

**HORRY COUNTY SCHOOLS
OPERATIONAL EXPECTATIONS MONITORING REPORT
OE-6 – Financial Administration**

I certify that the information in this report is true.

Signed: _____ Date: October 28, 2014
Cindy Elsberry, Superintendent

Disposition of the Board:

_____ In compliance
_____ Not in compliance
_____ Compliance with exception

Signed: _____ Date: October 28, 2014
Joe DeFeo, Board Chair

Comments:

	Supt	Supt	Bd	Bd
	In compliance	Not in compliance	In compliance	Not in compliance
The superintendent shall not: cause or allow any financial activity or condition that materially deviates from the budget adopted by the board; cause or allow any fiscal condition that is inconsistent with achieving the board's Results or meeting any Operational Expectations goals; or place the long-term financial health of the district in jeopardy.	✓			

Interpretation: I interpret this policy to mean that the District will develop and adopt policies and procedures for financial reporting, budgetary planning and internal control for fiscal responsibility.

Evidence of Status of Compliance:

We are in full compliance of this policy. Evidence is listed below:

- All payroll and legitimate debts of the district are promptly paid when due. Payroll was delivered on time for each scheduled payday. Vendors are paid weekly based on invoices provided to the district.
- All purchases are based upon comparative prices of items of similar value, including consideration of both cost and long-term quality. We received no indication of material issues with our procurement process or compliance with our procurement code.
- A competitive bidding procedure is established for the purchase of all supplies, contractual services, materials and equipment, except as approved for exemption in the procurement code or as provided through a sole source or emergency procurement method.
- The management letter from the board's financial auditor stated they encountered no difficulties in dealing with management in performing their audit. Each employee they were in contact with was both professional and timely in response to their requests.
- All reasonable efforts to collect any funds due the district from any source have been made. The District utilizes CHECKredi to assist with collection of NSF checks.
- Complete and accurate financial records by funds and accounts in accordance with generally recognized principles of governmental accounting have been kept. The District received an unqualified audit opinion for 2013 FY.
- A financial condition statement has been published. The District produced a Comprehensive Annual Financial Report (CAFR) for 2013 FY.
- The Association of School Business Officials International (ASBO) awarded a **Certificate of Achievement for Excellence on Financial Reporting** to Horry County School District for its comprehensive annual financial report.
- The Government Finance Officers Association of the United State and Canada (GFOA) awarded a **Certificate of Achievement for Excellence on Financial Reporting** to Horry County School District for its comprehensive annual financial report. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report.
- The financial condition statement for June 30, 2013, indicates that the District maintained a minimum fund balance in excess of 15 percent of the prior fiscal years' General Fund expenditures.

OE-6

Policy Type: Operational Expectations**Financial Administration**

The superintendent shall not: cause or allow any financial activity or condition that materially deviates from the budget adopted by the board; cause or allow any fiscal condition that is inconsistent with achieving the board's **Results** or meeting any **Operational Expectations** goals; or place the long-term financial health of the district in jeopardy.

The superintendent shall:

1. Assure that payroll and legitimate debts of the district are promptly paid when due.
2. Assure that all purchases are based upon comparative prices of items of similar value, including consideration of both cost and long-term quality.
3. Use a competitive bidding procedure for the purchase of all supplies, contractual services, materials and equipment, except as approved for exception in the procurement code and as provided by the procurement code through a sole source or emergency procurement method.
4. Provide for an annual audit of all district funds and accounts.
5. Make all reasonable efforts to collect any funds due the district from any source.
6. Keep complete and accurate financial records by funds and accounts in accordance with generally recognized principles of governmental accounting.
7. Publish a financial condition statement annually.

The superintendent shall not:

1. Expend more funds than have been received in the fiscal year unless revenues are made available through other legal means, including the use of fund balances, the authorized transfer of funds from reserve funds, and tax anticipation notes.
2. Indebt the organization.
3. Allow any required reports to be overdue or inaccurately filed.

4. Receive, process or disburse funds under controls that are insufficient under generally accepted accounting procedures.
5. Permit the year-end fund balance to reach a level less than 15 percent of the prior fiscal year's General Fund expenditures.

Adopted: 06-04-07; Revised 10-24-11; Proposed Revision 03-25-13

Monitoring Method and Frequency:

Internal report: Four times a year in October, December, January and April

External report: Annually in December