$ 8,097,566	\$ 8,224,735	\$ 127,169	1.6%
Primary Programs	22,782,180	23,353,854	25,938,993	2,585,139	11.1%
Elementary Programs	33,641,125	34,742,868	37,493,727	2,750,859	7.9%
High School Programs	21,378,626	22,443,646	24,098,200	1,654,554	7.4%
Vocational Programs	4,326,851	3,928,704	3,774,758	(153,946)	-3.9%
Special Education Prog.	10,003,999	10,780,525	12,442,773	1,662,248	15.4%
Preschool Special Ed. Prog.	210,174	220,122	227,725	7,603	3.5%
Early Childhood Programs	1,891,272	2,737,866	3,368,787	630,921	23.0%
Gifted & Talented	1,857,837	1,660,320	2,513,435	853,115	51.4%
Homebound	158,431	146,064	151,400	5,336	3.7%
Gifted and Talented Artistic	0	38,500	35,000	(3,500)	100.0%
Instr Prog Beyond Reg School Day	65,466	26,521	521,784	495,263	1867.4%
Parenting Instruction	0	0	15,072	15,072	0.0%
Instructional Pupil	117,355	131,953	129,896	(2,057)	-1.6%
TOTAL INSTRUCTION	\$ 103,596,040	\$ 108,308,509	\$ 118,936,285	\$ 10,627,776	9.81%
Attendance & Social Work	\$ 2,618,606	\$ 2,670,399	\$ 2,751,475	\$ 81,076	3.0%
Guidance	3,588,202	3,808,371	4,350,740	542,369	0
Health Services	1,071,258	1,203,736	1,357,913	154,177	12.8%
Psychological	899,620	993,279	996,192	2,913	0.3%
Improvement of Instruction	6,872,282	6,003,995	6,674,360	670,365	11.2%
Media Services	3,577,489	3,738,232	3,747,144	8,912	0.2%
Superv. Special Projs.	467,493	544,076	585,164	41,088	7.6%
Staff Development	300,250	688,963	751,853	62,890	9.1%
Board of Education	568,952	636,335	651,907	15,572	2.4%
Office of Superint.	391,883	421,025	428,731	7,706	1.8%
School Administration	13,210,765	13,476,813	13,935,560	458,747	3.4%
Fiscal Services	1,474,368	1,480,025	1,548,435	68,410	4.6%
Facilities Acquisition	19,793	21,640	28,099	6,459	0.0%
Maintenance & Oper.	22,245,041	23,385,638	23,629,483	243,845	1.0%
Transportation	5,782,013	5,839,497	5,986,488	146,991	2.5%
Food Service	0	0	14,000	14,000	0.0%
School Safety	1,212,774	1,307,916	1,068,968	(238,948)	-18.3%
Planning	102,055	103,307	105,846	2,539	2.5%
Information Services	303,638	324,869	333,053	8,184	2.5%
Staff Services	2,144,949	2,234,678	2,543,795	309,117	13.8%
Technology	4,154,906	4,498,002	5,085,474	587,472	13.1%
Supporting Pupil Activ.	2,498,744	2,587,539	2,686,285	98,746	3.8%
TOTAL SUPPORT SERVICES	\$ 73,505,081	\$ 75,968,335	\$ 79,260,965	\$ 3,292,630	4.3%
TOTAL DEBT SERVICE	\$ 46,350	\$ 70,000	\$ 55,000	\$ (15,000)	-21.4%
Intergovernmental Expenditures					
Payments to other agencies	\$ 41,292	\$ 40,000	\$ 40,000	\$ -	0.0%
Payment to Charter School	4,387,274	4,486,997	4,461,682	(25,315)	-0.6%
Total Intergovernmental Expend.	\$ 4,428,566	\$ 4,526,997	\$ 4,501,682	\$ (25,315)	-0.6%
TOTAL EXPENDITURES	\$ 181,576,037	\$ 188,873,841	\$ 202,753,932	\$ 13,880,091	7.3%
Other Financing Sources (Uses)					
Transfer - Food Service Fund	\$ (110,000)	\$ (110,000)	\$ (110,000)	\$ -	0.0%
Transfer - Special Revenue Fund	(616,301)	(575,000)	(650,000)	(75,000)	13.0%
Total Other Financing Sources (Uses)	\$ (726,301)	\$ (685,000)	\$ (760,000)	\$ (75,000)	10.9%
TOTAL GENERAL FUND EXPENDITURES					
AND OTHER FINANCING USES:	\$ 182,302,338	\$ 189,558,841	\$ 203,513,932	\$ 13,955,091	7.4%

Budget Summary — All Funds

Fiscal Year 2015-2016
**Combined Budget Statement
All Funds**

Revenues by Source	Governmental Funds	Proprietary and Fiduciary Funds	Total
Revenue			
Local	\$ 181,791,321	\$ 5,416,737	\$ 187,208,058
State	84,290,195	-	84,290,195
Federal	13,307,443	6,735,000	20,042,443
		-	
Total Revenues	\$ 279,388,959	\$ 12,151,737	\$ 291,540,696
Expenditures			
Instruction	133,901,773	858,410	134,760,183
Supporting Services	86,404,820	10,757,951	97,162,771
Community Services	2,526	-	2,526
Intergovernmental Expenditures	4,602,061	-	4,602,061
Other	40,000	-	40,000
Debt Services	53,083,100	-	53,083,100
Facilities Acquisition & Construction Services	65,193,792	-	65,193,792
		-	
Total Expenditures	\$ 343,228,072	\$ 11,616,361	\$ 354,844,433
Excess of Revenues Over (Under) Expenditures	(63,839,113)	\$ 535,376	\$ (63,303,737)
Other Financing Sources (Uses)			
Proceeds of General Obligation Bonds	15,200,000	-	15,200,000
Transfer to Special Revenue	(650,000)	-	(650,000)
Transfer to General Fund	(4,299,960)	(119,980)	(4,419,940)
Transfer to Food Service Fund	(110,000)	-	(110,000)
Transfer from General Fund	616,301	110,000	726,301
Transfer from Special Revenue	4,044,025	-	4,044,025
Transfer from Food Service Fund	119,980	-	119,980
Transfer from Other Funds/Indirect Cost	330,020	-	330,020
	\$ 15,250,366	\$ (9,980)	\$ 15,240,386
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (48,588,747)	\$ 525,396	\$ (48,063,351)
Fund Balance/Net Position, July 1	\$ 127,641,405	\$ 4,336,438	\$ 131,977,843
Fund Balance/Net Position, June 30	\$ 79,052,658	\$ 4,861,834	\$ 83,914,492
Percentage Change in Fund Balance/Net Position	-38.1%	12.1%	-36.4%

**Beaufort County School District
Fiscal Year 2015-2016**

**Combined Budget Statement
All Governmental Funds**

Revenues by Source	General Fund	Special Revenue Fund	Education Improvement Act Fund	Debt Service Fund	School Building Fund	Total
Revenue						
Local	\$ 128,138,210	\$ 209,651	\$ -	\$ 53,208,460	\$ 235,000	\$ 181,791,321
State	69,971,382	\$ 2,962,315	\$ 10,356,498	\$ 1,000,000	-	84,290,195
Federal	900,000	\$ 12,407,443	\$ -	\$ -	-	13,307,443
Total Revenues	\$ 199,009,592	\$ 15,579,409	\$ 10,356,498	\$ 54,208,460	\$ 235,000	\$ 279,388,959
Expenditures						
Instruction	118,936,285	10,639,171	4,326,317	-	-	133,901,773
Supporting Services	79,260,965	5,052,751	2,091,104	-	-	86,404,820
Community Services	-	2,526	-	-	-	2,526
Payments to Charter School	4,461,682	72,506	67,873	-	-	4,602,061
Other	40,000	-	-	-	-	40,000
Debt Services	55,000	-	-	53,028,100	-	53,083,100
Facilities Acquisition & Construction Services	-	-	-	-	65,193,792	65,193,792
Total Expenditures	\$ 202,753,932	\$ 15,766,954	\$ 6,485,294	\$ 53,028,100	\$ 65,193,792	\$ 343,228,072
Excess of Revenues Over (Under) Expenditures	\$ (3,744,340)	\$ (187,545)	\$ 3,871,204	\$ 1,180,360	\$ (64,958,792)	\$ (63,839,113)
Other Financing Sources (Uses)						
Proceeds of General Obligation Bonds	-	-	-	-	15,200,000	15,200,000
Transfer to Special Revenue	(650,000)	-	-	-	-	(650,000)
Transfer to General Fund	-	(428,756)	(3,871,204)	-	-	(4,299,960)
Transfer to Food Service Fund	(110,000)	-	-	-	-	(110,000)
Transfer from General Fund	-	616,301	-	-	-	616,301
Transfer from Special Revenue	4,044,025	-	-	-	-	4,044,025
Transfer from Other Funds/Indirect Cost	450,000	-	-	-	-	450,000
	\$ 3,734,025	\$ 187,545	\$ (3,871,204)	\$ -	\$ 15,200,000	\$ 15,250,366
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (10,315)	\$ -	\$ -	\$ 1,180,360	\$ (49,758,792)	\$ (48,588,747)
Fund Balance, July 1	\$ 31,686,014	\$ -	\$ -	\$ 22,134,665	\$ 73,820,726	\$ 127,641,405
Fund Balance, June 30	\$ 31,675,699	\$ -	\$ -	\$ 23,315,025	\$ 24,061,934	\$ 79,052,658
Percentage Change in Fund Balance	0.0%	0.0%	0.0%	5.3%	* -67.4%	-38.1%

*Fund balance will be used during FY 2016 to complete ongoing 8% projects.

**Beaufort County School District
Fiscal Year 2015-2016**

**Combined Budget Statement
Non-Governmental Funds**

Revenues by Source	School Food Service	Internal Service Fund	Pupil Activity Fund	Total
Revenue				
Local	\$ 1,928,250	\$ 900,000	\$ 2,588,487	\$ 5,416,737
State	-	-	-	-
Federal	6,735,000	-	-	6,735,000
				-
Total Revenues	\$ 8,663,250	\$ 900,000	\$ 2,588,487	\$ 12,151,737
				-
Expenditures				
Instruction	-	612,000	246,410	858,410
Supporting Services	8,127,874	288,000	2,342,077	10,757,951
				-
Total Expenditures	\$ 8,127,874	\$ 900,000	\$ 2,588,487	11,616,361
				-
Excess of Revenues Over (Under) Expenditures	\$ 535,376	\$ -	\$ -	\$ 535,376
Other Financing Sources (Uses)				
Transfer to Other Funds/Indirect Cost	(119,980)	-	-	(119,980)
Transfer from General Fund	110,000	-	-	110,000
Total Other Financing Sources (Uses)	\$ (9,980)	\$ -	\$ -	\$ (9,980)
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ 525,396	\$ -	\$ -	\$ 525,396
Fund Balance/Net Position, July 1	\$ 2,408,379	\$ 718,561	\$ 1,209,498	\$ 4,336,438
Fund Balance/Net Position, June 30	\$ 2,933,775	\$ 718,561	\$ 1,209,498	\$ 4,861,834
Percentage Change in Fund Balance/Net Position	21.8%	0.0%	0.0%	12.1%

**Budgeted Revenues and
Other Financing Sources
All Funds**

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

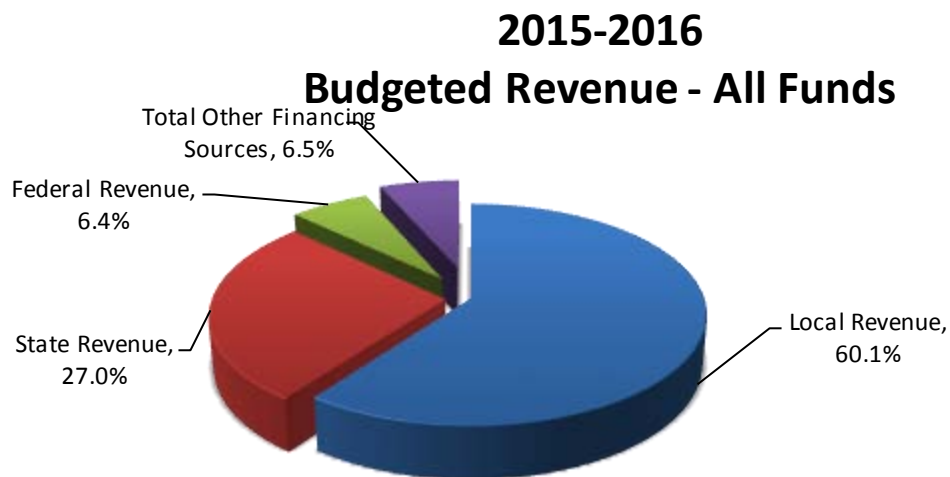
**Comprehensive Budgeted Revenue and
Other Financing Sources -
Summary - All Funds**

Revenue by Function	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
Local Revenue					
General Fund	\$ 111,076,350	\$ 118,998,126	\$ 128,138,210	\$ 9,140,084	7.7%
Special Revenue Fund	1,086,497	1,160,331	209,651	(950,680)	-81.9%
Debt Service Fund	52,183,751	53,208,427	53,208,460	33	0.0%
School Building Fund	903,706	944,069	235,000	(709,069)	-75.1%
School Food Service	1,901,175	2,153,507	1,928,250	(225,257)	-10.5%
Internal Service Fund	1,078,690	1,130,909	900,000	(230,909)	-20.4%
Pupil Activity Fund	2,485,747	2,321,489	2,588,487	266,998	11.5%
TOTAL LOCAL REVENUE	\$ 170,715,916	\$ 179,916,858	\$ 187,208,058	\$ 7,291,200	4.1%
State Revenue					
General Fund	\$ 62,862,495	\$ 68,519,587	\$ 69,971,382	\$ 1,451,795	2.1%
Special Revenue Fund	2,671,875	3,555,908	2,962,315	(593,593)	-16.7%
Education Improvement Act Fund	12,433,018	11,454,749	10,356,498	(1,098,251)	-9.6%
Debt Service Fund	1,156,153	1,179,808	1,000,000	(179,808)	-15.2%
School Food Service	-	1,434	-	(1,434)	-100.0%
TOTAL STATE REVENUE	\$ 79,123,541	\$ 84,711,487	\$ 84,290,195	\$ (421,292)	-0.5%
Federal Revenue					
General Fund	\$ 991,885	\$ 866,176	\$ 900,000	\$ 33,824	3.9%
Special Revenue Fund	14,916,387	12,678,085	12,407,443	(270,642)	-2.1%
School Building Fund	-	30,349	-	(30,349)	-100.0%
School Food Service	6,736,135	7,416,094	6,735,000	(681,094)	-9.2%
TOTAL FEDERAL REVENUE	\$ 22,644,407	\$ 20,990,704	\$ 20,042,443	\$ (948,261)	-4.5%
TOTAL REVENUE	\$ 272,483,864	\$ 285,619,049	\$ 291,540,696	\$ 5,921,647	2.1%

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comprehensive Budgeted Revenue and
Other Financing Sources -
Summary - All Funds**

Revenue by Function	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
Other Financing Sources					
Proceeds of General Obligation Bonds	\$ 38,146,000	\$ 79,298,000	\$ 15,200,000	\$ (64,098,000)	-80.8%
Refunding bond proceeds	30,929	81,765,000	-	-	-100.0%
Premium on Bonds Sold	2,403,833	25,230,211	-	(25,230,211)	-100.0%
Transfers in	11,409,351	10,381,447	5,220,326	(5,161,121)	-49.7%
Other Financing Sources	29,696	7,759	-	(7,759)	-100.0%
Total Other Financing Sources	\$ 52,019,809	\$ 196,682,417	\$ 20,420,326	\$ (94,497,091)	-89.6%
TOTAL REVENUE					
AND OTHER FINANCING SOURCES:	\$ 324,503,673	\$ 482,301,466	\$ 311,961,022	\$ (88,575,444)	-35.3%



**Budgeted Expenditures and
Other Financing Uses
All Funds**

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comprehensive Budgeted Expenditures and
Other Financing Uses -
Summary - All Funds**

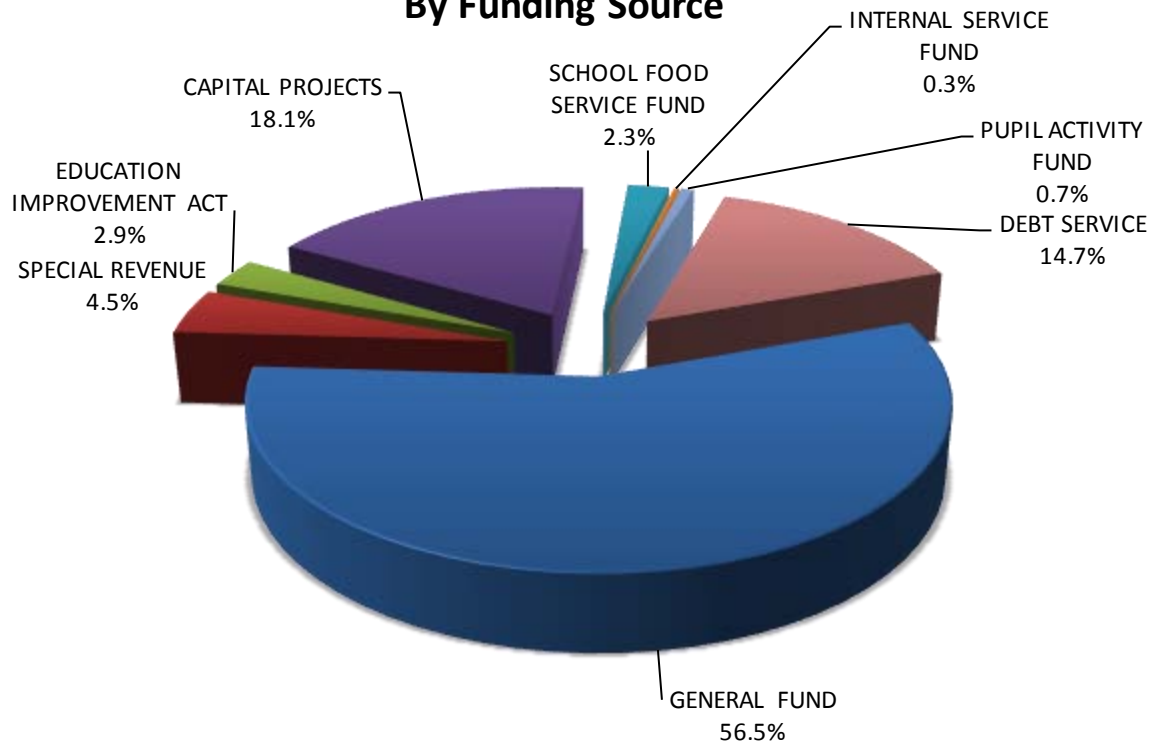
Expenditures by Function	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
TOTAL INSTRUCTION	\$ 122,318,273	\$ 126,134,578	\$ 134,760,183	\$ 8,625,605	6.8%
GENERAL FUND	103,596,043	107,995,489	118,936,285	10,940,796	10.1%
SPECIAL REVENUE	11,406,539	12,029,670	10,639,171	(1,390,499)	-11.6%
EDUCATION IMPROVEMENT ACT	6,263,548	5,362,339	4,326,317	(1,036,022)	-19.3%
INTERNAL SERVICE FUND	782,305	550,878	612,000	61,122	11.1%
PUPIL ACTIVITY	269,838	196,202	246,410	50,208	25.6%
TOTAL SUPPORT SERVICES	\$ 113,455,598	\$ 165,087,089	\$ 162,356,563	\$ (2,730,526)	-1.7%
GENERAL FUND	73,505,078	75,730,414	79,260,965	3,530,551	4.7%
SPECIAL REVENUE	6,826,235	5,104,092	5,052,751	(51,341)	-1.0%
EDUCATION IMPROVEMENT ACT	2,145,362	1,899,088	2,091,104	192,016	10.1%
SCHOOL BUILDING FUND	19,867,864	70,126,046	65,193,792	(4,932,254)	-7.0%
SCHOOL FOOD SERVICE FUND	8,691,897	9,666,599	8,127,874	(1,538,725)	-15.9%
INTERNAL SERVICE FUND	216,196	530,671	288,000	(242,671)	-45.7%
PUPIL ACTIVITY FUND	2,202,966	2,030,179	2,342,077	311,898	15.4%
TOTAL COMMUNITY SERVICES	\$ 241,003	\$ 301,236	\$ 2,526	\$ (298,710)	-99.2%
SPECIAL REVENUE	241,003	301,236	2,526	(298,710)	-99.2%
TOTAL DEBT SERVICE	\$ 60,830,876	\$ 48,735,485	\$ 53,083,100	\$ 4,347,615	8.9%
GENERAL FUND	46,350	43,769	55,000	11,231	25.7%
DEBT SERVICE FUND	60,784,525	48,691,716	53,028,100	4,336,384	8.9%
INTERGOVERNMENTAL EXPENDITURES	\$ 4,894,990	\$ 4,802,896	\$ 4,642,061	\$ (69,583)	-3.3%
GENERAL FUND	4,428,566	4,414,652	4,501,682	87,030	2.0%
SCHOOL BUILDING FUND	0	0	0	0	0.0%
FOOD SERVICE FUND	0	91,253	0	0	-100.0%
SPECIAL REVENUE	358,320	226,596	72,506	(154,090)	-68.0%
EDUCATION IMPROVEMENT ACT	108,103	70,396	67,873	(2,523)	-3.6%
TOTAL EXPENDITURES	\$ 301,740,739	\$ 345,061,285	\$ 354,844,433	\$ 9,874,401	2.8%

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comprehensive Budgeted Expenditures and
Other Financing Uses -
Summary - All Funds**

Expenditures by Function	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
OTHER FINANCING USES	11,519,351	10,381,447	5,179,940	(5,208,869)	-50.1%
GENERAL FUND	726,301	737,440	760,000	22,560	3.1%
SPECIAL REVENUE FUND	458,963	360,172	428,756	68,584	19.0%
EDUCATION IMPROVEMENT ACT	3,916,005	4,122,926	3,871,204	(251,722)	-6.1%
DEBT SERVICE FUND	2,634,407	4,453,674	-	(4,453,674)	-100.0%
SCHOOL BUILDING FUND	3,662,238	594,617	-	(594,617)	-100.0%
SCHOOL FOOD SERVICE FUND	121,437	112,618	119,980	7,362	6.5%
TOTAL FUND EXPENDITURES AND OTHER FINANCING USES:	\$ 313,260,090	\$ 355,442,732	\$ 360,024,373	\$ 4,581,641	1.3%

**FY 2016 Comprehensive Budget
By Funding Source**



**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comprehensive Budgeted Expenditures and
Other Financing Uses -
All Funds**

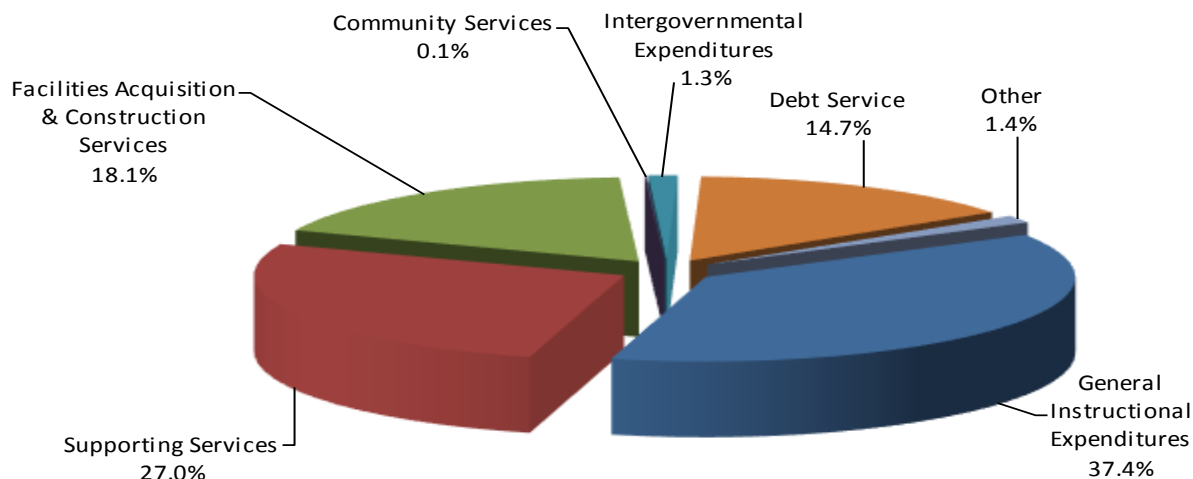
Expenditures by Program	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
Kindergarten Programs	\$ 7,481,375	\$ 7,870,686	\$ 8,587,025	\$ 716,339	9.1%
Primary Programs	26,320,013	28,347,440	28,726,500	379,060	1.3%
Elementary Programs	37,290,158	37,208,863	40,887,907	3,679,044	9.9%
High School Programs	23,281,093	24,898,028	25,635,678	737,650	3.0%
Vocational Programs	4,631,747	3,972,774	4,198,698	225,924	5.7%
Special Education Prog.	14,409,904	13,882,673	15,561,352	1,678,679	12.1%
Preschool Special Ed. Prog.	532,079	516,369	605,958	89,589	17.3%
Early Childhood Programs	3,249,972	4,068,744	4,602,232	533,488	13.1%
Gifted & Talented	2,400,311	2,561,864	2,513,435	(48,429)	-1.9%
Homebound	158,431	124,686	151,400	26,714	21.4%
Gifted & Talented Artistic	108,742	30,300	35,000	4,700	15.5%
Other Special Programs	19,537	13,952	-	(13,952)	-100.0%
Summer School Programs	214,720	360,843	123,568	(237,275)	-65.8%
Instr Prog Beyond Reg School Day	489,166	436,434	1,129,146	692,712	158.7%
Adult Education	516,112	543,422	546,408	2,986	0.5%
Parenting Instruction	827,720	969,310	1,079,570	110,260	11.4%
Instructional Pupil	387,193	328,189	376,306	48,117	14.7%
GENERAL FUND	\$ 103,596,043	\$ 107,995,489	\$ 118,936,285	\$ 10,940,796	10.1%
SPECIAL REVENUE	\$ 11,406,539	\$ 12,029,670	\$ 10,639,171	\$ (1,390,499)	-11.6%
EDUCATION IMPROVEMENT ACT	\$ 6,263,548	\$ 5,362,339	\$ 4,326,317	\$ (1,036,022)	-19.3%
INTERNAL SERVICE FUND	\$ 782,305	\$ 550,878	\$ 612,000	\$ 61,122	11.1%
PUPIL ACTIVITY	\$ 269,838	\$ 196,202	\$ 246,410	\$ 50,208	25.6%
TOTAL INSTRUCTION	\$ 122,318,273	\$ 126,134,578	\$ 134,760,183	\$ 8,625,605	6.8%
Attendance & Social Work	\$ 2,832,259	\$ 2,734,633	\$ 2,890,961	\$ 156,328	5.7%
Guidance	4,585,738	4,862,408	5,416,093	553,685	11.4%
Health Services	1,787,663	1,894,239	2,013,430	119,191	6.3%
Psychological	899,720	901,645	996,192	94,547	10.5%
Other Exceptional Programs	161,302	102,559	31,808	(70,751)	-69.0%
Improvement of Instruction	10,656,466	9,639,681	9,172,395	(467,286)	-4.8%
Media Services	3,603,657	3,503,665	3,772,945	269,280	7.7%
Superv. Special Projs.	1,386,857	1,535,734	1,743,597	207,863	13.5%
Staff Development	1,873,135	1,519,542	1,831,810	312,268	20.6%
Board of Education	568,952	540,853	651,907	111,054	20.5%
Office of Superint.	391,883	394,311	428,731	34,420	8.7%
School Administration	13,212,622	13,455,340	13,935,560	480,220	3.6%
Fiscal Services	1,474,368	1,500,816	1,548,435	47,619	3.2%
Facilities Acquisition and Const.	19,887,657	70,149,056	65,221,891	(4,927,165)	-7.0%
Maintenance & Oper.	22,413,041	22,972,404	23,943,146	970,742	4.2%
Transportation	6,215,071	6,526,270	6,291,602	(234,668)	-3.6%
Food Service	8,692,068	9,668,530	8,141,874	(1,526,656)	-15.8%
School Safety	1,235,088	1,025,977	1,068,968	42,991	4.2%
Data Services	102,055	105,683	105,846	163	0.2%
Information Services	303,638	327,745	333,053	5,308	1.6%
Staff Services	2,146,693	2,485,026	2,543,795	58,769	2.4%
Technology	4,156,273	4,558,515	5,120,544	562,029	12.3%
Supporting Pupil Activ.	4,869,391	4,682,458	5,151,980	469,522	10.0%
GENERAL FUND	\$ 73,505,078	\$ 75,730,414	\$ 79,260,965	\$ 3,530,551	4.7%
SPECIAL REVENUE	\$ 6,826,235	\$ 5,104,092	\$ 5,052,751	\$ (51,341)	-1.0%
EDUCATION IMPROVEMENT ACT	\$ 2,145,362	\$ 1,899,088	\$ 2,091,104	\$ 192,016	10.1%
CAPITAL PROJECTS	\$ 19,867,864	\$ 70,126,046	\$ 65,193,792	\$ (4,932,254)	-7.0%
SCHOOL FOOD SERVICE FUND	\$ 8,691,897	\$ 9,666,599	\$ 288,000	\$ (9,378,599)	-97.0%
INTERNAL SERVICE FUND	\$ 216,196	\$ 530,671	\$ 8,127,874	\$ 7,597,203	1431.6%
PUPIL ACTIVITY FUND	\$ 2,202,966	\$ 2,030,179	\$ 2,342,077	\$ 311,898	15.4%
TOTAL SUPPORT SERVICES	\$ 113,455,598	\$ 165,087,089	\$ 162,356,563	\$ (2,730,526)	-1.7%

**Beaufort County School District
Three-Year Comparison
Fiscal Years 2014, 2015 and 2016**

**Comprehensive Budgeted Expenditures and
Other Financing Uses -
All Funds**

Expenditures by Program	2013-14	2014-15	2015-16	2014-15 to 2015-16	
	Audited Actual	Unaudited Actual	Approved Budget	Increase/ (Decrease)	Percent Change
SPECIAL REVENUE	\$ 241,003	\$ 301,236	\$ 2,526	\$ (298,710)	-99.2%
TOTAL COMMUNITY SERVICES	\$ 241,003	\$ 301,236	\$ 2,526	\$ (298,710)	-99.2%
TOTAL DEBT SERVICE	\$ 60,830,876	\$ 48,735,485	\$ 53,083,100	\$ 4,347,615	8.9%
GENERAL FUND	\$ 46,350	\$ 43,769	\$ 55,000	\$ 11,231	25.7%
DEBT SERVICE FUND	\$ 60,784,525	\$ 48,691,716	\$ 53,028,100	\$ 4,336,384	8.9%
Intergovernmental Expenditures					
Payments to other agencies	\$ 4,660,403	\$ 4,710,725	\$ 4,486,682	\$ (224,043)	-4.8%
Payments to State Department of Education	234,587	92,171	140,379	48,208	52.3%
TOTAL INTERGOVERNMENTAL	\$ 4,894,990	\$ 4,802,896	\$ 4,627,061	\$ (175,835)	-3.7%
TOTAL EXPENDITURES	\$ 301,740,739	\$ 345,061,285	\$ 354,829,433	\$ 9,768,148	2.8%
Other Financing Uses					
Transfer - General Fund	\$ 3,916,005	\$ 4,122,926	\$ 3,886,204	\$ (236,722)	-5.7%
Transfer - Special Revenue Fund	616,301	627,440	650,000	22,560	3.6%
Transfer - Special Revenues Indirect Cost	458,963	360,172	428,756	68,584	19.0%
Transfer - Food Service Fund	110,000	110,000	110,000	-	0.0%
Transfer - School Building Fund	3,662,238	594,617	-	(594,617)	-100.0%
Transfer - Debt Service	2,634,407	4,453,674	-	(4,453,674)	-100.0%
Food Service Indirect Cost	121,437	112,618	119,980	7,362	6.5%
TOTAL OTHER USES	\$ 11,519,351	\$ 10,381,447	\$ 5,194,940	\$ (5,186,507)	-50.0%
TOTAL FUND EXPENDITURES AND OTHER FINANCING USES:	\$ 313,260,090	\$ 355,442,732	\$ 360,024,373	\$ 4,581,641	1.3%

**Beaufort County School District
Comprehensive Budgeted Expenditures by Program
FY 2016
\$360,024,373**



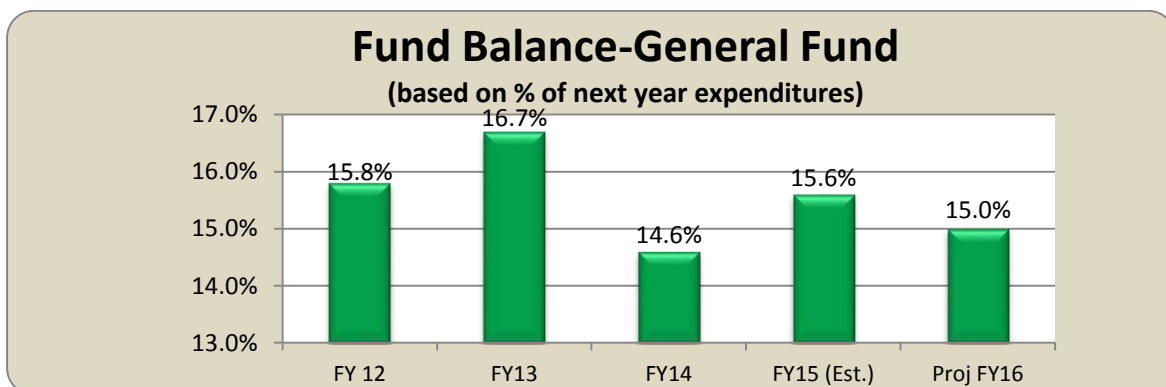
Fund Balance

The Board of Education is committed to providing sound, fiscal management for the District. To ensure this, the Board modified its unassigned fund balance policy for the General Fund to stay within 13 to 15% of the next year's expenditures. This guidance is a critical component for long-range financial planning.

Changes in Fund Balance-General Fund

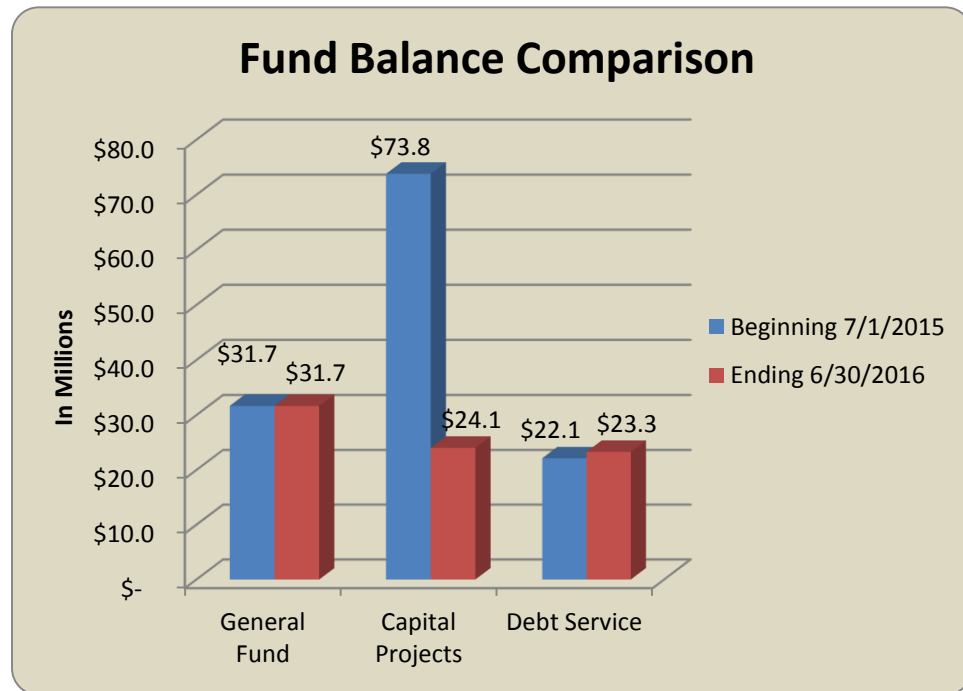
As demonstrated by the five-year comparison below, the fund balance has maintained a level above the minimum fund balance policy. Fluctuations in local tax collections have historically had a profound effect on the fund balance level. Below are historical summaries of the major changes in fund balance over the past five years:

- FY 2012-Despite a projected \$2 million use of fund balance, proceeds from a legal settlement of \$2.6 million along with an unanticipated increase in federal revenues resulted in a \$1.6 million increase in fund balance.
- FY 2013-Conservative spending and unanticipated state revenue due to student growth held the fund balance above 15%.
- FY 2014-The revenue shortfall during this reassessment year was \$5.5 million, despite a roll forward of the operating millage.
- FY 2015 (est)-A 6 mill increase was approved and local tax revenues are expected to exceed budgeted revenues by \$3.1 million. State revenues exceeded budget projections by \$1.1 million.
- FY 2016 (proj)- Millage rates were held flat with expected increases in tax revenues as a result of increased property values. The ending fund balance is projected to hold at \$31.7 million, yet the FY 2016 budget is projected to grow by \$6.8 million, causing a decline in the projected fund balance of 0.6% as shown below.
- FY 2017 and beyond- fund balances in future years are uncertain until the millage rate can be stabilized to generate the revenue as approved by the county. The District and Beaufort County are activity working together to achieve a realistic rate. Maintaining a fund balance within Board policy is a major consideration during every budget deliberation.



Changes in Fund Balance-Other Funds

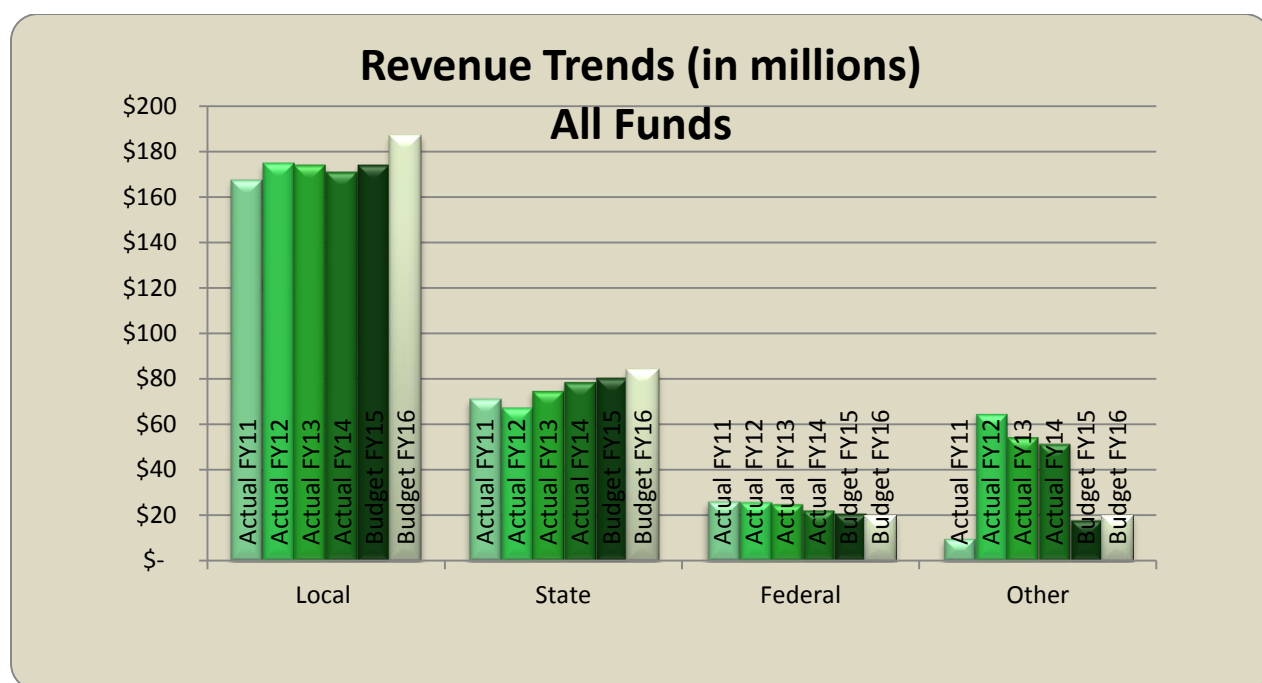
The following graph is a comparison of the beginning and projected ending fund balances for the General Fund, Capital Projects Fund, and the Debt Service Fund of the School District. The General Fund reserves are projected to decrease by \$10,315 during FY 2016. The Capital Projects Fund is expected to decrease by \$49.7 million due to an active construction schedule. Debt Service Fund balance is projected to increase by \$1.2 million.



	General Fund	Capital Projects	Debt Service
Beginning 7/1/2015	\$ 31.7	\$ 73.8	\$ 22.1
Ending 6/30/2016	\$ 31.7	\$ 24.1	\$ 23.3
Change in Fund Balance	\$ (0.0)	\$ (49.7)	\$ 1.2
% Change	0.0%	-67.3%	5.4%

Revenue Trends

Below is a five-year illustration of Beaufort County School District's revenues from all funding sources. The School District heavily depends on local tax revenues to support its basic operations; however, federal and state funds are essential to the District's instructional initiatives. The school district obtains its revenues from four primary sources: local property taxes, state revenues, federal revenues and other revenues, such as general obligation bond proceeds.



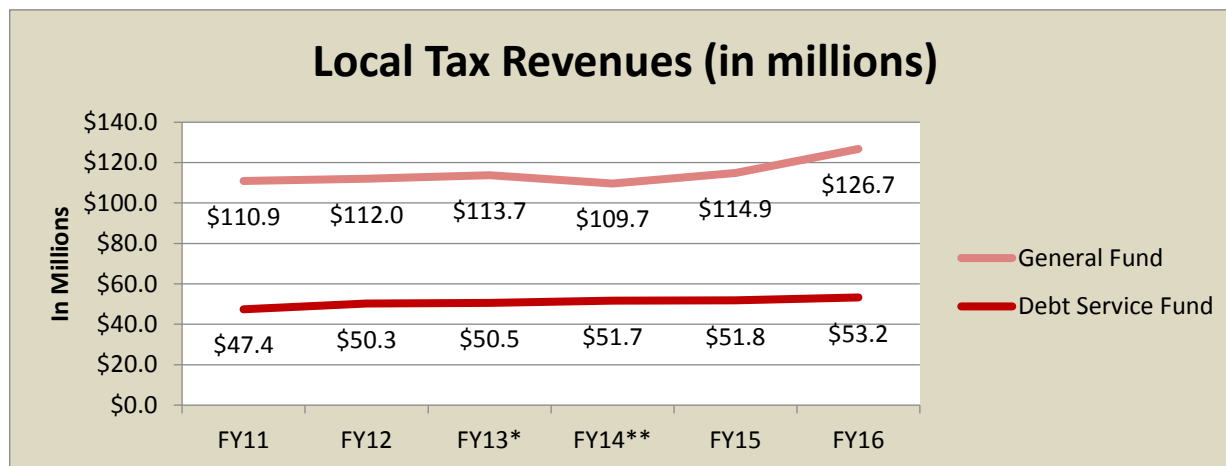
Local Revenues

Local property taxes are the primary source of revenue for the Beaufort County School District. Sixty percent of all revenues are provided by local property taxes and other financing sources. The School District projects to receive \$179.9 million in local property tax revenues in FY 2016 based on operating and debt service millage approved by the Beaufort County Council.

Local property tax collections are expected to exceed the budget of \$114.9 million in FY 2015. These revenues will be used to offset the shortfall of \$5.4 million in FY 2014 tax revenue. The operating millage rate of 103.5 has produced more revenues than anticipated; therefore the FY 2016 local property tax millage rate was held at the same rate of the prior year to account for the County's growth in the mill value. The FY 2016 operating millage is anticipated to generate \$126.7 million in revenues.

The state's Act 388 eliminated full time resident property taxes as a source of income for supporting general operation of schools. Revenue was replaced by a state mandated 1% sales tax increase. Individuals who own and occupy their homes pay no taxes for school operations. Individuals who own but do not occupy their homes full time are assessed at a 6% rate and taxed for school operations. The passage of Act 388 has incentivized changes from 6% to 4% homes, resulting in lost revenue to the School

District. Hundreds of homeowners are approved each year for a change in primary residency to Beaufort County, resulting in the elimination of their school operations taxes. Those funds are permanently lost to the school system. The graph below illustrates the local tax revenue trends over the last six years:



* Includes 1 mill increase

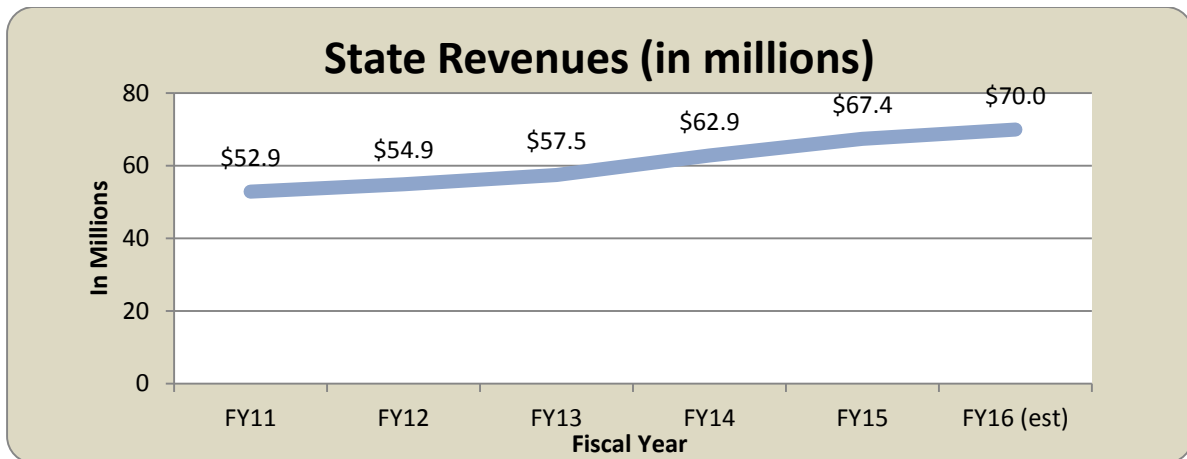
** reassessment year with roll forward

The Debt Service Fund, which is primary operated with local property taxes, has increased in local property tax revenue since FY 2011. The mills have been incrementally raised to correct an incorrect rollback in millage that occurred in 2010. With a goal of revenue neutrality, the 2013 millage rate was rolled forward to a rate of 31.7 mills from 28 mills during reassessment. The School District maintained that millage rate for the FY 2015 school year and will hold at the same rate for FY 2016. The School District projects to see modest growth in the assessed value for the upcoming year. The millage rate for debt has been carefully managed to reach the levels needed to support the School District's capital improvement program and retire outstanding debt in a manner expected by bond rating agencies and bond holders.

State Revenues

State aid includes grants, state sales tax revenue and other state allocations. Of the \$84.2 million in state revenues projected for FY 2016, \$70 million is anticipated for the General Fund and are used to support the day-to-day operations of the School District. State revenues supporting the General Fund include the sales tax reimbursement on owner occupied residences, EFA funds (Education Finance Act), school bus drivers' salary funds, reimbursement for local property tax relief, retiree insurance and homestead exemptions. Budget projections are provided each year on these revenue streams by the South Carolina Department of Education.

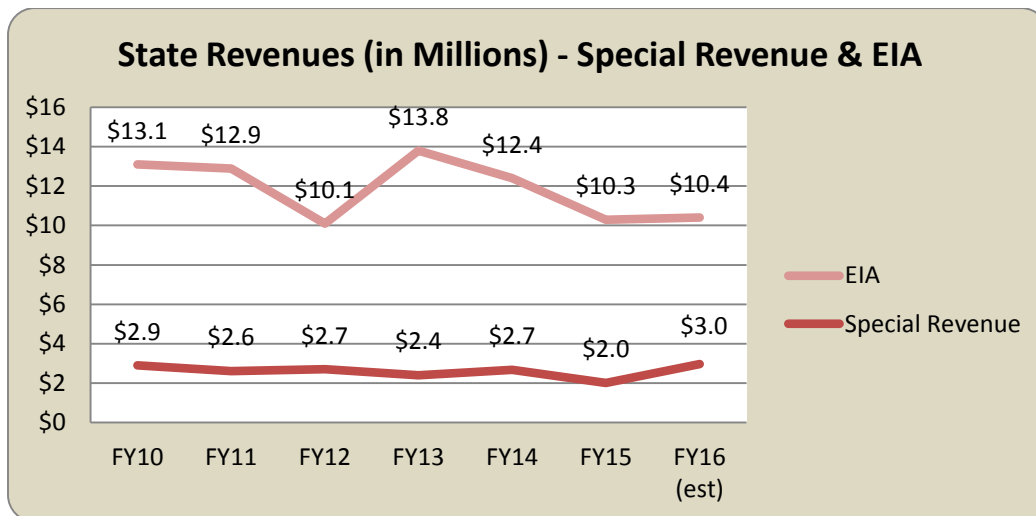
The state's primary funding formula uses an index of taxpaying ability, a measure of each county's wealth, to determine the amount of required support under the Education Finance Act (EFA). The measurement is based on the value of total assessed value of taxable property of each county as a percentage of the state wide total. According to the index, Beaufort County is one of the wealthiest counties in the state; therefore, it receives among the least state funding of school districts in South Carolina. EFA payments have grown from zero funding in 2011 to an anticipated \$8 million in 2016 (up from \$6.7 million in 2015).



The state's Act 388 legislation replaced approximately \$43.9 million of the School District's local property tax revenues with state sales tax revenue. Local property tax relief makes up the largest portion of state funding and has shown steady growth due to enrollment increases in the last five years. FY 2016 state revenues are expected to grow by \$2.6 million.

Another \$13.3 million is received in the Special Revenue and Education Improvement Act (EIA) funds. The Finance Office of the School District uses state budget projections, grant award letters and historical information to project the revenues from these sources for the FY 2016 budget.

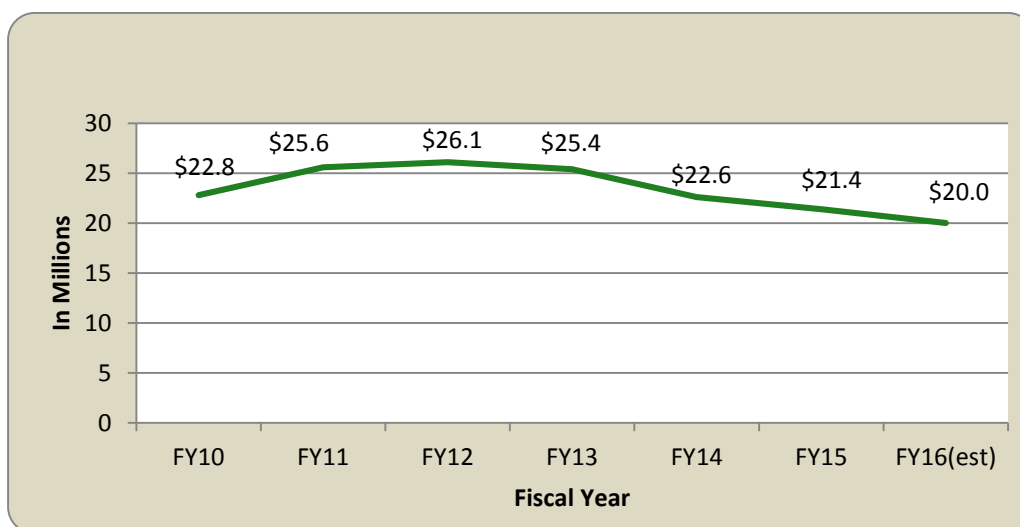
State revenues in Special Revenue funds have increased and are restricted to technology professional development and reading interventions. EIA funds have slightly increased from the prior year despite the movement of Gifted and Talented Funding and a portion of At Risk Funding to the EFA formula in the General Fund. Fortunately, in FY 2015, the School District was able to offset some of the reduction with the use of one-time carryover funds.



Federal Revenues

Federal Revenues include Title 1, Impact Aid, E-rate, and Individuals with Disabilities Education Act (IDEA), among others. Title I supports thirteen high-poverty elementary schools in the District, a decrease from seventeen in FY 2015, with intense focus on literacy. Impact Aid and E-rate reimbursements are based on historical collections. E-rate funds are used to support ongoing initiatives of the Technology Division while Impact Aid is used to support the daily operations of the District. IDEA funds are used to support students with disabilities.

Federal Revenues have shown declines in the last few years due to the elimination of the Teacher Advancement Program (TAP). Although enrollment Title One and IDEA revenues have remained relatively stable in the last few years. Food service revenues are projected to increase due to the District's participation in the federal Community Eligibility Program, which increases the numbers of free lunches served in high poverty schools.

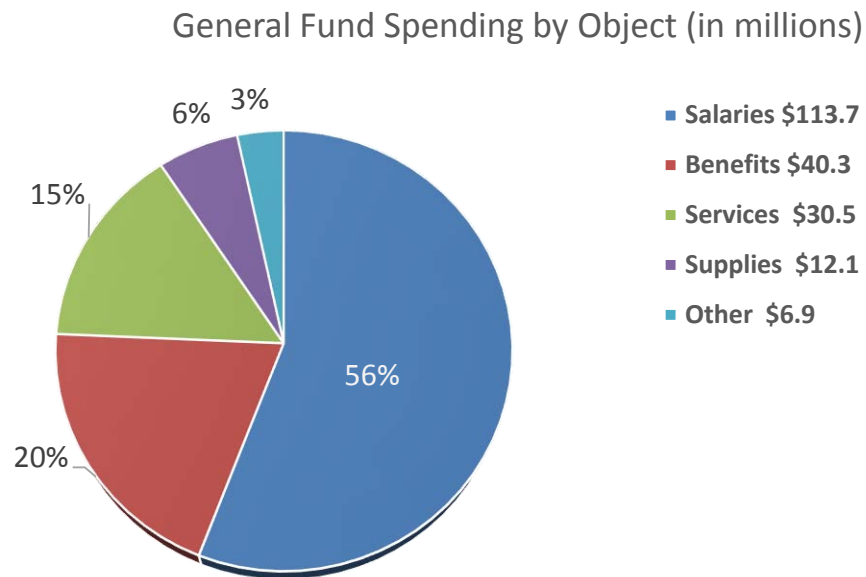


Other Revenues

Other sources of revenue include \$15.2 million of general obligation bonds used to support the District's 8% capital renewals and renovations. Transfers from other funds account for \$5.1 million of other revenues. These are derived from indirect costs and teacher salary increase funds transferred from Special Revenue Funds to the General Fund.

Expenditures

The FY 2016 General Fund budget was approved in the amount of \$203.5 million, an increase of 7.4% from the FY 2015 budget of \$189.6 million.



Salaries and Staffing

Salaries and benefits comprise 76% of the School District's budget. This does not include all of the salaries and benefits paid by our contracted services for food service, custodial, grounds, maintenance and transportation. Through a formalized staffing process, school positions are standardized to provide equity among schools and are distributed based on projected student enrollment for FY 2014-2015. A staffing formula was established for each elementary, middle and high school, which may be found on pages 67, 68 and 69 of this document. The student to teacher ratio has remained unchanged since FY 2011-2012. The ratios are as follows:

Grade Level	Student to Teacher Ratio
Pre-Kindergarten	20 to 1
Kindergarten	24 to 1
Grades 1-3	22 to 1
Grades 4-5	24 to 1
Grades 6-8	21 to 1
Grades 9-12	20.5 to 1

Special education teachers are assigned based on the needs of the individual students at each school. The teacher staffing ratios listed above are not used to calculate the number of staff for these positions.

Following a one-year growth of 624 students (3%), the need for additional teachers in the upcoming school year was apparent. Enrollment increases, paired with the opening of a new school and the expansion of Pre-K and CATE programs, resulted in the addition of 53 new teachers in the budget. Nineteen new classified positions and two new administrators were also added. Reductions in Special Revenue Funds resulted in the shift of 27 teaching positions to the General Fund.

The state of South Carolina requires an annual step increase for certified teachers. The cost of this budget item is \$1.3 million.

Applicable athletic and academic stipend allocations are distributed to applicable schools each year based on projected enrollment. The amounts of these allocation remain unchanged since FY 2011-2012.

Employee Benefits

The budget includes benefits including Social Security, Medicare, retirement, health, dental, life insurance, and workers' compensation. Retirement benefits are managed by the SC Public Benefit Authority (PEBA), and participation of employees of South Carolina school districts is mandatory. For FY 2016, the employer's share of retirement increased from 15.9% to 16.39%. Not only did the employer's share increase, but the employee retirement withholding rate increased from 8% to 8.16% as of July 1, 2015. Health insurance through the Blue Cross Blue Shield State Health Plan is estimated to increase by 7% as of January 1, 2016. No increases are expected in Social Security, Medicare, dental, life insurance or workers' compensation. Benefit costs are estimated to increase by \$1.2 million to total of \$40.3 million.



Instructional Programs

Many instructional programs and curricular initiatives are funded through Special Revenue and EIA (Education Improvement Act) funds. Below is a summary of the major instructional initiatives planned for the 2015-2016 school year and the Special Revenue funding sources which will support them. These programs may be supported with general fund money as well.

FY 2016 Utilization of Special Revenue Funds			
Instructional Initiatives	Intended Use of Program	Amounts	Special Revenue Funding Source
Title One	To supplement the core instructional programs at 13 high poverty schools	\$ 5,351,371	Title I
Title One Support and Focus Funds	Support Schools receive additional funds because of their overall report grade usually a D or F (WBMS). Focus schools receive additional funds, support, and must attend required training to eliminate the "gaps" on their report card (MCRES, BES & MOES).	\$ 298,500	Title I Focus & Title I Support
Special Education	The education of students with special needs in a way that addresses the student's individual differences and needs	\$ 3,877,261	IDEA, ESY and IDEA Preschool Funds
English for Speakers of Other Languages (ESOL)	An instructional program in English for speakers of other languages (ESOL) to teach basic vocabulary and grammar to students with a first language other than English	\$ 284,014	Title III
Adult Education	Program to increase adult literacy and to prepare adults for a high school diploma or its equivalency	\$ 708,585	Federal & State Adult Education Funds
Parenting & Family Literacy	Program provides a holistic, fully integrated, family-focused approach, providing parents and children most in need of improving their literacy skills with intensive, frequent and long-term educational and non-educational services.	\$ 646,571	Title I, At Risk Funds
Junior ROTC Program	A federal program sponsored by the United States Armed Forces in high schools to promote citizenship, leadership skills, and patriotism	\$ 961,233	Federal JROTC Funds
Summer School for MS & HS grades 6-12	Additional instructional days for most at risk students in grades 6-12 and credit recovery opportunities	\$ 200,000	At Risk Funds
Migrant Education	Support of high quality education program for migratory children	\$ 175,573	Migrant Education Program Funds & Title I
Gear Up	Graduation coaches follow cohort of students to promote high school graduation rate and continuation to post-secondary education	\$ 182,704	Federal Gear Up Grant
Joint Strike Initiative	Support for schools with an abundance of military students	\$ 82,820	Federal Joint Strike Grant
It's Your Game	A program that aims to reduce teen pregnancy through health education	\$ 62,746	Prevent Teen Pregnancy Grant
Career and Technology Education	A planned program of courses and learning experiences that begin to explore options of career awareness	\$ 443,057	Federal & State CATE Funds
9th Grade Orientation	A 1 day orientation for rising 9th graders to augment transition from middle school to high school	\$ 20,000	At Risk Funds
Alternative Education	Program for middle and high school students with chronic discipline issues and violations of law	\$ 1,576,438	At Risk Funds
Literacy Coaches	Provide most elementary schools with a Reading Coach to lead Reading Professional Development	\$ 761,395	Read to Succeed & At Risk
Summer Reading Camp	State-required program for 3rd graders to increase reading skills, District supports 1st, 2nd and 4th graders with local funds for reading remediation	\$ 395,000	State Summer Reading Camp Funds & At Risk Funds
Total		\$ 16,027,268	

Service Contracts

Major School District contracts include transportation, SRO's, crossing guards, grounds, custodial, and maintenance and all are outsourced. The FY 2016 budget includes \$16.4 million for these major contracts. With an average of a 3% CPI increase applied to existing contracts and the opening of a new school, the total contract budgets increased by \$694,070.

Supplies

The budget includes \$11.9 million of supply costs in the General Fund. This category includes energy costs, maintenance supplies, instructional materials for schools, and operational supplies for the central office. There is an increase in the supply budget this year of \$856,592 that is primarily from increased per pupil allocations due to enrollment growth and the addition of the new school.

Supply Allocation

A supply allocation is distributed among all schools each year based on projected enrollment. This per pupil allocation was reduced by 10% in the 2012 budget year, and has remained unchanged since that time. The allocation totals \$4 million for all schools, up from \$3.8 million in the prior year. Growth in student enrollment and the opening of a new school are the primary reasons for the change.

Utilities

Utilities of \$8.1 million are incorporated in the budget, including \$272,678 for the new Pre-K through 8 school. These costs include water and sewer, trash, telephone communication, electricity and propane gas. \$6 million of these costs are included in the supply category according to SC Department of Education guidelines. Based on information from one of the utility providers, utility costs are expected to increase incrementally at least over the next four years due to the construction of two nuclear plants in the area.

Charter School

By approval of the Beaufort County School District Board of Education, the Riverview Charter School was established in Beaufort in the summer of 2009, opening its doors to approximately 494 students in grades kindergarten through six. The charter planned for a grade level increase each year until grade eight. Enrollment will increase by 38 students to 570 in the 2015-2016 school year. Although the number of students increased, its per pupil allocation has decreased due to a rapid enrollment growth in total students in the district. Riverview's allocation will decrease by \$71,281 in the 2015-16 school year. The total allocation to the charter school is \$4.7 million, with a General Fund allocation of \$4.5 million and categorical funds of \$250,108. The charter school is funded on a weighted per pupil basis in compliance with a state formula. The School District receives no additional money to fund this expense.

Major Increases

Major increases include:

- state mandates \$2.4M
- losses in state and federal funding \$2.0M
- enrollment increases \$3.9M
- program expansions \$1.8M
- operational increases \$1.4M
- locality supplement and step increases \$3.2M



Capital Projects

School Building Fund (Capital Projects)

The District maintained its construction programs with the completion of River Ridge Academy during the summer of 2015, and the continued building of May River High School in the Bluffton area. Battery Creek High School was approved for the addition of a Career Education and Technology building to expand vocational programs with an expected completion date of December 2015. The Board of Education also approved the expansion of the Riverview Charter School facility which will be managed through the Office of Facilities, Construction and Maintenance.

In addition to the new construction, the district spent over \$1 million during 2015 upgrading the district's phone service. An additional \$3.5 million was spent to upgrade student and teacher mobile devices during the 2014-2015 school year and over \$2 million is available for upgrades during the 2015-2016 school year.

Methodology

Work begins with analysis of projects expanding over a five year period from FY 2017 to FY 2021. To start this process, key stakeholders are contacted to collect facility data. Capital improvement plan request forms are distributed to all school principals, facility planning and construction staff (FPC), maintenance staff, and outside consultants. The information collected from all groups is combined into the capital improvement projects (CIP) database. This database retains a record of all entries made each year.

Once the data has been entered, the FPC staff begins to assign cost, categories (asset preservation, life safety/security, academic support, standardization/equity, energy efficiency, and non-essential), and type of work to all entered items. Across the District, FPC staff strives to maintain equitable treatment of facility needs and assessments. When deciding how to fund the five year CIP, several factors are considered. These factors include CIP rating systems, emergency repairs, grouping of projects, and future school use changes.

The following items are major considerations for developing the five year plan:

- Targeting a limit of \$15 million per year in order to maintain financial stability in our debt plan.
- Limiting the number of schools receiving major work during the summer to allow suitable project management given the current level of staffing.
- Having a fixed schedule for renovation allowing the schools to better schedule summer activities.

2017– 2021 Five Year Plan and Capital Budget

The current five year plan shows all items suggested by principals, FPC, maintenance personnel and others. A review of the five year plan reveals several years that exceed the annual \$15 million goal established in our financial plan. The Facilities Planning Committee will meet prior to the presentation of the annual CIP budget to review all listed items. The purpose of that review will be to prioritize the requests to bring the overall budget within the \$15 million requested CIP range.

Estimated cost of projects submitted for the next five years:

Year	Total Cost
FY 2017	\$15,215,798
FY 2018	\$15,157,312
FY 2019	\$15,221,230
FY 2020	\$24,669,523
FY 2021	\$11,807,659

Battery Creek CATE Building



The Career and Technology Education building (CATE) is currently under construction on the Battery Creek High School campus. The new 14,000 square foot building edition plans to house classes for advanced education in agri-science, avionics, culinary arts and welding. The building is estimated to be completed for classes starting in January 2016. The \$3.7 million dollar project is being funded from \$2.8 million in 8% funds and \$0.9 million in 2008 referendum funds.

5 Year Capital Improvement Plan					
	Capital Renewal 8%				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beaufort Elementary School	\$69,367			\$31,298	\$552,930
Coosa Elementary School	\$49,410	\$40,894	\$36,030	\$46,948	\$452,053
Lady's Island Elementary School		\$361,009	\$60,045		\$148,717
Mossy Oaks Elementary School	\$76,695		\$145,476	\$30,889	\$318,167
Port Royal Elementary School	\$162,147	\$248,936		\$51,746	\$261,684
St Helena Elementary School	\$156,313	\$220,957			\$746,448
Beaufort Middle School	\$112,500	\$133,146		\$663,818	\$357,691
Lady's Island Middle School	\$256,516	\$847,846	\$1,047,184	\$147,400	\$482,953
Beaufort High School		\$795,984		\$46,333	\$160,667
Beaufort Cluster Total	\$882,948	\$2,648,772	\$1,288,735	\$1,018,432	\$3,481,310
Broad River Elementary School	\$6,169	\$216,052			\$66,615
Shanklin Elementary School	\$1,096,477	\$247,650	\$271,788		\$268,201
Shell Point Elementary School					\$187,107
Robert Smalls International Academy	\$31,625	\$85,355		\$513,659	\$151,058
Battery Creek High School	\$498,422	\$96,265	\$204,887		\$613,728
Battery Creek Cluster Total	\$1,632,693	\$645,322	\$476,675	\$513,659	\$1,286,709
James J. Davis Early Childhood Center		\$103,370			
Whale Branch Elementary School		\$293,636			\$174,071
Whale Branch Middle School	\$64,516	\$497,779			\$65,333
Whale Branch Early College High		\$182,444		\$274,164	\$303,454
Whale Branch Cluster Total	\$64,516	\$1,077,229	\$0	\$274,164	\$542,858
Hilton Head Island Early Childhood Center	\$1,700,000		\$61,002		\$39,167
Hilton Head Island Elementary School	\$2,096,665	\$137,500	\$40,030	\$403,578	\$518,944
Hilton Head Island Elementary for Creative Arts		\$161,819		\$313,972	\$944,768
Daufuskie Island Elementary		\$49,521		\$584,443	
Hilton Head Island Middle School	\$50,947	\$374,032		\$83,463	\$336,253
Hilton Head Island High School	\$1,091,719		\$145,134	\$638,177	\$945,019
Hilton Head Island Cluster	\$4,939,331	\$722,872	\$246,166	\$2,023,633	\$2,784,151
Bluffton Elementary School	\$511,982	\$144,822		\$203,535	\$552,037
Mc Riley Elementary School		\$563,924		\$119,187	\$326,068
Okatie Elementary School	\$227,310	\$355,180		\$17,381	\$251,750
Pritchardville Elementary School				\$323,717	
Red Cedar Elementary School		\$256,200	\$80,333		\$109,414
River Ridge Academy					
HE McCracken Middle School		\$56,154	\$292,665	\$173,937	\$142,600
Bluffton Middle School		\$134,368	\$408,564		\$170,734
May River High					\$151,566
Bluffton High School		\$909,566	\$459,179	\$341,752	\$634,872
Bluffton Cluster Total	\$739,292	\$2,420,214	\$1,240,741	\$1,179,509	\$2,339,041
School Totals	\$8,258,780	\$7,514,409	\$3,252,317	\$5,009,397	\$10,434,069
District Level Projects	\$6,957,018	\$7,642,903	\$11,968,913	\$19,660,126	\$1,373,590
Total	\$15,215,798	\$15,157,312	\$15,221,230	\$24,669,523	\$11,807,659

Major Construction

Funding for capital improvement projects is appropriated by two means, a voter approved referendum and an 8% constitutional debt limit. The two types are described in detail below starting with the 2008 Referendum.

Referendum 2008

In April 2008, a \$162,735,944 referendum was passed by the voters of Beaufort County to provide for a variety of capital improvement projects from system upgrades to new schools. Four areas of capital needs were assessed during the referendum's conception: (1) future school locations (site acquisitions), (2) additions and remodeling at existing schools, (3) cluster renovations and system upgrades at all schools, and (4) the need to build new schools within the next 5 years. The projects are outlined below in detail.

- 1) Site Acquisitions - \$43,295,901 (Complete)
- 2) Additions and Remodeling -\$15,555,736 (4 out of 5 projects have been completed as of the end of FY 2015.)
 - a. Performing Arts Center at Beaufort High-(Complete)
 - b. CATE building at Battery Creek High School-(project in progress plus supported by 8% funds)
 - c. Physical education building at Broad River Elementary School- (Complete)
 - d. Replacement of physical education building and additional classrooms at Mossy Oaks Elementary School- (Complete)
 - e. Band and drama room at McCracken Middle School- (Complete)

3) Cluster Renovations and System Upgrades - \$35,835,562

These projects involve a variety of smaller projects ranging from upgrading technology cabling for classrooms to roof and HVAC replacements. Every school in the Beaufort County School District was slated for multiple projects. Work started on the projects in July of 2008. At June 30, 2014, these projects were completed.

4) New Schools – \$68,048,745

- a) Pritchardville Elementary School - \$22,395,025- (Complete)
- b) River Ridge Academy (Pre-K-8) - \$29,954,386 –(Opened August 2015)
- c) M.C. Riley Early Childhood Center - \$10,077,761- (Complete)
- d) Bluffton Elementary Early Childhood Center - \$10,077,761- (Complete)

River Ridge Academy

Located on Bluffton Parkway in Bluffton, this 143,742 square foot facility broke ground in May of 2014 and opened for classes for Pre-K through eighth grade in August 2015. Primary funding came from the 2008 referendum in the amount of \$27.5 million and was supplemented by \$4.8 million in 8% funding.

Conceptual Drawing of River Ridge Academy Campus



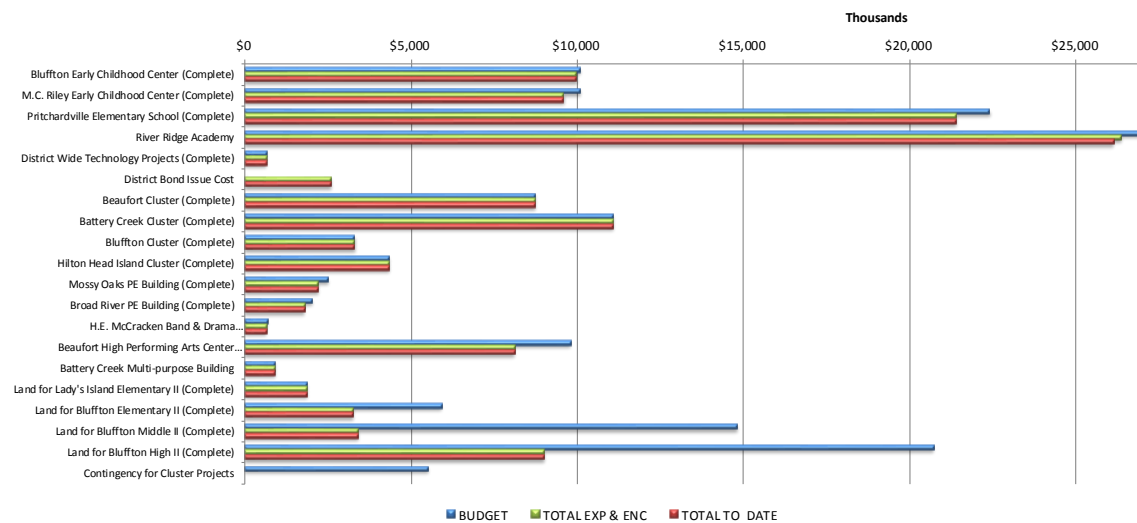
River Ridge Academy as Completed



2008 REFERENDUM

6/30/2015

	ORIGINAL APPROP	TRANFRS ADJUSTMTS	REVISED BUDGET	TOTAL TO DATE	ENCUMB	TOTAL EXP & ENC	CONT. + AVAILABLE BUDGET	PCT USED
Bluffton Early Childhood Center (Complete)	\$10,077,761	\$0	\$10,077,761	\$9,966,217	\$0	\$9,966,217	\$111,544	98.9%
M.C. Riley Early Childhood Center (Complete)	\$10,077,761	\$0	\$10,077,761	\$9,576,667	\$0	\$9,576,667	\$501,094	95.0%
Pritchardville Elementary School (Complete)	\$22,395,025	(\$0)	\$22,395,025	\$21,391,714	\$0	\$21,391,714	\$1,003,311	95.5%
River Ridge Academy	\$25,498,198	\$2,000,000	\$27,498,198	\$26,135,077	\$212,785	\$26,347,862	\$1,150,336	95.8%
District Wide Technology Projects (Complete)	\$0	\$638,731	\$638,731	\$638,731	\$0	\$638,731	(\$0)	100.0%
District Bond Issue Cost	\$0	\$0	\$0	\$2,578,008	\$0	\$2,578,008	(\$2,578,008)	100.0%
Beaufort Cluster (Complete)	\$10,537,546	(\$1,823,848)	\$8,713,698	\$8,713,697	\$0	\$8,713,697	\$1	100.0%
Battery Creek Cluster (Complete)	\$14,876,263	(\$3,804,747)	\$11,071,516	\$11,071,516	\$0	\$11,071,516	\$0	100.0%
Bluffton Cluster (Complete)	\$3,776,308	(\$488,476)	\$3,287,832	\$3,287,832	\$0	\$3,287,832	(\$0)	100.0%
Hilton Head Island Cluster (Complete)	\$6,347,191	(\$2,017,981)	\$4,329,210	\$4,329,210	\$0	\$4,329,210	\$0	100.0%
Mossy Oaks PE Building (Complete)	\$2,481,858	\$0	\$2,481,858	\$2,174,391	\$0	\$2,174,391	\$307,467	87.6%
Broad River PE Building (Complete)	\$2,017,973	\$0	\$2,017,973	\$1,771,012	\$0	\$1,771,012	\$246,961	87.8%
H.E. McCracken Band & Drama Room(Complete)	\$372,535	\$287,159	\$659,694	\$635,993	\$0	\$635,993	\$23,701	96.4%
Beaufort High Performing Arts Center (Complete)	\$9,795,332	(\$0)	\$9,795,332	\$8,090,852	\$0	\$8,090,852	\$1,704,480	82.6%
Battery Creek Multi-purpose Building	\$888,038	\$0	\$888,038	\$888,038	\$0	\$888,038	(\$0)	100.0%
Land for Lady's Island Elementary II (Complete)	\$1,854,116	\$1,150	\$1,855,266	\$1,855,266	\$0	\$1,855,266	\$0	100.0%
Land for Bluffton Elementary II (Complete)	\$5,920,255	(\$1,150)	\$5,919,105	\$3,239,122	\$0	\$3,239,122	\$2,679,983	54.7%
Land for Bluffton Middle II (Complete)	\$14,800,637	\$0	\$14,800,637	\$3,387,101	\$0	\$3,387,101	\$11,413,536	22.9%
Land for Bluffton High II (Complete)	\$20,720,893	\$0	\$20,720,893	\$8,994,496	\$4,584	\$8,999,080	\$11,721,813	43.4%
Contingency for Cluster Projects	\$298,255	\$5,209,162	\$5,507,417				\$5,507,417	
TOTAL REFERENDUM	\$162,735,945	\$0.00	\$162,735,945	\$128,724,940	\$217,370	\$128,942,310	\$33,793,635	79.2%



8% Projects

In addition to referenda, the School District's borrowing power is restricted by state law. It provides that a local unit cannot at any time have total debt outstanding in an amount that exceeds 8% of the total assessed property value of the county. Funds of this type are used for capital renewal of the schools and administrative buildings. Other 8% projects are approved by the Board of Education each fiscal year based on need and the debt capacity. At the close of June 30, 2015, the legal debt margin was estimated to be \$43,084,792. Projects of \$17 million were approved shortly after year end, bringing the available debt capacity to \$26,084,792.

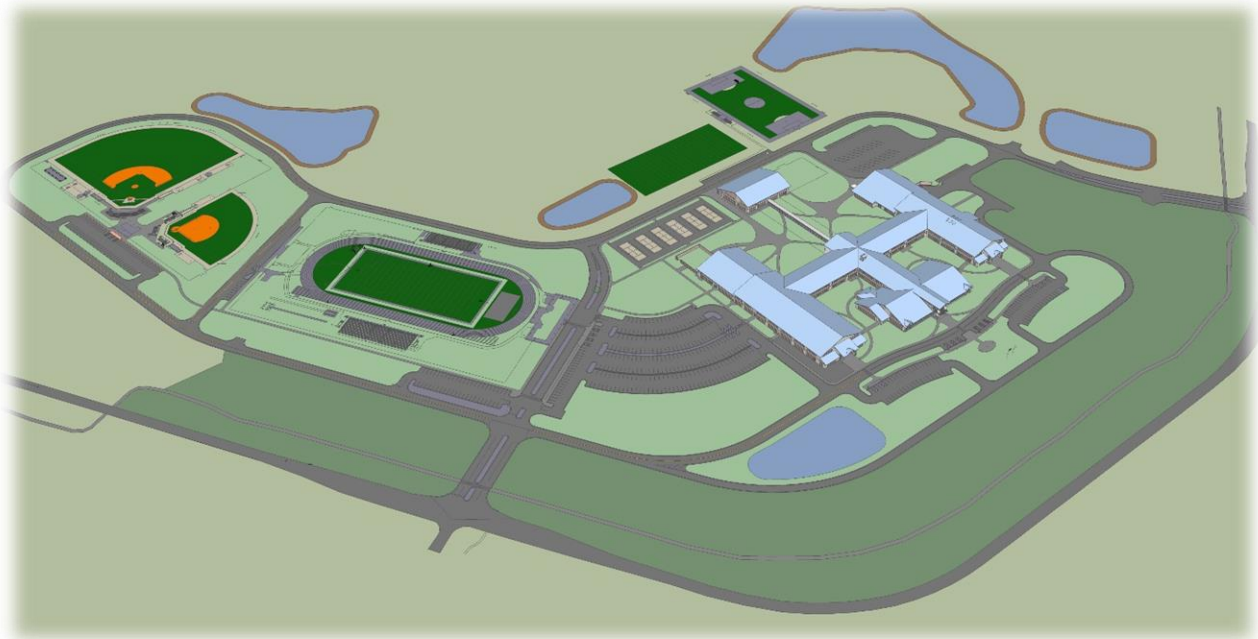
The Board of Education approved a bond issue in February of \$76,306,145 for 8% capital funding to build May River High School and to renovate and expand Riverview Charter School.

Summer 2015 Projects

Highlights of the summer of 2015 projects (FY 2016) include:

- **Coosa Elementary School** – Roof replacement
- **MC Riley Elementary** – Roof replacement
- **Riverview Charter School** – renovation and additions
- **Battery Creek High School** – Career Education and Technology building addition (CATE).
- **Beaufort High School** – HVAC upgrades
- **May River High School** – The new high school will be funded entirely with 8% capital funds approved in an amount not to exceed \$68 million. The school is currently under construction and is expected be 238,616 square feet, holding 1,400 students. The high school is planned to open in August of 2016.

Conceptual Drawing of May River High School Campus



Steel and Masonry Construction at May River High

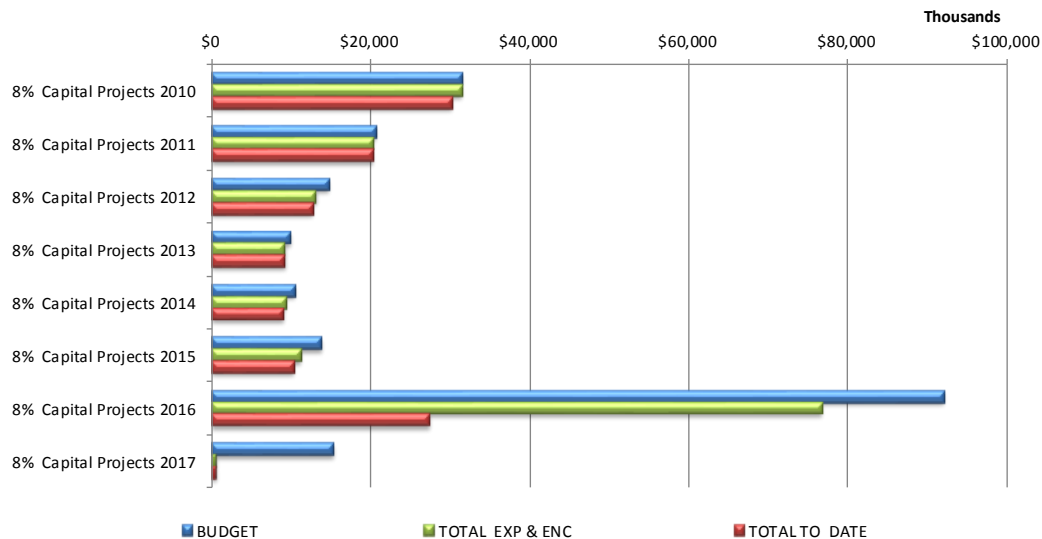


The table below shows balances of approved funds for capital building and improvements that are currently in process. These projects consist of a diverse group of projects ranging from roof repairs to the additions of the health care and technology labs within the high schools.

8% Capital Projects

6/30/2015

	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	TOTAL TO DATE	ENCUMB	TOTAL EXP & ENC	CONT. + AVAILABLE BUDGET	PCT USED
8% Capital Projects 2010	\$31,379,576	\$0	\$31,379,576	\$30,154,859	\$1,220,002	\$31,374,861	\$4,714	100.0%
8% Capital Projects 2011	\$20,575,247	(\$0)	\$20,575,247	\$20,251,051	\$0	\$20,251,051	\$324,196	98.4%
8% Capital Projects 2012	\$13,503,694	\$1,181,737	\$14,685,431	\$12,608,954	\$472,622	\$13,081,576	\$1,603,855	89.1%
8% Capital Projects 2013	\$9,846,159	(\$0)	\$9,846,159	\$9,157,478	\$19,191	\$9,176,669	\$669,490	93.2%
8% Capital Projects 2014	\$10,418,478	\$0	\$10,418,478	\$9,003,007	\$222,549	\$9,225,556	\$1,192,922	88.5%
8% Capital Projects 2015	\$13,742,903	(\$9,544)	\$13,733,359	\$10,232,559	\$824,954	\$11,057,513	\$2,675,845	80.5%
8% Capital Projects 2016	\$15,389,959	\$76,625,332	\$92,015,291	\$27,303,224	\$49,405,167	\$76,708,391	\$15,306,900	83.4%
8% Capital Projects 2017	\$15,215,798	\$0	\$15,215,798	\$524,551	\$0	\$524,551	\$14,691,246	3.4%
Total 8%	\$130,071,814	\$77,797,525	\$207,869,338	\$119,235,684	\$52,164,486	\$171,400,170	\$36,469,168	131.8%



Summer 2016 Projects

The Board of Education approved the FY 2017 8% projects at a cost of \$15,215,798. Design will begin on the projects starting in the fall of 2015 for construction during the summer of 2016.

The focus of the upcoming projects is based on life safety concerns and asset preservation. Such renovation projects are often more difficult to complete as they typically require more time and effort to coordinate with the existing facility and school activities. The District will continue to pursue projects that not only reinvest in our facilities, but also ensure that all facilities provide proper learning environments for our students.

Estimated Impact on the Operating Budget

The summer projects over FY 2015 have primarily been for maintenance sustainability along with classroom conversions. The opening of River Ridge Academy has increased the General Fund budget by \$3,786,990 for FY 2016. An anticipated cost of \$185,000 for half the year of the Battery Creek CATE Building will also add to the FY 2016 operating budget. Additional increases are expected in the operating budget for 2017 and 2018 school years with the opening of May River High, Battery Creek High CATE Building and the addition at Hilton Head Island Early Childhood Center. The following tables includes total projected school staff and all associated maintenance and utilities to operate the schools.

	2016-2017
Battery Creek High CATE Building	\$369,850
Hilton Head Island ECC	\$373,730
May River High	\$5,436,574
Estimated operating cost total:	\$6,180,154

BEAUFORT COUNTY SCHOOL DISTRICT
PROJECTED OPERATING COSTS FOR
BATTERY CREEK CATE BUILDING
PROJECTED OPENING DATE: DECEMBER 2015
 Square Footage = 14,000

	<u>FY 2016-17</u>
<u>Utilities</u>	\$ 26,600

Maintenance

Cleaning	\$ 22,400
Maint. Contracts	\$ 10,850

<u>Additional Staff</u>	\$ 210,000
<u>Additional supplies and books</u>	\$ 100,000

Total Operating	\$ 369,850
------------------------	-------------------

Assumptions:

Electricity 2% increase over current year
 Other categories 2% over current year

BEAUFORT COUNTY SCHOOL DISTRICT
PROJECTED OPERATING COSTS FOR
HILTON HEAD ISLAND EARLY CHILDHOOD ADDITION
PROJECTED OPENING DATE: AUGUST 2016
 Square Footage = 6,000

	<u>FY 2016-17</u>
<u>Utilities</u>	\$ 11,400

Maintenance

Cleaning	\$ 9,600
Maint. Contracts	\$ 4,650
Other Maintenance	

<u>Additional Staff</u>	\$ 317,200
<u>Additional supplies and books</u>	\$ 30,880

Total Operating	\$ 373,730
------------------------	-------------------

**BEAUFORT COUNTY SCHOOL DISTRICT
PROJECTED OPERATING COSTS FOR
MAY RIVER HIGH
PROJECTED OPENING DATE: AUGUST 2016**

**Square Footage = 238,616
Enrollment 1,400**

FY 2016-17

Utilities

Electricity	\$	458,143
Natural Gas	\$	2,240
Water/Sewage	\$	30,000
Trash	\$	10,000
Telecommunications	\$	66,000

Maintenance

Grounds	\$	50,000
Cleaning	\$	381,786
Maint. Contracts	\$	184,927
Other Maintenance	\$	80,000

<u>Athletic Allowances</u>	\$	112,337
<u>Academic Stipends</u>	\$	39,223
<u>Athletic Stipends</u>	\$	180,000
<u>Resource Officer - Contracted</u>	\$	77,250
<u>Miscellaneous operating cost</u>	\$	1,000,000

Total Operating \$ 2,671,906

Assumptions:

Electricity 2% increase over current year
Other categories 2% over current year
Transportation assumed 8 buses@ \$25,000 each

Total Salaries/Ben.	\$	2,764,668
Total Operating	\$	2,671,906
Grand Total	\$	5,436,574

Debt

Debt

Objectives of Debt Program

The School District, in conjunction with its Financial Advisor, manages its debt to meet the following objectives:

- Maintain cost-effective access to the capital markets through prudent policies
- Maintain moderate debt and debt service payments with effective planning and coordination with schools/departments
- Meet significant capital demands through debt financing and alternate financing mechanisms
- Achieve the highest practice credit ratings
- Prevent large fluctuations in millage rates throughout the life span of the debt

These objectives were designed to develop a debt plan that would have the least impact on taxpayers of Beaufort County while still improving aging facilities, equipping schools with technology, and providing new facilities for a growing student population.

Outstanding Debt

At June 30, 2015, the School District had \$357.4 million in general obligation bonds outstanding. The debt includes a combination of bonds issued from the last four bond referenda and from bonds issued under the State's 8% constitutional debt limit. Details of those bonds are provided as follows; however, more details about the projects approved in these referenda may be found in the "Capital Projects" section of this document.

2008 Referendum

In the spring of 2008, voters approved a \$162.7 million bond referendum. This bond issue was used to fund the purchase of land for four new school sites, technology upgrades, to construct two early childhood centers in the Bluffton area and Pritchardville Elementary School and River Ridge Academy in the Bluffton area. Debt outstanding against 2008 referendum bonds totaled \$113.4 million at June 30, 2015.

2006 Referendum

During May 2006, a \$43.7 million bond referendum was passed. In this referendum, the following facilities were approved: an elementary school, a middle school, land for a high school, and additional funding for the completion of a high school. During December 2007, the School District issued \$43.7 million in general obligation bonds under the referendum. Debt outstanding at June 30, 2015 against these bonds totals \$37.5 million.

2000 and 1995 Referenda

In March 2000 and May 1995, School District referenda were passed approving the issuance of \$120 million and \$122 million in general obligation bonds, respectively. Debt outstanding at June 30, 2015 against these bonds totals \$81.4 million.

2006 IPRR Bonds

In December of 2006, the School District defeased an existing bond anticipation note with the issuance of a \$39.1 million Installment Purchase Refunding Revenue Bond (IPRR Bonds). For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the School District's financial statements.

The December 1, 2006 IPRR bonds are not an obligation of the School District; however, the Education Facilities Corporation (EFC) is a blended component unit and its debt is included with the School District's other obligations. Outstanding debt of \$31.8 million exists as of June 30, 2015.

Tax Anticipation Note (TAN)

Each year, the School District issues a tax anticipation note (TAN) to supplement its cash flows during months of low tax collections. It issues the note in the fall and is required to repay it no later than April 15th of the following year. In September 2015, the Board approved the issuance of a \$17 million TAN that was repaid by March 2015. In FY 2016, the District has approved a TAN in the amount of \$16.1 million.

Bond Anticipation Note (BAN)

During the FY 2015 there were no Bond Anticipation Notes issued and none are planned for FY 2016.

Legal Debt Limit

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

Bond indebtedness existing on November 30, 1982, and 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. As of June 30, 2015, the remaining debt margin available to the School District was approximately \$43.1 million. Fall 2015 8% debt issuances totaled \$17 million, bringing the available debt margin to \$26.1 million.

The total debt outstanding against all referenda bonds not subject to the 8% limitation was \$232.2 million at June 30, 2015. In addition, the EFC IPRR bonds of \$31.8 million referenced earlier are not subject to the 8% limitation.

Legal Debt Margin Calculation as of June 30, 2015:

Assessed value	<u>\$ 1,705,780,158</u>
Debt limit (8 % of assessed value)	<u>136,462,413</u>
Debt applicable to limit:	
Total bonded debt	357,440,621
Less: Bond issuances	
approved by referendum	(232,223,000)
Less: Installment Purchase	
Revenue Bond	<u>(31,840,000)</u>
Total net debt applicable to limit	<u>93,377,621</u>
Legal debt margin	<u>\$ 43,084,792</u>

8% Debt

The current debt plan includes annual capital renewal projects in the amount of \$15 million over the next 3 years. The District's debt millage rate allows the School District to pay down sufficient outstanding principal to maintain a financially stable debt program as well as meet the capital needs of a growing school district. Working within a set millage rate allows the School District to better manage the capital needs of the District's operations while providing a predictable tax liability to our citizens.

Bond Ratings

The School District maintains an "Aa1" underlying rating from Moody's Investor Service and an "AA" rating from Standard & Poor's for general obligation debt. Standard & Poor's has also issued a positive outlook stating there is an opportunity for an upgrade in the near future. Additional security is provided by the South Carolina School District Credit Enhancement Program (Government Obligations Rated Aa1), which applies to all of the School District's outstanding general obligation debt. Beaufort's bond ratings are some of the highest in the state of South Carolina and are attributable to our healthy fund balance, effective financial management and planning as well as the stability of the local economy, despite recessionary conditions.

Outstanding Debt

General obligation bonds consist of the following at June 30, 2015:

Date of Issue		Interest Rates	Payment Dates	Maturity	Original Issue	Outstanding at June 30, 2015
February 21, 2007	*	4.0-5.0	Sept./Mar.	2032	30,000,000	200,000
December 13, 2007	*	4.5-6.5	Sept./Mar.	2032	43,660,000	3,080,000
October 14, 2009	*	3.0-5.0	Sept./Mar.	2024	62,155,000	57,390,000
December 1, 2009	*	1.05	Sept./Mar.	2026	10,000,000	10,000,000
May 18, 2010	*	3.0-5.0	Sept./Mar.	2019	21,710,000	18,655,000
March 31, 2011		5.08	Mar./Sept.	2021	1,553,303	1,553,303
December 22, 2011		4.19	Sept./Mar.	2021	2,622,318	2,622,318
December 22, 2011	**	3.0-5.0	Sept./Mar.	2020	28,770,000	7,555,000
April 24, 2012	**	3.0-5.0	Sept./Mar.	2024	16,580,000	14,010,000
October 11, 2012		3.0	Sept./Mar.	2016	10,000,000	5,335,000
November 17, 2013		2.35	March	2028	22,000,000	21,363,000
March 1, 2014		1.25	Sept./Mar.	2034	25,000,000	24,630,000
February 19, 2015	*	2.0-5.0	Sept./Mar.	2025	95,945,000	95,945,000
March 31, 2015	*	3.0-5.0	Sept./Mar.	2032	62,500,000	62,500,000
May 7, 2015		1.50	March	2016	762,000	762,000
					<u>\$ 433,257,621</u>	<u>\$ 325,600,621</u>

* Approved by bond referendum

** A portion was approved by bond referendum

IPRR Bonds

December 29, 2006	3.5-5.0	Dec./June	2031	\$ 39,095,000	\$ 31,840,000
Total IPRR Bonds				<u>\$ 39,095,000</u>	<u>\$ 31,840,000</u>

The annual requirements to amortize all general obligation bonds outstanding at June 30, 2015 including interest payments over the life of the debt are as follows:

Year Ended			
June 30, 2015	Principal	Interest	Total
2016	\$ 32,788,000	\$ 14,046,701	\$ 46,834,701
2017	\$ 29,781,000	\$ 12,760,642	\$ 42,541,642
2018	\$ 27,520,000	\$ 11,435,898	\$ 38,955,898
2019	\$ 25,186,000	\$ 10,174,966	\$ 35,360,966
2020	\$ 25,887,000	\$ 9,003,200	\$ 34,890,200
2020-2024	\$ 129,609,621	\$ 26,696,691	\$ 156,306,312
2025-2029	\$ 62,779,000	\$ 8,262,942	\$ 71,041,942
2030-2034	\$ 23,890,000	\$ 1,286,163	\$ 25,176,163
	<u>\$ 357,440,621</u>	<u>\$ 93,667,203</u>	<u>\$ 451,107,824</u>

Organizational Section

Beaufort County School District
Comparison of Positions
Four Year Comparison

	Budget FY13	Budget FY14	Budget FY15	Budget FY16
District Leadership				
Superintendent	1	1	1	1
Chief Officers	3	4	4	4
Officers	4	4	5	5
Directors	17	17	21	21
Coordinators	15	15	16	16
Total District Leadership	40	41	47	47
<i>Net change from prior year</i>	<i>0</i>	<i>1</i>	<i>6</i>	<i>0</i>
School Leadership				
Principals	29	29	29	30
Assistant Principals	47	49	52	53
Athletic Directors	5	5	5	5
School Based Coordinators	6	6	11	12
Total School Leadership	87	89	97	100
<i>Net change from prior year</i>	<i>4</i>	<i>2</i>	<i>8</i>	<i>3</i>
School & District Staff				
Teachers	1400	1422	1474	1527
Media Specialists	30	29	29	30
Guidance Counselors	53	56	54	56
Nurses	29	29	30	31
Hall Monitors	11	11	0	0
Social Workers	20	21	21	21.5
Teacher Recruitment	1	1	1	1
Managers	4	4	8	8
Maint, Custod, Bus Drivers	20	20	20	16
Technology Network & Field Support	29	28	27	30
ROTC Instructors	11	11	12	13
Couriers	1	1	1	1
Food Service	18	17	14	13
Elementary Technology Instructional Assistants	26	26	28	29
Media Assistants	33	31	32	31
Bookkeepers	29	29	29	30
Attendance Specialists	29	29	29	30
Instructional Assistants	206	204	231	240
Other Support Staff	198	205	208	215
Total School & District Staff	2148	2174	2248	2322.5
<i>Net Change from prior year</i>	<i>-42</i>	<i>26</i>	<i>74</i>	<i>74.5</i>
Board Members	11	11	11	11
Total (excluding substitute teachers)	2286	2315	2403	2480.5
<i>Net Change from prior year</i>	<i>-38</i>	<i>29</i>	<i>88</i>	<i>74.5</i>
<i>Four Year Total</i>	<i>-119</i>	<i>-90</i>	<i>-2</i>	<i>75.5</i>

Actual staffing increased in FY 2014 and FY 2015 to compensate for unanticipated growth in student enrollment. A projected growth in student enrollment led to increases in teachers, with the major growth derived from the opening of River Ridge Academy.

Organizational Units

Beaufort County Board of Education

The Board of Education is responsible for establishing policies governing the education of students in Beaufort County. It is to exercise legislative and judicial powers necessary to provide a quality education and to operate the School District in an effective and efficient manner. It establishes the goals of the community and monitors the progress through reports from the Superintendent.

Strategic Standards

The Board of Education oversees the progress of the goals in the strategic plan. It ensures that the administration is focused on meeting the progress standards stated below:



FY 2016 Key Budget Items – tied to Strategic Standard #4

- 1) Annual external fiscal audit - \$54,100
- 2) Outside Counsel - \$125,000
- 3) SC School Board Association and National Dues - \$45,000
- 4) Additional professional services – \$37,500



Board of Education

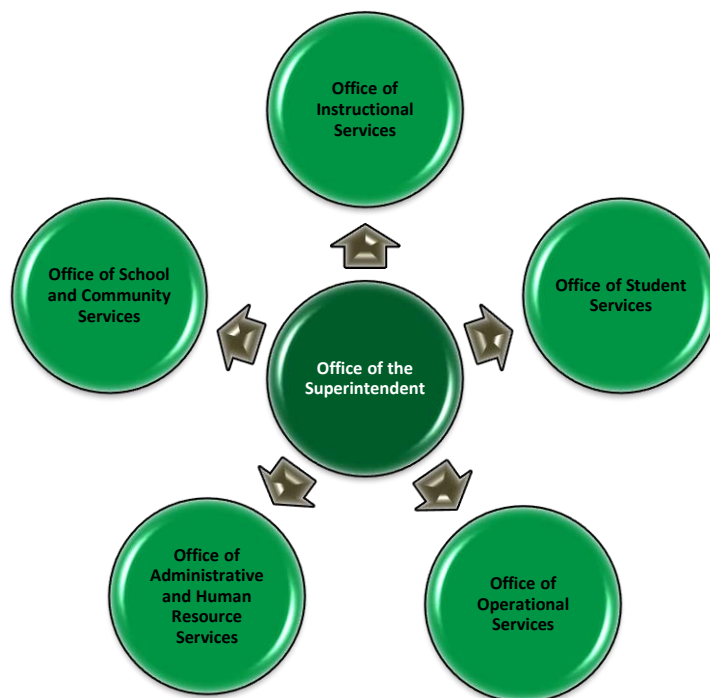
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Expenditures by Category	Actual	Actual	Actual	Budget	Budget
Salary & Benefits	\$ 160,652	\$ 164,584	\$ 174,519	\$ 193,684	\$ 209,757
Operating Purchases & Supplies	\$ 468,462	\$ 589,231	\$ 394,432	\$ 442,650	\$ 442,150
Total	\$ 629,114	\$ 753,815	\$ 568,951	\$ 636,334	\$ 651,907
Personnel					
Board Members	11	11	11	11	11
Classified	1	1	1	1.75	1.75
Total	12	12	12	12.75	12.75

Office of the Superintendent

The Office of the Superintendent provides the leadership and direction of the school district administration. It executes the Board of Education's policies and supervises the overall operation of the school district.

The Office of the Superintendent is constructed of five primary leadership departments each focused on a specific area in order to reach the goals of the strategic plan.

The Superintendent's management of the financial assets of the School District will be critical this year with limited funding as approved by the Board and the County Council.



Action Process

- 1) Continue to improve academic achievement to meet the goals established by the Board of Education.
- 2) Provide Instructional leadership to the District.
- 3) Maximize use of resources to efficiently operate the District in financially challenging times.

FY2016 Key Budget Items – tied to Strategic Standard #2

- 1) Professional Development - \$9,500
- 2) Organizational Dues - \$6,500
- 3) Teacher of the year forum - \$9,500

Office of the Superintendent					
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Expenditures by Category	Actual	Actual	Actual	Budget	Budget
Salary & Benefits	\$ 322,775	\$ 248,055	\$ 361,252	\$ 366,524	\$ 380,731
Operating Purchases & Supplies	\$ 46,543	\$ 53,187	\$ 30,631	\$ 54,501	\$ 48,000
Total	\$ 369,318	\$ 301,242	\$ 391,883	\$ 421,025	\$ 428,731
Personnel					
Administrative	1	1	1	1	1
Classified	1	1	1	1	1
Total	2	2	2	2	2

Office of Instructional Services

The number one priority of the Office of Instructional Services is to support teaching and learning for teachers as they provide an outstanding education to the students of Beaufort County. The Instructional Services Department is responsible for assessing, developing, and evaluating curriculum; coordinating special programs; and providing for the continuous improvement of instruction. The Department provides leadership in Curriculum and Instruction. It supports administrators, teachers, and other instructional personnel as they engage all students in quality learning experiences leading to higher student achievement.

The department works collaboratively with the staff members in all programs in order to facilitate the full implementation of academic standards, the monitoring and assessment of student progress, and the use of effective teaching practices that will enhance academic success for all the students served.

Accomplishments – 2014-2015

- 1) AdvancED recommended the school district's STEM program for national accreditation.
- 2) Hosted the District's seventh annual Summer Institute training program.
- 3) Rosetta Stone® Language Learning Suite offered to all district employees.
- 4) Implemented the school of choice program.
- 5) Expanded the Pre-K programs in seven elementary schools.
- 6) Implement and support district-wide Connect2Learn 1:1 technology program.

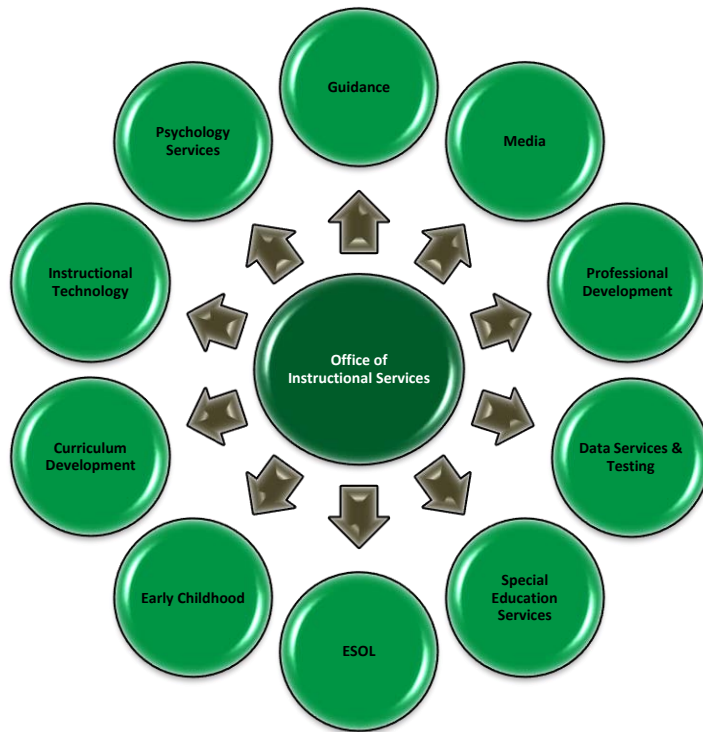
Goals for 2015-2016

- 1) Support district-wide School Choice program.
- 2) Implement and Support a district-wide Response to Intervention (RTI) program.
- 3) Support Connect 2 Learn

- 4) Implement and support a comprehensive assessment system and analysis of student learning data for increased student achievement.
- 5) Support a district-wide literacy plan K-12.
- 6) Support a district-wide collaborative improvement plan.
- 7) Implement and support district-wide science, technology, engineering, and math (STEM) program.
- 8) Maintain and expand articulated and aligned curriculum in all subject areas with corresponding assessments to ensure cohesive and focused instruction.
- 9) Support and provide ongoing professional development to all staff to ensure the implementation of best practice.
- 10) Promote student well-being through the support and development of social, emotional, and physical health programs.
- 11) Increase the number of students reading on grade level.
- 12) Increase the number of students that graduate.
- 13) Increase student achievement and close achievement gaps.
- 14) Promote innovative programs that will enhance academic achievement and provide skills that will compete in a global economy and society.

FY 2016 Key budget Items – tied to Strategic Standard #1, #3, #4 & #5

- 1) Professional Development - \$490,100
- 2) Summer Institute - \$186,000
- 3) IB program - \$97,560
- 4) Dual enrollment - \$300,000
- 5) Instructional software licenses - \$906,490
- 6) Fine Arts distribution to schools - \$55,000
- 7) College and Career Readiness Initiative - \$524,920



Office of Instructional Services

	2011/2012	2012/2013*	2013/2014**	2014/2015***	2015/2016 ****
Expenditures by Category	Actual	Actual	Actual	Budget	Budget
Salary & Benefits	\$ 5,424,428	\$ 6,109,618	\$ 7,025,509	\$ 6,904,422	\$ 7,253,564
Operating Purchases & Supplies	\$ 848,793	\$ 3,292,808	\$ 2,490,837	\$ 3,031,802	\$ 3,481,325
Capital Outlay	45,651	58,836		-	-
Total	\$ 6,318,872	\$ 9,461,262	\$ 9,516,345	\$ 9,936,224	\$ 10,734,889
Personnel					
Administrative	16.5	16.5	16.5	25	26
Certified	1	1	41	53	45
Classified	6	6	11	11	12.7
Total	23.5	23.5	68.5	89	83.7

*FY 2013 - Instructional software expenses moved from Technology Services to Instructional Services and Student Services was split out of the department.

**FY 2014 certified personnel includes school instructional coaches and coordinators were added under instructional services.

***FY 2015 Special Education coordinators and teachers were added to the General Fund due to a reduction in IDEA funding.

****FY 2016 State funding was provided to support the cost of instructional coaches.



Office of Student Services

Student Services is a vital part of the Beaufort County School District. The student services team develops, coordinates and implements prevention and intervention programs and services for students experiencing educational, social, health, and behavioral difficulties. The core staff members are Social Workers, Nurses, School Psychologists, Behavior Management Specialists, Alternative Program Staff and Adult Education Staff. These professionals work with parents, staff, community agencies, and others to assist students in their academics, health care, attendance, and personal, social and interpersonal matters.

Some of the developmental and preventive programs delivered by Student Services Staff include: attendance, youth suicide prevention, conflict resolution/peer mediation, child abuse and neglect, self-esteem, teen pregnancy prevention programs, along with character development/values education, parenting programs, disruptive youth programs, programs for homeless children, drug and alcohol related programs, health and wellness programs, behavior management programs and many other programs to assist students in being successful in school.

Transportation services in Beaufort County Schools are contracted to an outside vendor. Student transportation services consist of school bus services as well as ferry services from Daufuskie Island to Hilton Head Island.

Protective Services insures schools are safe for students, staff, and visitors. School resource officers are contracted through local law enforcement offices to serve in middle and high schools. Crossing guards are also contracted in conjunction with local law enforcement departments and private security companies.

Accomplishments – 2014-2015

- 1) Implementation of anti-bullying app.
- 2) Relocation of Adult Education to King Street.
- 3) Established counseling protocol for services to be provided in schools.
- 4) Increase safety audits throughout the district.
- 5) Completed active shooter training drills in every school.
- 6) Reduced the number of complaints to the Superintendent from stakeholders.
- 7) Increased support for Special Olympics/Project Unify (First district in SC).
- 8) 93% student athletes maintain 2.0 GPA requirement.
- 9) Implementation of InfoSnap online registration.

Goals for 2015-2016

- 1) Provide professional development for all Student Services staff.
- 2) Reduce suspensions and dropout rate.
- 3) Increase graduation rate.
- 4) Provide support to all BCSD staff & families through Ombudsman services.
- 5) Provide support to coaches & Athletic Directors.
- 6) Ensure that schools and sites are safe and secure.
- 7) Increase student attendance.
- 8) Implement district-wide character education.

FY 2016 Key Budget Items – tied to Strategic Standards #1, 3 & 4:

- 1) Educator handbooks - \$18,000
- 2) Athletic liability insurance-\$375,000
- 3) Student Transportation \$5,795,260
- 4) SRO's and crossing guards \$948,209



Office of Student Services					
	2011/2012	2012/2013*	2013/2014**	2014/2015	2015/2016
Expenditures by Category	Actual	Actual	Actual	Budget	Budget
Salary & Benefits	\$ 494,192	\$ 1,573,916	\$ 1,280,155	\$ 1,076,719	\$ 1,085,132
Operating Purchases & Supplies	\$ 1,039	\$ 6,770,581	\$ 9,619,670	\$ 7,172,600	\$ 7,394,594
Total	\$ 495,231	\$ 8,344,497	\$ 10,899,825	\$ 8,249,319	\$ 8,479,726
Personnel					
Administrative	2	3	2	2	2
Classified	2	14	14	14	12
Total	4	17	16	16	14

* Office was included in Instructional Services in FY 2012 and in FY 2013 was split out to include transportation and protective services.

**Psychology Services were moved to Instructional Services and in FY 2013 District Athletic programs were added to Student Services.



Office of Operational Services

The Office of Operational Services provides the support for operations of all the schools and facilities in the district. The spectrum of the department operations starts from construction of new facilities to maintenance and upkeep of the existing buildings. Also included is the Finance Department which is responsible for monitoring budgets, providing financial status reports, procurement of goods and services, and acquiring funding to support those operations.

School Food Services assures that all students will have the nourishment they need each day to enhance their learning experience. The department provides nutrition education programs to students, parents, and employees. School Food Services is contracted to an outside vendor.

Technology Services supports and maintains an optimal technology environment for student education and administrative support in the Beaufort County School District. The mission of Technology Services is to provide a single point of contact for problem reporting, resolution and escalation of district approved technical and instructional resources for employees of Beaufort County School District. Our goal is to foster an environment that provides knowledge resources to promote self-help resolution. The customer service staff is committed to an optimal technical environment for student education and administrative support.

Facilities, Planning and Construction maintains the buildings and grounds in the school district. The department develops plans for capital improvement to meet the enrollment and programs needs of the Beaufort county School District.

Accomplishments – 2014-2015

- 1) Unqualified Auditor's Opinion for FY2014.
- 2) Won Certificate of Excellence in Financial Reporting for FY2014.

- 3) Won Distinguished Budget Presentation Award for FY2014.
- 4) Integrated financial oversight of Beaufort Jasper Academy for Career Excellence.
- 5) Technology launched Connect2lean expanding mobile learning to students in grades 3-12.
- 6) Technology has worked to increase bandwidth capacity, network connection speeds, and expand wireless access points.
- 7) Telephone system upgrade was completed district wide in 2014-2015.
- 8) Facilities, Planning and Construction started archiving information with a GIS program.
- 9) Completed the Pre-K-8 expansion at Robert Smalls International Academy.
- 10) Started construction on the Battery Creek CATE building.

Goals for 2015-2016

Financial Services

Provide ongoing training of Finance staff to maintain and upgrade skills.

- 1) Provide ongoing bookkeeper training and feedback.
- 2) Continually improve communication and customer service.
- 3) Automation of financial processes to include the following:
 - a. Electronic Employee Expense requests & approvals
 - b. Implementation of Munis Tyler Content Manager
 - c. Research electronic time sheet possibilities for classified personnel using Munis Software.
- 4) Continue to hold continuous internal audits on district financial processes and provide feedback.
- 5) Hold continuous internal audits on district financial processes and provide feedback.
- 6) Continually monitor policies and procedures for ways to streamline and

improve processes while complying with Best Practices standards and legal guidelines.

- 7) Completion of successful external audit for FY 2015 receiving an “unqualified auditor’s opinion” with no financial findings.
- 8) Receive Distinguished Budget Presentation Award for FY 2016.
- 9) Receive GFOA Certificate of Excellence in Financial Reporting for FY 2015.

Technology Services

- 1) Conduct device swap of 6,500 tablets currently distributed to middle schools and Whale Branch Early High School.
- 2) Arrange buy-back for remaining iPad 2 devices and refresh all iPad 2s currently distributed to elementary schools.
- 3) Expand iPads to grade K-2.
- 4) Increase wireless coverage for students throughout the district.
- 5) Continue evaluation and eventual implementation of a remote data center facility for expanded disaster recovery capabilities.
- 6) Continue to research and pilot emerging technologies for use in the classroom.

Facilities, Planning and Construction

- 1) Complete all capital projects on time and within budget.
- 2) Establish, implement, and maintain design/construction standards throughout District projects and facilities.
- 3) Provide reports to ensure the Board of Education and the public are adequately informed on current and future capital projects.
- 4) Maintain the safety, cleanliness, energy efficiency, and operation of all facilities to a standard that instills pride in

employees, students and the community.

Operations

- 1) Fully implement on-line software for facilities use.
- 2) Update facilities use fee schedule.
- 3) Update facilities use policy.
- 4) Continue to enhance records management system.
- 5) Continue to assist schools with records digitalization.
- 6) Actively market underutilized property using on-line bidding system.

Food Service

- 1) Continue to work with State Department on Farm to School Program
- 2) Continue to focus on student satisfaction through on-going Student Advisory Council meetings.
- 3) Maintain excellent safety/sanitation standards.
- 4) Continue to participate in Fresh Fruits and Vegetables grant program.
- 5) Grow meal participation at all grade levels.

FY 2016 Key Budget Items – tied to Strategic Standards #2, #4, & #5

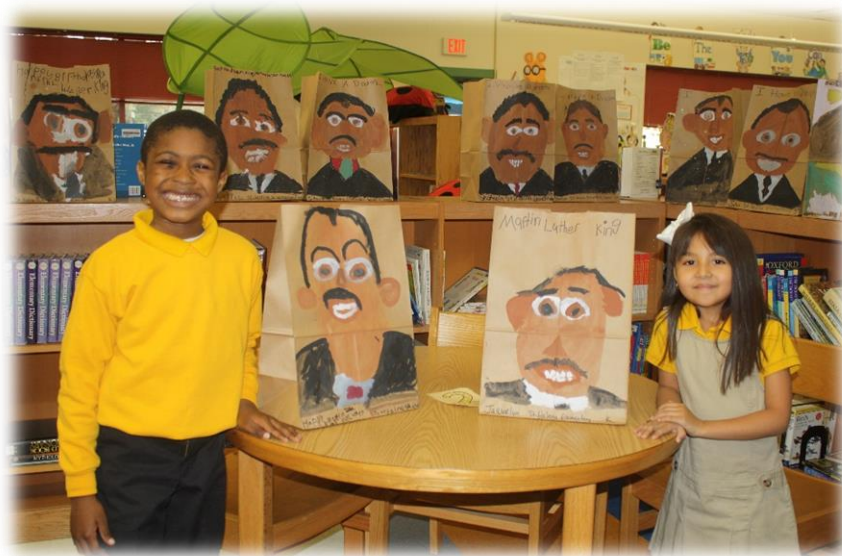
- 1) Utility cost - \$8,070,334
- 2) Cleaning services - \$5,677,066
- 3) Building Maintenance - \$2,728,493
- 4) Property Insurance - \$2,457,596
- 5) Grounds Maintenance - \$1,176,843
- 6) Hardware and software contracts, site licenses, renewals , and online training - \$1,728,011
- 7) District business software applications \$684,910
- 8) Computer and iPad repairs \$524,920



Office of Operational Services

Expenditures by Category	2011/2012 Actual	2012/2013* Actual	2013/2014 Actual	2014/2015 Budget	2015/2016 Budget
Salary & Benefits	\$ 4,566,195	\$ 4,355,200	\$ 4,499,703	\$ 4,600,620	\$ 4,922,837
Operating Purchases & Supplies	24,868,647	23,283,442	23,157,234	24,805,992	25,278,500
Capital Outlay	591,167	175,233	339,225	82,000	210,000
Total	\$ 30,026,009	\$ 27,813,875	\$ 27,996,161	\$ 29,488,612	\$ 30,411,337
Personnel					
Administrative	15	18.5	16.5	17.5	17.5
Classified	31	29.5	23.5	42.5	42.5
Total	46	48	40	60	60

*Note: FY 2013 Student Transportation and Protective Services were moved under Instructional Services and Technology Services were moved under Operational Services



Office of School and Community Services

The Office of Communications works to build public understanding and support for schools in the Beaufort County School District. An arm of the Superintendent's Division, the Office of Communications keeps the citizens of the district regularly and thoroughly informed through a variety of methods. The office is responsible for internal and external communications, providing general information and customer service. Other functions include writing and distributing news releases, publications and award nominations, managing overall content of the district's website and social media platforms, and coordinating content on the district's mobile app. The office reviews requests for information, serves as a liaison with outside foundations and volunteer groups and coordinates district-wide awards ceremonies, dedications and other special events. It publishes annual reports and electronic district newsletters and videos. It also assists in coordinating news media coverage of the educational process in the Beaufort County School District.

Accomplishments – 2014-2015

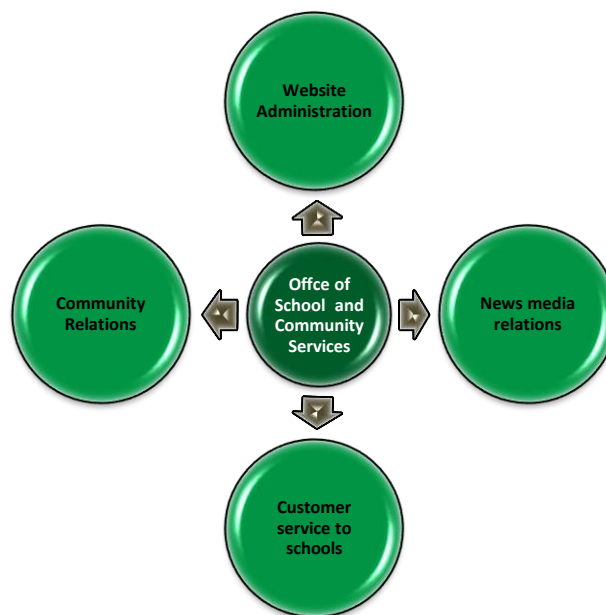
- 1) Published the district's annual Community Report Card, which has won a statewide award of excellence from the South Carolina Chapter of the National School Public Relations Association.
- 2) Coordinated a series of superintendent's town hall meetings and student advisory council meetings that generated considerable productive feedback for the superintendent.
- 3) Published the inaugural editions of "BCSD Between the Lines," the district's first electronic newsletter.

Goals for 2015-2016

- 1) Engage in a comprehensive process to review, revise and communicate that our purpose is to create student success.
- 2) Collaboration with stakeholders and use their knowledge skills and resources to support student learning.
- 3) Use system-wide strategies to listen to and communicate with stakeholders.
- 4) Communicate expectations and results for student learning and goals for improvement to all stakeholders.

FY2016 Key Budget Items – tied to Strategic Standard #4

- 1) Marketing/communications initiatives \$15,000
- 2) Advertising - \$4,000



Office of School and Community Services					
Expenditures by Category	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	2014/2015 Budget	2015/2016 Budget
Salary & Benefits	\$ 258,051	\$ 280,312	\$ 279,442	\$ 285,269	\$ 294,303
Operating Purchases & Supplies	\$ 29,863	\$ 43,680	\$ 24,196	\$ 39,600	\$ 38,750
Total	\$ 287,914	\$ 323,992	\$ 303,638	\$ 324,869	\$ 333,053
Personnel					
Administrative	2	3	3	3	3
Certified	0	0	0	0	0
Classified	1	0	0	0	0
Total	3	3	3	3	3

Office of Administrative and Human Resource Services

The goal of the Office of Administrative and Human Resource Services is to recruit, hire, retain and support employees to serve our current staff members, students and the community. Employee Services and Support includes retirement, benefits, certification, and personnel. Risk Management administers the District self-insurance funds and excess insurance policies for workers compensation, general liability, crime, and property damage to buildings and equipment. This office investigates and processes all claims, negotiates coverage and premiums and provides liaison with excess insurance carriers, and authorizes payments from district claim funds as appropriate.

Accomplishments – 2014-2015

- 1) A new recruitment video was made available via the website.
- 2) Processed over 500 new staff members from full to part-time positions throughout the year.
- 3) New comprehensive screening and background checks system went into place for new employees and volunteers that work in schools.
- 4) Health screening and flu shot clinics were held for employees.
- 5) CPR and First Aid training was held throughout the district.

Goals for 2015-2016

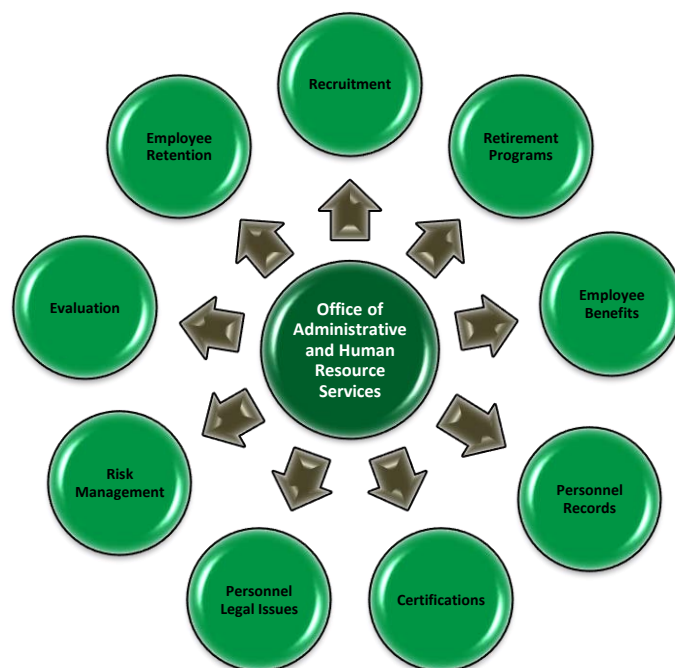
Action Processes

- 1) Implement the results of the classified salary study commission by the Board of Education.
- 2) Implement a classified professional development plan.

- 3) Update the substitute teacher system to integrate with our applicant and financial software.
- 4) Transition all personnel files to electronic media to reduce storage space and improve easier access to employee records.

FY 2016 Key Budget Items – tied to Strategic Standard #4

- 1) Advertising and promoting for teacher recruitment and retention - \$105,000
- 2) Legal Services- \$100,000
- 3) Unemployment compensation \$60,000
- 4) Background checks \$125,000



Office of Administrative and Human Resources Services

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Expenditures by Category	Actual	Actual	Actual	Budget	Budget
Salary & Benefits	\$ 1,541,103	\$ 1,686,024	\$ 1,633,737	\$ 1,712,463	\$ 1,863,195
Operating Purchases & Supplies	\$ 599,167	\$ 503,171	\$ 511,212	\$ 522,215	\$ 680,600
Capital Outlay	-	-	-	-	-
Total	\$ 2,140,271	\$ 2,189,195	\$ 2,144,949	\$ 2,234,678	\$ 2,543,795

Personnel

Administrative	6	6	6	7	7
Certified	4	4	4	3	3
Classified	7	7	7	7	9.5
Total	17	17	17	17	19.5



Beaufort County School District Performance Measures

Standard 1 - Purpose and direction

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
Attendance Rates - Goal 96%	96.6%	96.8%	96.5%	96.7%	94.5%	96.0%
Dropout Rates	1.7%	2.5%	2.4%	3.8%	2.1%	1.0%
Graduation District	69.9%	75.1%	75.3%	78.3%	78.7%	80.0%
Graduation State	74.0%	76.2%	77.7%	80.0%	80.3%	
Value of college scholarships earned (Millions)	\$15.9	\$14.4	\$22.8	\$27.0	\$30.0	\$25.0
Percent of students enrolled in JROTC	13.9%	15.3%	19.3%	20.1%	18.9%	21.0%
Suspensions	2,468	2,159	1,818	2,089	2,170	1,636
Expulsions	28	34	47	17	27	15

Standard 2 - Resources and support systems

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
District Energy Consumption (KWH)	45,925,315	40,253,857	39,254,386	39,112,403	39,787,540	40,000,000
Note: 6 new schools have opened between FY 2010 and FY 2011						
Number of maintenance work orders submitted	22,207	25,301	25,563	25,973	26,264	
Number of maintenance work orders completed	22,207	25,301	25,562	25,964	25,588	
Percent completed	100.0%	100.0%	100.0%	100.0%	97.4%	100%

Standard 3 - Teaching and assessing for learning

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
100% Highly Qualified Teacher	95.4%	93.7%	93.0%	89.0%	89.0%	95%
Percent of Teachers with Advanced Degrees 70%	61.4%	62.9%	63.1%	63.0%	63.4%	65%
Teacher Attendance goal of 96%	94.4%	94.4%	94.5%	94.8%	93.3%	96%
Student Teacher Ratio	20.9 to 1	21.7 to 1	22.6 to 1	22.4 to 1	31.6 to 1	22.6 to 1
Prime Instructional Time	89.0%	89.4%	89.2%	89.6%	86.1%	90%

Standard 4 - Governance and Leadership

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
Receipt of GFOA certificates for excellence in financial reporting	received	received	received	received	TBD	to receive
Unqualified Audit Opinion findings	None	None	None	None	TBD	None
Receipt of GFOA certificates for distinguished budget presentation	received	received	received	received	received	to receive
Manage actual spending of General Fund budget within 1%	99.86%	99.84%	99.62%	99.67%	99.64%	99.70%
Total dollar amount spent with Procurement Card	\$13,927,928	\$11,983,046	\$14,732,817	\$20,837,775	\$24,927,972	\$21,500,000
Rebate from Procurement Card	\$90,532	\$89,873	\$110,496	\$197,959	\$371,427	\$204,250
State Certified Contract Awards to Minority Business	7	7	2	2	1	5
Enrollment Projection	19,834	19,983	20,148	20,568	20,754	21,620
Enrollment Actual	19,870	20,148	20,568	20,754	21,381	21,620
Enrollment Accuracy Rate per 45 day count +/- 1%	100.2%	100.8%	102.1%	100.9%	103.0%	100.0%

Standard 5 - Documenting and using results for continuous improvement

SAT Scores - At this time 2015 test score results have not be released

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
Percentage of Seniors Taking the SAT	59%	67%	65%	67%	68%	65%

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
District	Critical Reading	471	465	482	481	477	483
State	Critical Reading	482	477	479	483	483	
National	Critical Reading	497	491	491	492	489	
District	Math	472	469	482	483	482	483
State	Math	490	487	484	487	483	
National	Math	514	505	503	501	498	
District	Writing	453	449	467	460	463	462
State	Writing	464	458	460	459	462	
National	Writing	489	481	480	478	475	
District	Combined	1397	1383	1431	1424	1422	1429
State	Combined	1436	1422	1423	1429	1429	
National	Combined	1500	1477	1474	1471	1471	

Exceeds or met state averages



Exceeds or met national averages



American College Test (ACT)

			FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
Number of Students Testing			354	382	431	558	591	
District	English		19.6	19.1	20.1	19.8	19.7	19.8
State	English		19.4	19.5	19.7	19.7	19.8	
National	English		20.6	20.5	20.2	20.3	20.4	
District	Math		20.4	20.2	20.9	20.2	20.6	20.2
State	Math		20.3	20.2	20.3	20.3	20.2	
National	Math		21.1	21.1	20.9	20.9	20.8	
District	Reading		20.1	20	21.1	21.2	21.1	20.9
State	Reading		20.3	20.4	20.8	20.9	20.9	
National	Reading		21.3	21.3	21.1	21.3	21.4	
District	Science		20	20.1	20.8	19.4	20.9	20.4
State	Science		20.1	20.1	20.3	20.4	20.4	
National	Science		20.9	20.9	20.7	20.8	20.9	
District	Composite		20.1	19.9	20.8	20.6	20.7	20.4
State	Composite		20.1	20.2	20.4	20.4	20.4	
National	Composite		21.1	21.1	20.9	21.0	21.0	

Exceeds or met state averages
Exceeds or met national averages



Adequate Yearly Progress

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	GOAL FY 2015
Compliance Index	93.9%	N/A	N/A	N/A	N/A	N/A
# of Objectives Met	31 of 33	N/A	N/A	N/A	N/A	N/A
School Meeting AYP (Met 100% of objectives)	7 of 32	N/A	N/A	N/A	N/A	N/A
Started 2012 to replace AYP* Federal School Rating System	N/A	86.3*	82.1	82.9	Unavailable	85.4
State Average	N/A	80.6	83.8	85.4	Unavailable	

HSAP (High School Assessment Program)

High School Assessment Program	75.5%	80.1%	84.2%	81.2%*	N/A	N/A
State Average	84.9%	85.7%	87.1%	77.4%	N/A	

*Program ended in 2014 and was replaced by the end-of-course exams.

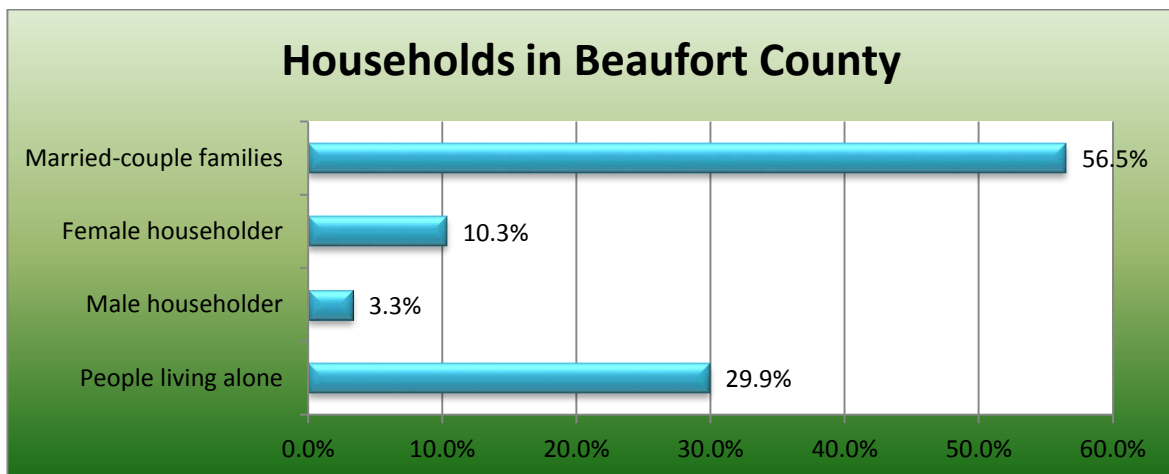
End-of-Course Test

GOAL TO MEET
OR EXCEED
STATE AVG.

Algebra1/Math for the Technologies 2	N/A	N/A	N/A	N/A	81.0%	85.7%
English 1	N/A	N/A	N/A	N/A	73.7%	75.1%
Biology 1	N/A	N/A	N/A	N/A	81.1%	77.8%
US History and the Constitution	N/A	N/A	N/A	N/A	71.5%	69.1%
All Subjects	N/A	N/A	N/A	N/A	77.0%	77.3%

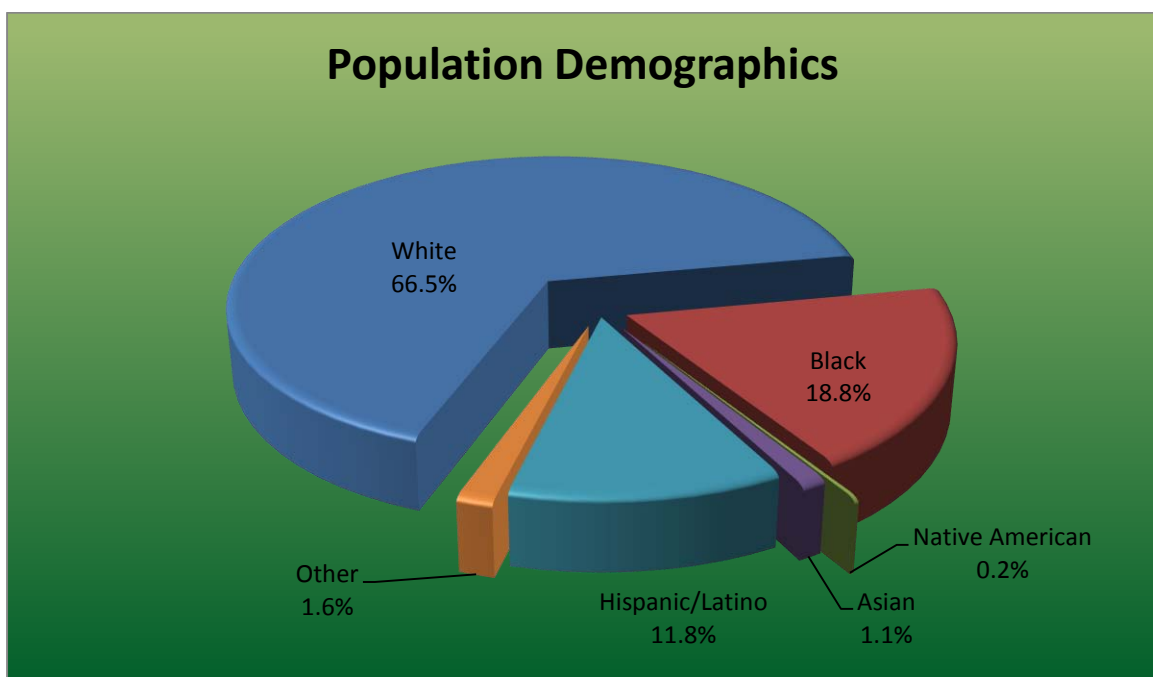
Supplemental Information

Households in Beaufort County: In 2011 there were 64,270 households in Beaufort County. The average household size was 2.8 people. Families made up 70.1 percent of the households in Beaufort County. This figure includes both married-couple families (56.5 percent) and other families (13.6 percent). Nonfamily households made up 29.9 percent of all households in Beaufort County. Most of the nonfamily households were people living alone.



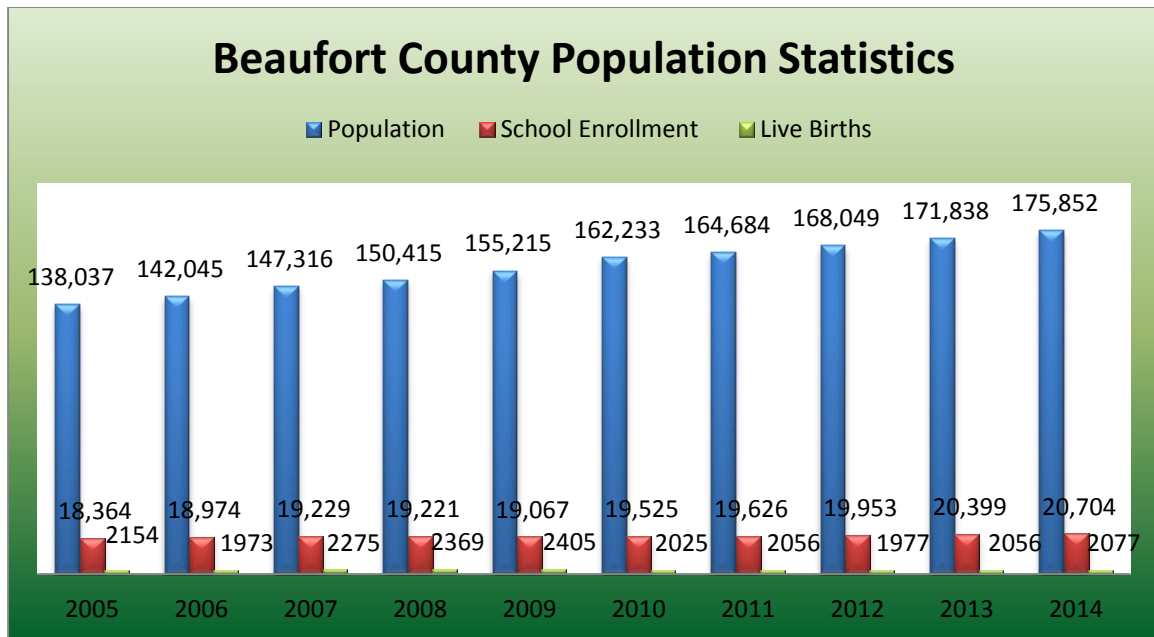
Source: U.S. Census Bureau, 2011 American Community Survey

Population Demographics: Census estimates for 2013 projected an 18.8 percent Black or African American population; less than 0.2 percent was American Indian and Alaska Native; 1.1 percent was Asian. 1.5 percent reported two or more races. Almost twelve percent of the people in Beaufort County were Hispanic. Sixty-six percent of the people in Beaufort County were White non-Hispanic.



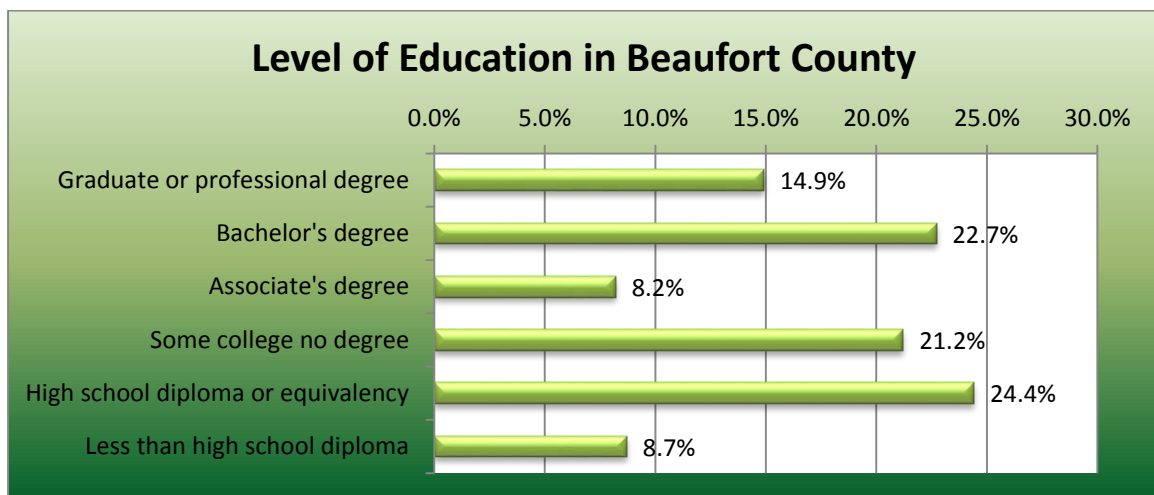
Source: U.S. Census Bureau, 2013 Census Estimates

Beaufort County Population Statistics: The below graph indicates the population growth over the last ten years. The population in Beaufort County has increased by 27% over the last ten years while the student population has increased by 16%. The live birth rate has decreased by 3.6% in 2014.



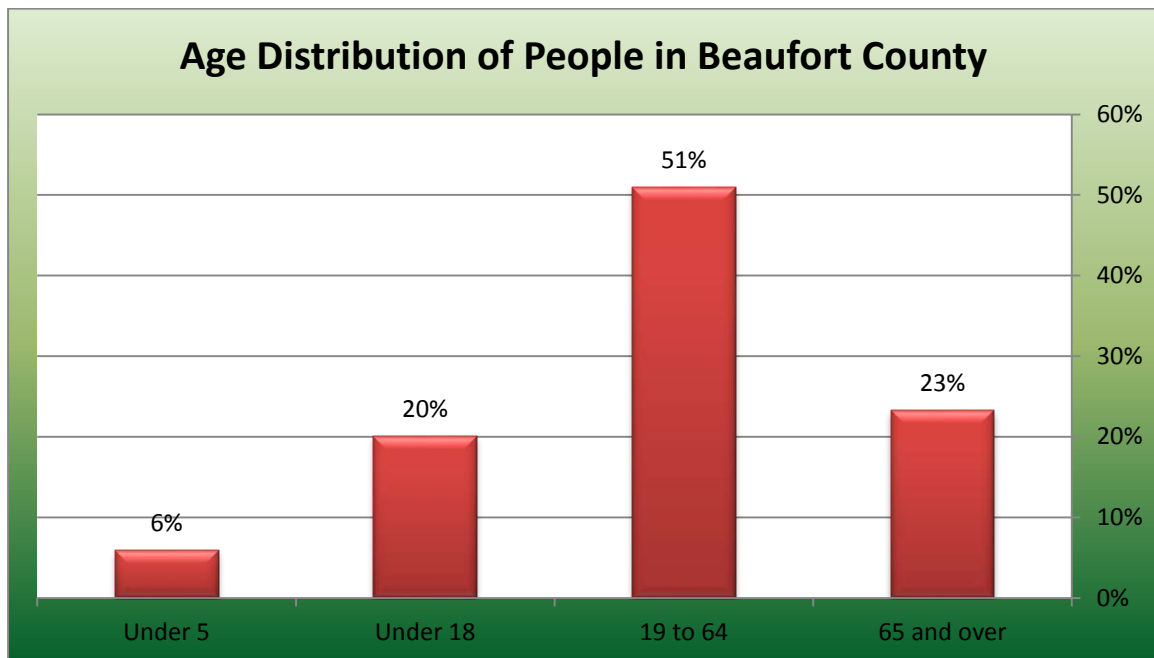
U.S. Census Bureau, 2014 Census Estimates
 School Enrollment represents 135th day provided by District staff
 Real Estate Center at Texas A&M University

Level of Education in Beaufort County: In 2013, 91.3 percent of the population had at least graduated from high school or had higher education and 37.6 percent had a bachelor's degree or higher.



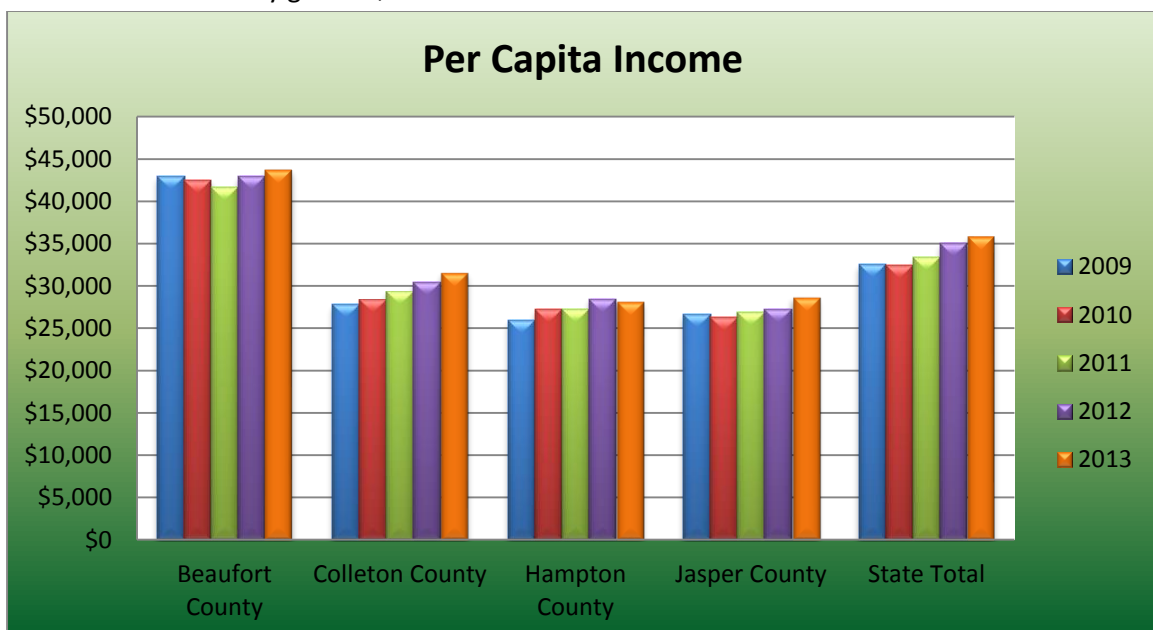
Source: U.S. Census Bureau, 2013 American Fact Finder

Age Distribution of People in Beaufort County: In 2013, Beaufort County had a total population of 171,569 of which 50% were females 50% were males. Twenty percent of the population was under 18 years and 23 percent was 65 years and older.



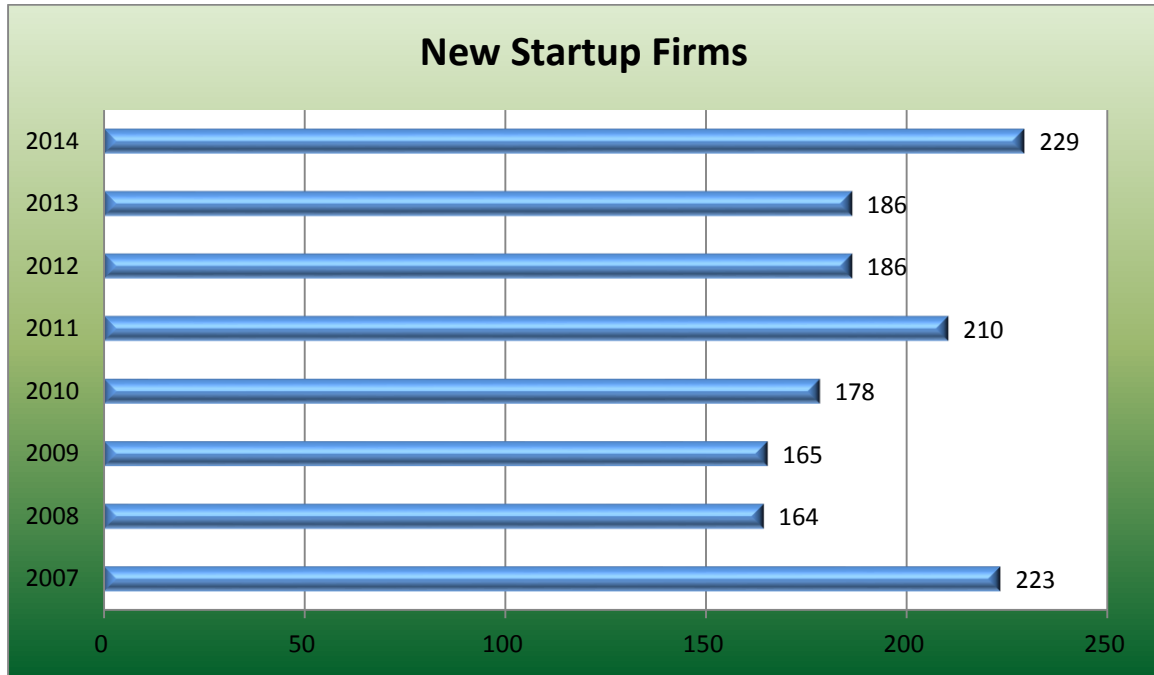
Source: U.S. Census Bureau, 2013 American Fact Finder

Per Capita Income: Beaufort County has the highest per capita income of the three adjacent counties and is currently 22% higher than the State of South Carolina's total per capita income. Per capita income has gained for the last two year in Beaufort County. Between 2012 and 2013 the per capita income in Beaufort County gained \$736.



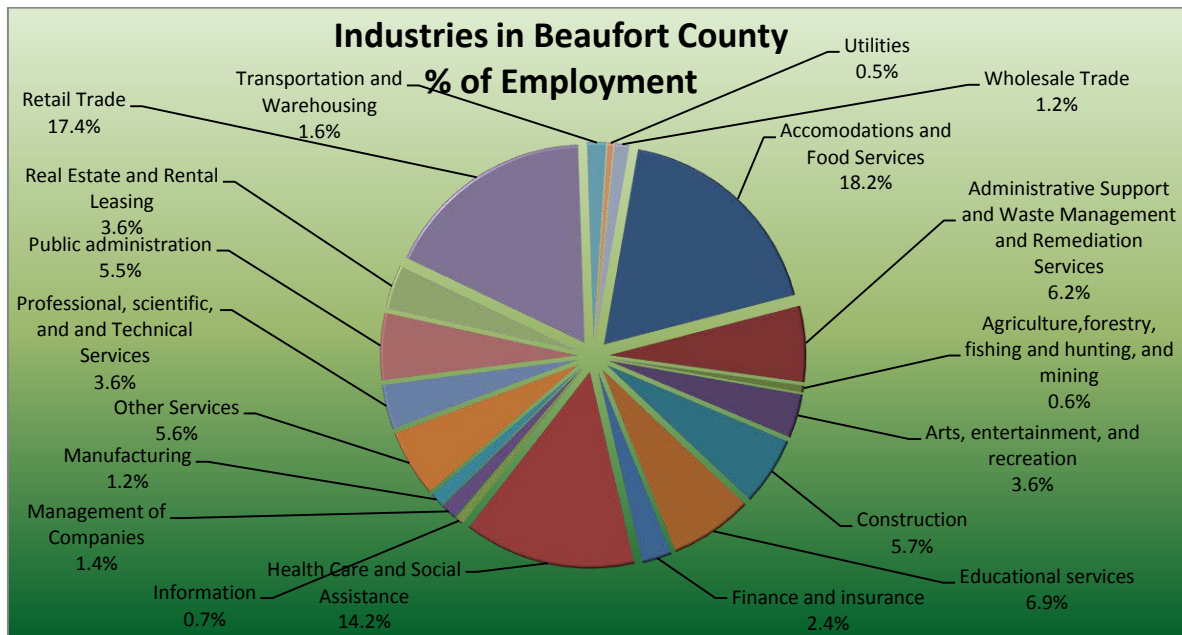
Source: U.S. Department of Commerce Bureau of Economic Analysis

New Startup Firms: The table sets forth the number of new businesses opened in Beaufort County each year between 2007 and 2014.



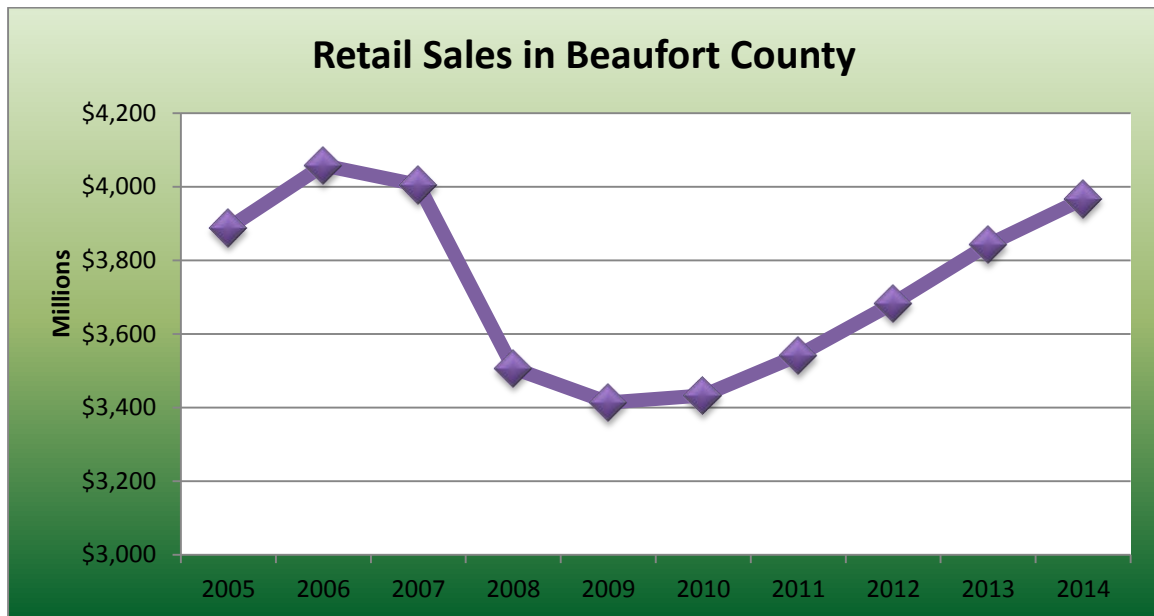
Source: S.C. Department of Employment & Workforce Q4

Industries in Beaufort County as a % of Employment: In the fourth quarter of 2014, for the employed population 16 years and older, the two leading industries in Beaufort County were accommodations and food service at 18.2% and retail trade at 17.4%.



Source: S.C. Department of Commerce – 2014- Q4

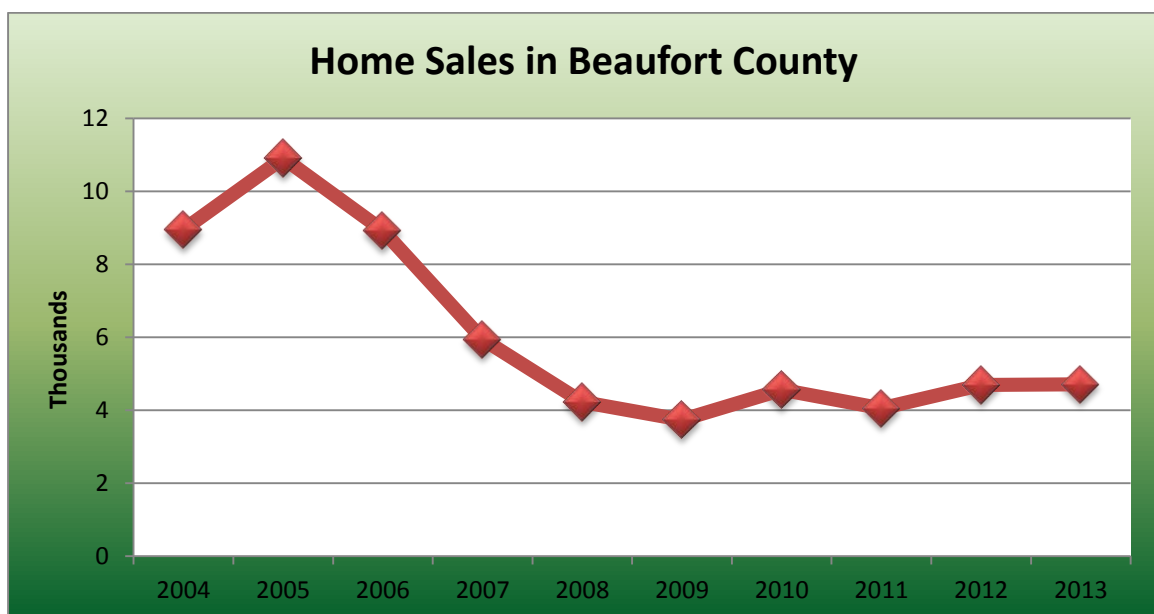
Retail Sales in Beaufort County: The State of South Carolina rate of sales tax on all retail sales is 6%. The following graphs shows the level of gross retail sales over the last ten years for which information is available for businesses located in Beaufort County.



Year Ended December 31, 2014

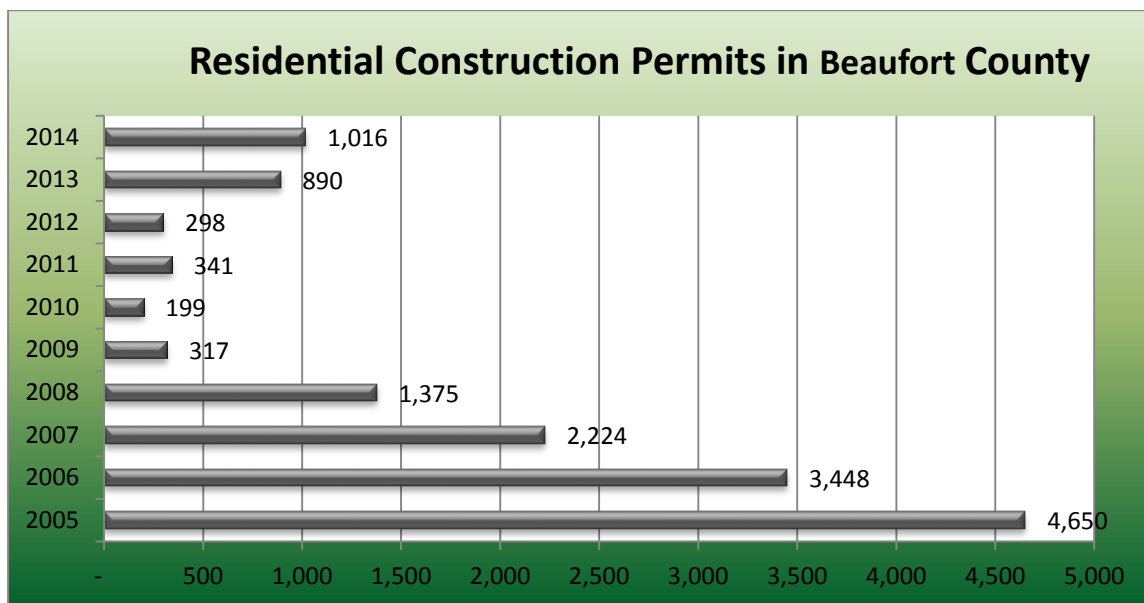
Source: South Carolina Department of Commerce

Home Sales in Beaufort County: The chart below represents recorded home sales in Beaufort County between 2004 and 2013. The number of home sales in Beaufort County as increased slightly in 2013. No data available for 2014.



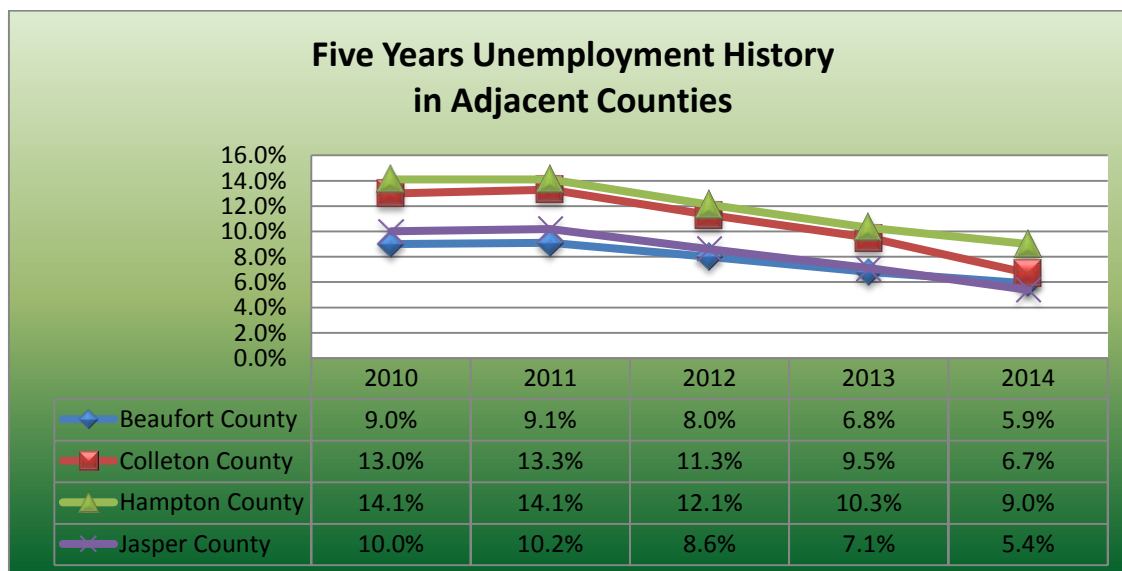
Source: Zillow.com real estate data

Residential Construction Permits in Beaufort County: The following information shows the approximate number of building permits issued for residential construction in Beaufort County during 2005 to 2014. New residential construction has more than tripled since 2012 in Beaufort County.



Source: State of the Cities Data System Building Permits Database

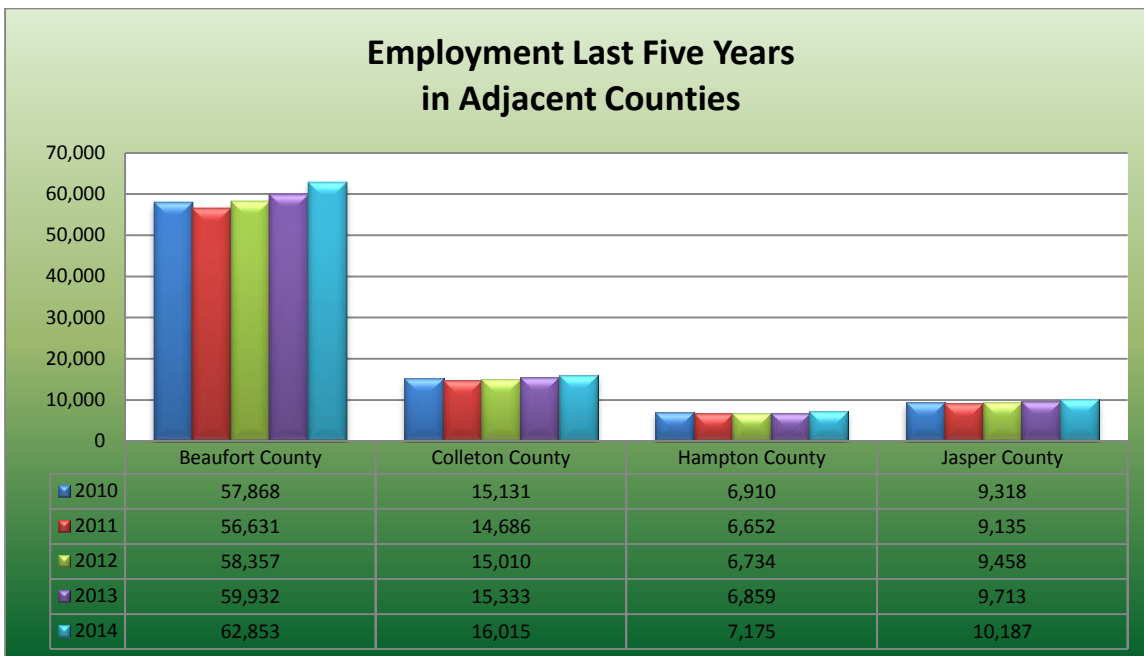
Five Years Unemployment History in Adjacent Counties: Unemployment moved down to 5.7% state wide from July 2013 to June 2014. Beaufort County has managed to maintain its unemployment rate to below the state average. Unemployment slightly decreased over the past year in all surrounding counties as well.



Data as of Dec. 2014

Source: SC Unemployment Security Commission

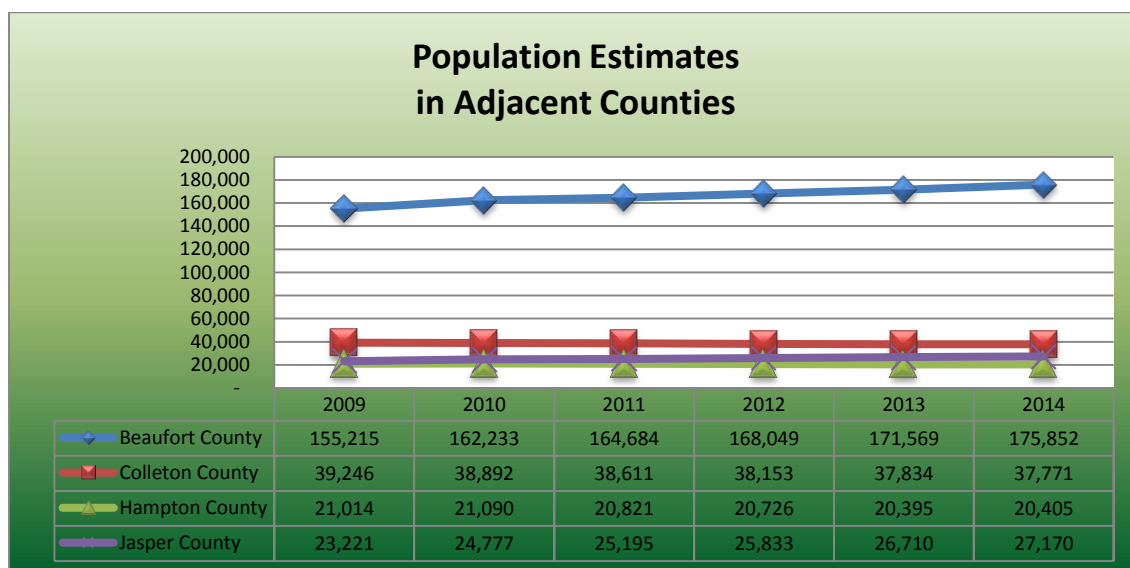
Employment Last Five Years in Adjacent Counties: The number of people employed in all counties edged up slightly in 2014.



Data as of Dec. 2014

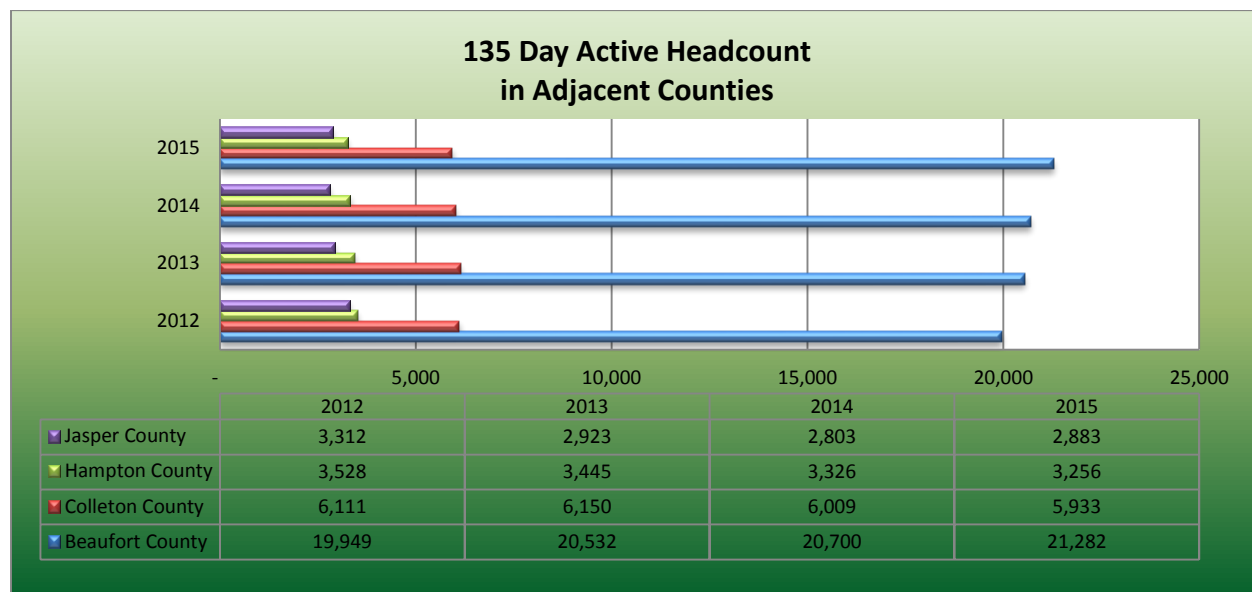
Source: SC Unemployment Security Commission

Population Estimates in Adjacent Counties: Beaufort County's population is almost four times larger than Colleton's population which is the largest of the surrounding three counties. The surrounding counties are largely rural areas with large tracks of timber and farm land. Beaufort County is the largest metropolitan area between Charleston, SC and Savannah, GA.



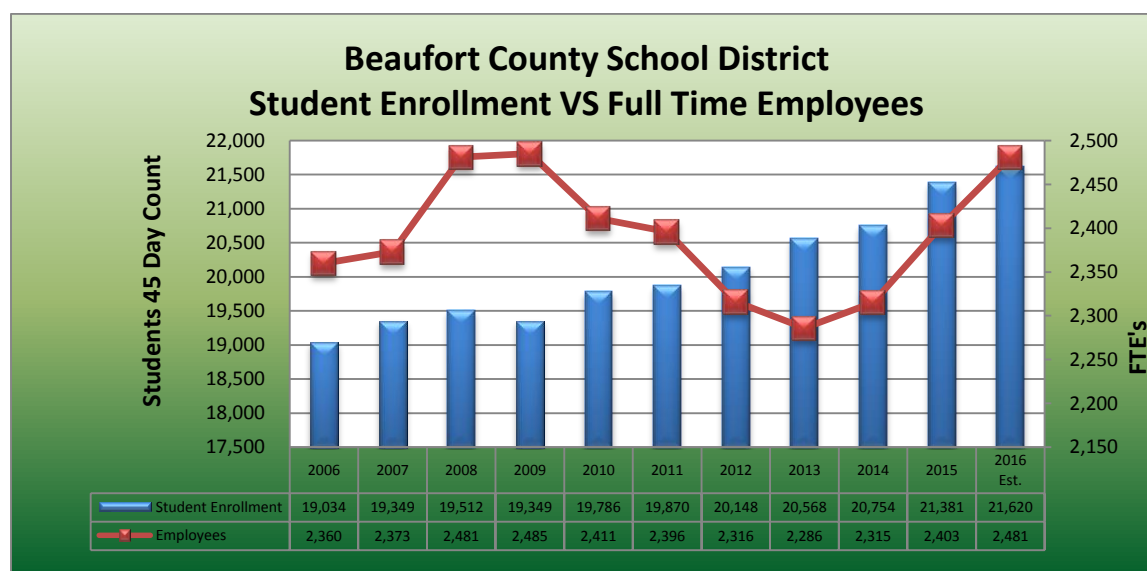
Source: U.S Census Bureau

135 Day Active Headcount in Adjacent Counties: The 135 day active headcount is a “snap-shot” of actively enrolled students that is taken at different times of the year to satisfy local, state and federal data collection needs and also to ensure that school districts are adequately funded, according to student population. The graph below shows the student enrollment at the 135th day in Beaufort and the surrounding three counties. Beaufort County has over three times the enrollment of any surrounding counties.



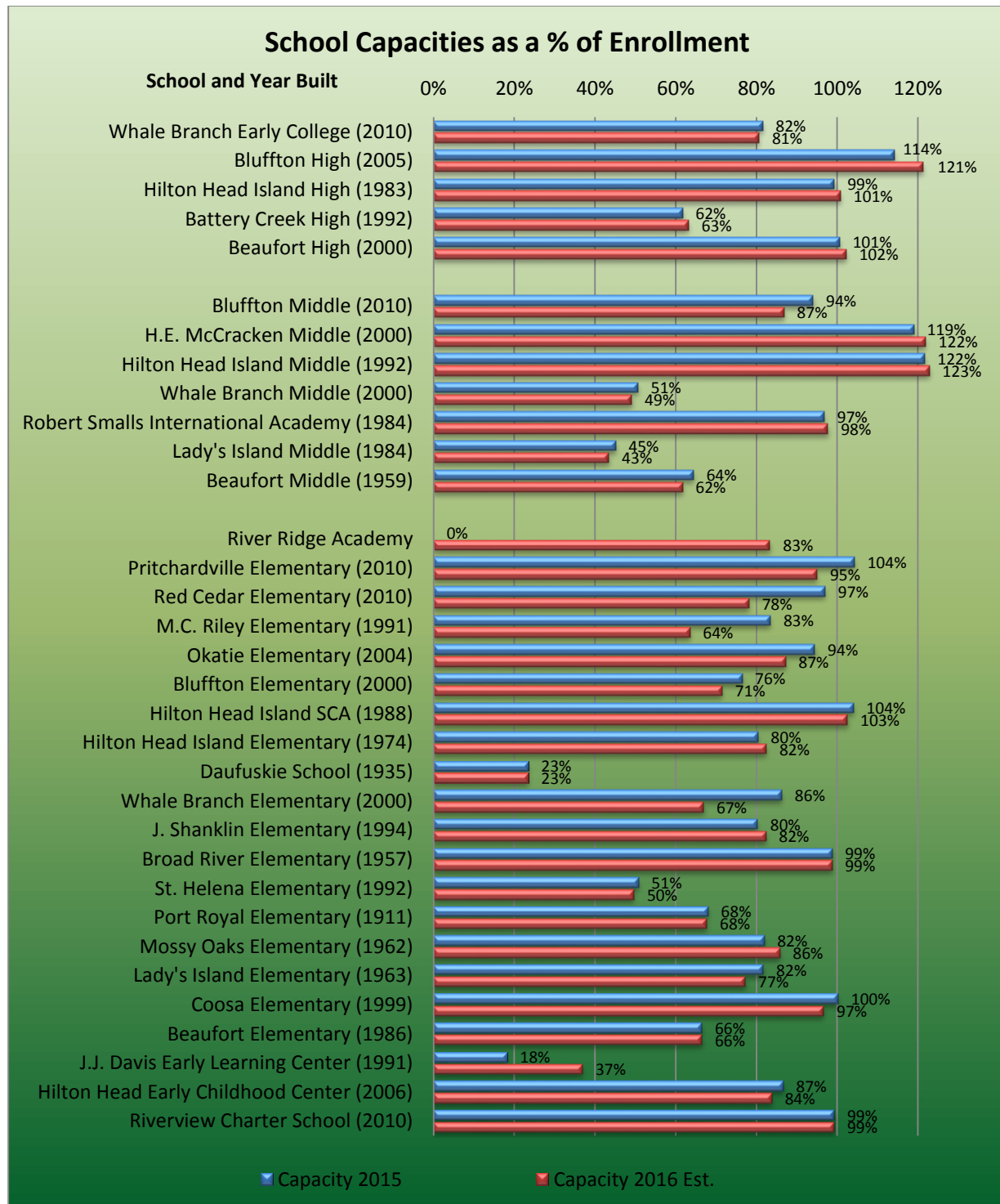
Data base on 2014-2015 school year July -June
Source: SC Department of Education

Beaufort County School District Student Enrollment vs. FTE: Student enrollment has continued to increase since 2009. Staffing has increased to meet the growing needs of the student enrollment.



Source: Beaufort County School District 45 day count

School Capacities as a % of Enrollment: The chart below displays the percent of enrollment at each school in Beaufort County. Between 2015 and 2016, the school district rezoned the Bluffton Cluster to move students into River Ridge Academy which is a Pre-K – 8th grade school.



Beaufort County, South Carolina
20 Largest Employers
(Listed Alphabetically)

Corporation Name

Atlantic Personnel, Inc.
Beaufort County School District
Beaufort Memorial Hospital
Bi-Lo, LLC
Carecore National, LLC
County of Beaufort
Cypress Club, Inc.
Department of Defense
Hargray Communications Group, Inc.
Lowes Home Centers, Inc.
Marine Corps Community Services
Marriott Resorts Hosp. Corp.
Montage Hotels and Resorts, LLC
Publix Super Markets, Inc.
Sea Pines Resort, LLC
Southern Bread, LLC
Technical College of the Lowcountry
Tenet Physician Services of Hilton Head
The Greenery, Inc.
Wal-Mart Associates, Inc.

Source: S.C. Department of Employment & Workforce – 2014 –Q4

BEAUFORT COUNTY SCHOOL DISTRICT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year		Assessed Value		Total	Total		Ratio of Total
Ended	Tax	Real	Personal	Assessed	Direct	Market	Assessed Value to
June 30,	Year	Property	Property	Value	Rate	Value	Estimated
							Market Value
2006	2005	1,342,243,568	162,980,756	1,505,224,324	96.50	29,534,639,416	5.1%
2007	2006	1,397,740,562	184,669,523	1,582,410,085	108.70	33,989,675,633	4.7%
2008	2007	1,452,621,579	207,538,743	1,660,160,322	122.80	35,379,094,810	4.7%
2009	2008	1,551,233,656	243,531,884	1,794,765,540	130.60	34,551,352,560	5.2%
2010	2009	1,645,452,516	234,553,487	1,880,006,003	114.70	48,670,062,917	3.9%
2011	2010	1,643,802,430	222,701,792	1,866,504,222	116.60	48,058,028,845	3.9%
2012	2011	1,646,959,918	183,636,390	1,830,596,308	118.30	47,214,321,842	3.9%
2013	2012	1,650,397,429	182,152,336	1,832,549,765	119.30	45,837,938,940	4.0%
2014	2013	1,473,195,546	196,428,055	1,669,623,601	129.20	41,740,590,025	4.0%
2015	2014	1,456,623,792	224,587,180	1,681,210,972	135.20	Not Available	N/A

Source: Beaufort County Treasurer

BEAUFORT COUNTY SCHOOL DISTRICT
TEN LARGEST TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
South Carolina Electric & Gas	\$ 22,235,150	1	1.3%	\$ 11,031,238	2	0.73%
Marriott Ownership Resorts, Inc.	19,208,180	2	1.1%	17,131,042	1	1.14%
Palmetto Electric Coop, Inc.	9,878,690	3	0.6%	7,977,662	3	0.53%
Columbia Properties Hilton Head	4,764,090	4	0.3%	3,885,920	6	0.26%
Bluffton Telephone Company	4,586,690	5	0.3%	3,352,910	8	0.22%
SCG Hilton Head Property LLC	4,260,000	6	0.2%	3,678,552	5	0.24%
Hargray Telephone Company	3,269,920	7	0.2%	4,610,887	4	0.31%
Sea Pines Resort LLC	3,242,760	8	0.2%	2,721,390	9	0.18%
COROC/Hilton Head	2,528,960	9	0.1%	N/A	N/A	N/A
Preserve at Port Royal LLC	1,876,850	10	0.1%	N/A	N/A	N/A
Greenwood Development Corp	N/A	N/A	N/A	3,597,579	7	0.24%
Palmetto Bluff Uplands LLC	N/A	N/A	N/A	118,773	10	0.01%
Total	<u>\$ 75,851,290</u>		<u>4.4%</u>	<u>\$ 58,105,953</u>		<u>3.9%</u>

Source: Beaufort County Auditor

Acronyms

Acronym Index

-- A --

ACE – Academy for Career Excellence

ADA - Americans with Disabilities Act

ADEPT- Assisting Developing & Evaluating Professional Teaching

ADM - Average Daily Membership

AMES - Advanced Math Engineering Science academic magnet program

AP - Advanced Placement

ARRA - American Recovery and Reinvestment Act

AYP - Adequate Yearly Progress

-- B --

BAN – Bond Anticipation Note

BCSD – Beaufort County School District

BI – Behavior Interventionist

BMS – Behavior Management Specialist

BSCF – Base Student Cost Formula

BYOD – Bring Your Own Device

-- C --

CAFR – Comprehensive Annual Financial Report

CATE – Career and Technology Education

CIP - Capital Improvement Program

COSO – Chief Operational Services Officer

-- D --

DSS - Department of Special Services

Acronym Index

-- E --

ED - Emotional Disabilities

EFA – Education Finance Act

EFC - Educational Facilities Corporation

EIA – Education Improvement Act

EPA - Environmental Protection Agency

ESEA – Elementary and Secondary Education Act

ESOL - English for Speakers of Other Languages

-- F --

FLSA - Fair Labor Standards Act

FMLA - Family and Medical Leave Act

FPC – Facility Planning and Construction

FRM - Free and Reduced Price Meals

FSA - Flexible Spending Accounts

FT - Full-Time

FTE - Full-Time Equivalent

FY - Fiscal Year

-- G --

GAAP - Generally Accepted Accounting Principles

GASB - Governmental Accounting Standards Board

GF- General Fund

GFOA - Government Finance Officers Association

GIS - Geographic Information System

Acronym Index

GT - Gifted and Talented

-- H --

HR - Human Resources

HS - High School

HHIECC – Hilton Head Island Early Childhood Center

HVAC - Heating, Ventilation, and Air Conditioning

-- I --

IB - International Baccalaureate

IBMYP - International Baccalaureate Middle Years Program

IDEA - Individuals with Disabilities Education Act

IEP - Individualized Education Program

ISD – Instructional Services Department

IT - Information Technology

-- J --

JROTC - Junior Reserve Officers Training Corps

-- L --

LAN - Local Area Network

LEED - Leadership in Energy & Environmental Design

LEP - Limited English Proficient

-- M --

MS - Middle School

MYP-Middle Years Program (International Baccalaureate)

Acronym Index

MZB – Modified Zero Base

-- N --

NCLB - No Child Left Behind

-- P --

PASS – Palmetto Assessment of State Standards

PBIS – Positive Behavior Intervention Support

PE - Physical Education

PGA – Professional Golf Association

PT - Part-Time

PTA - Parent Teacher Association

PTO - Parent Teacher Organization

PTSA - Parent Teacher Student Association

-- R --

RFP - Request for Proposal

RFQ – Request for Quote

-- S --

SRO – School Resource Officer

STEM - Science Technology Engineering Mathematics program

-- T --

TAN – Tax Anticipation Note

TAP – Teacher Assessment Program

TERI – Teacher and Employee Retention Incentive

TIF – Tax Increment Financing

Acronym Index

-- U --

USDA - United States Department of Agriculture

-- W --

WAN- Wide Area Network

Glossary

GLOSSARY

Accrual Basis	The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements. See Cost of Services Measurement Focus.
Accrued Expenses	Expenses incurred but not due until a later date.
Ad Valorem Tax	A tax levied on the assessed value of real and personal property. This tax is also known as property tax.
Amortization	(1) Gradual reduction, redemption, or liquidation of the balance of an account according to a specified schedule of times and amounts. (2) Provision for the extinguishment of a debt by means of a debt service fund.
Appropriation	An act of a legislature authorizing money to be paid from the treasury for a specified use.
Appropriation Ordinance	An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.
Assessed Valuation	Basis for determining property taxes (ad valorem tax). Assessor determines valuation of residential real property (home and land) at 100% of market value, including commercial.
Balanced Budget	A budget in which proposed expenditures do not exceed total estimated revenues and reserves.
Bond	Written promise to pay a specified sum of money, called the face value or principal, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified date.
Budget	A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body.
Budget Document	The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to the past years' actual revenues, expenditures, and other data used in making the estimates. In addition to the budget document, an appropriation ordinance will be necessary to put the budget into effect.
Budget Message	A general discussion of the budget as presented in writing by the BCSD to the County Council. The budget message contains an explanation of the principal budget items, an outline of the BCSD's experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

GLOSSARY

Budgetary Accounts	Accounts used to enter the formally adopted annual operating budget into the general ledger as part of the management control technique of formal budgetary integration.
CAFR	See Comprehensive Annual Financial Report.
Capital Improvement Budget	The budgeted costs to provide infrastructure, development, construction and other related items. Funding is provided from various sources.
Capital Outlay	Expenditures for assets costing more than \$5,000.
Charges for Services	Consists of a wide variety of fees charged by the BCSD including, but not limited to, harbor, swimming pool, zoning, water/sewer hookups, building permit fees.
Comprehensive Annual Financial Report (CAFR)	The official annual report of a government. It includes Government-Wide Financial Statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.
Commodities and Services	A budgeted expenditure category including general goods and contractual professional services.
Contingency	An appropriation of funds to cover unforeseen events, which may occur during the budget year.
Core Services	These are the unique, independent and major functions provided by a department, which directly support its "mission statement".
Cost of Services Measurement Focus	The measurement focus applied to proprietary funds, non-expendable trust funds, and pension trust funds. All assets and all liabilities whether current or non-current are reported on their balance sheets, and their operating statements present "capital maintenance" information (revenues and expenses).
Debt Service Fund	A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
Depreciation	Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence.
Encumbrances	Outstanding commitments for goods and services.
Employment Status	<p>Full Time (FT): Appointments averaging not less than 37.5 hours per week.</p> <p>Part Time (PT): Appointments averaging less than 37.5 hours per week.</p>
Expenditures	<p>Decreases in net current assets. Expenditures include debt service, capital outlay and those current operating costs, which require the use of the current assets.</p> <p>The difference between an expenditure and an expense is the difference in what is being measured. Expenditures measure current outlays (the flow of current resources) while expenses measure total costs (total resources used; also known as capital maintenance). For example, purchases of fixed assets (buildings and equipment) and of inventories are expenditures at the date of purchase, because they cause the outflow or the tie-up of current assets. They are not expenses, however, until they are used or used up, because they are still a</p>

GLOSSARY

resource until consumed. Another example is depreciation, which is not an expenditure because no current assets are used when depreciation is incurred, but which is an expense because it allocates the total cost as the depreciable fixed asset is used. See Modified Accrual Basis and Measurement Focus.

Expenses	Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures. See Expenditures.
Fiduciary Funds	Funds used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government.
Fiscal Year	A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and results of its operations. The BCSD's fiscal year ends June 30.
Fixed Assets	Assets which are intended to be held or used for a long term, such as land, buildings, improvements other than buildings, machinery and equipment. In common usage, the term refers only to operating facilities and equipment, not to long-term investments and other non-current assets.
Fund	An accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
Fund Balance	The fund equity of governmental funds and trust funds. The term is used in this budget document for the Proprietary Funds to represent that portion of the retained earnings that is equity as a result of operating revenue and expenses and is non-capital in nature.
F.T.E. (Full Time Equivalent)	2,080 hours worked equate to 1.0 full time position, based upon an eight-hour workday. 1,950 hours worked equate to 1.0 full time position, based upon a seven and one-half hour day.
GAAP	Generally Accepted Accounting Principles.
General Fund	The fund used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always considered a major fund.
General Ledger	A book, file, or other device, which contains the accounts, needed to reflect the financial position and the results of operations of an entity. In double entry accounting, the debits and credits in the general ledger are equal. Therefore, the debit balances equal the credit balances.
General Obligation Bonds	Bonds for the payment of which the full faith and credit of the BCSD are pledged.
Goals	Statement of desired improvements, both short and long term, to the provision of goods and services consistent with a department's mission statement.
Governmental Funds	Governmental funds focus 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.

GLOSSARY

Income	A term in proprietary fund type accounting to represent (1) revenues or (2) the excess of revenues over expenses. See Operating Income, Income Before Operating Transfers, and Net Income.
Income Before Operating Transfers	Proprietary fund operating income adjusted by non-operating revenues and non-operating expenses.
Incremental Request	Programs and services which departments would like to have added (in priority order) if resources are available.
Interdepartmental Charges	Consists of administration, accounting and central treasury fees charged to enterprise, special revenue and school funds.
Interest Income	Revenue associated with BCSD management activities of investing idle cash in approved securities.
Interfund Transfers	<p>There are two types of interfund transfers. Both types involve the permanent (or at least long-term) movement of resources between funds. For any one transaction, the transfer-in and the transfer-out must be classified in the same way, so that the total operating transfers-in for the entire municipality equal the total operating transfers-out and the total residual equity transfers-in equal the total residual equity transfers-out.</p> <p>Operating Transfers: Transfers used for the general operations of a function or department.</p> <p>Residual Equity Transfers: There are three types.</p> <ol style="list-style-type: none">Transfers at the closeout of a discontinued fund or one-time contributions to establish a new fund.The interfund equivalent of a "capital grant" or its repayment. Normally, these residual equity transfers will involve both a proprietary fund and a governmental fund. Such transfers must be contributions restricted to capital outlays or the return of such contributions.
Intergovernmental Revenues	Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.
Internal Control	<p>Internal control comprises the plan of the organization, and all of the coordinate methods and measures adopted within a government to accomplish its objectives.</p> <p><u>Administrative control</u> includes, but is not limited to; the plan of organization and the procedures and records that are concerned with the decision processes leading to management's authorization of transactions. Such authorization is a management function directly associated with the responsibility for achieving the objectives of the government and is the starting point for establishing accounting control of transactions.</p> <p><u>Accounting control</u> comprises the plan of organization and the procedures and records that</p>

GLOSSARY

are concerned with the safeguarding of assets and the reliability of financial records and consequently are designed to provide reasonable assurance that:

a. Transactions are executed in accordance with management's general or specific authorization.

b. Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and (2) to maintain accountability for assets.

c. Access to assets is permitted only in accordance with management's authorization.

d. The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

The foregoing definitions are not necessarily mutually exclusive because some of the procedures and records comprehended in accounting control may also be involved in administrative control.

Internal Service Funds To account for the financing of goods and services provided by one department or agency to other departments or agencies of the School District. When services are rendered, charges are made to the users and revenue is accumulated in the Internal Service Funds to cover cost of operations.

Lease-Purchase Agreements Contractual agreements, which are termed "leases," but which in substance, amount to purchase contracts for equipment and machinery.

Maintenance The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making repairs.

Major Funds The General Fund is always considered a major fund. In addition, governments may report as major funds whatever other individual governmental funds considered to be of particular importance to financial statement users. At a minimum, governmental funds other than the general fund must be reported as major funds if they meet *both* of the following criteria:

10% criterion. An individual governmental fund reports at least 10% of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures. *5% criterion.* An individual governmental fund reports at least 5% of the total for both governmental and enterprise funds of any one of the items for which it met the 10% criterion.

If an individual fund is expected to meet the minimum criteria for mandatory major fund reporting in some years but not in others, a government might elect to always report it as a major fund to enhance consistency from year to year.

GLOSSARY

Mill Levy	Rate applied to assessed valuation to determine property tax. A mill is 1/10th of a penny or \$1.00 of tax for each \$1,000 of assessed value.
Mission Statement	A statement of purpose for why the department or function exists.
Modified Accrual Basis	The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for: (1) prepaid insurance and similar items which need not be reported; (2) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (3) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (4) principal and interest on long-term debt which are generally recognized when due. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. See Spending Measurement Focus.
Non-Major Funds	Those funds not meeting the criteria for a major fund. See Major Funds.
Numeracy	The ability to understand and use numbers, especially the numbers encountered in everyday life. It is considered to include the ability to count, and to add, subtract, multiply and divide two integers.
Operating Budget	Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of BCSD are controlled. The use of annual operating budgets is usually required by charter. The annual operating budget is essential to sound financial management.
Operating Income	The excess of proprietary fund operating revenues over operating expenses.
Personnel Services	Salaries and related costs (benefits) of permanent, part time and temporary employees.
Projected	Estimation of revenues and expenditures based on past trends, current economic conditions and future financial forecasts.
Property Tax	A tax levied on the assessed value of real and personal property. This tax is also known as Ad Valorem tax.
Proprietary Funds	These funds are used to account for activities where the determination of net income is necessary or useful to provide sound financial administration. Goods or services from such activities can be provided either to outside parties or to other departments or agencies primarily within the government.

GLOSSARY

Refund	<ol style="list-style-type: none">(1) The recovery of an item previously expensed or the repayment of an item previously recorded as revenue. Such refunds should be included in revenues, expenditures, or expenses of the current accounting period.(2) To pay back or allow credit for an amount because of an over-collection or because of the return of an object sold. Such charges or credits should be made to the account where the original transaction was recorded.(3) To provide for the payment of an obligation through cash or credit secured by a new obligation.
Reserve	<ol style="list-style-type: none">(1) An account used to segregate a portion of fund balance to indicate that it is not available for expenditure; and(2) An account used to segregate a portion of fund equity as legally set aside for a specific future use.
Resources	Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.
Retained Earnings	The accumulated, undistributed earnings of a corporation.
Revenues	<ol style="list-style-type: none">(1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as "other financing sources" rather than revenues.(2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers-in are classified separately from revenues. See Interfund Transfers and Refunds.
Service Area	A geographic area that provides specific/additional services not provided for on a general basis. A service area also has taxing authority to provide the special service.
Spending Measurement Focus	The measurement focus applied to governmental funds and expendable trust funds. Under it, only current assets and current liabilities are generally reported on their balance sheets, and their operating statements present "financial flow" information (revenues and expenditures). See Modified Accrual Basis.
Target Budgets	Desirable expenditure levels provided to departments in developing the coming year's recommended budget. Based on prior year's adopted budget, excluding one-time expenditures, projected revenues and reserve requirements.
Working Capital	Liquid capital assets as distinguished from fixed capital assets.