



Anderson County School District 1  
Education Capital Improvement Sales Tax Audit  
*July 1, 2019-June 30, 2024*

June 26, 2025

South Carolina Department of Revenue  
300A Outlet Point Boulevard  
Columbia, South Carolina 29210

## **EXECUTIVE SUMMARY**

The South Carolina Department of Revenue conducted a compliance audit of Anderson County School District 1's One Percent Education Capital Improvements Sales and Use Tax program. The audit assessed the collection and use of the tax revenues over a five-year period. It was determined that the school district was in compliance and the penny tax collection was used solely on projects listed in the 2014 referendum.

### **I. INTRODUCTION**

The South Carolina Department of Revenue (Department) conducted an audit of the Anderson County School District 1 Education Capital Improvement (ECI) program. The Department has a duty to ensure public accountability and transparency regarding the expenditures of the ECI revenue collected, by utilizing its authority as the administrator of the tax.

### **II. AUDIT OBJECTIVE & SCOPE**

The purpose of this audit was to perform an independent and objective compliance audit of the Anderson County School District 1 Education Capital Improvement Sales Tax. The audit scope included review of the expenditures and collection of the sales tax revenue for the period from July 1, 2019 to June 30, 2024.

### **III. BACKGROUND**

The Education Capital Improvements Tax Act (SC Code Section 4-10-420) empowers counties to impose, pursuant to a referendum, a sales and use tax not to exceed 1% within its jurisdiction for a specific purpose or purposes and for a specific period of time. The revenue from the tax is to be used to pay for capital projects provided in the resolution and included in the referendum question directly, to service general obligation bond debt incurred by the county for such improvements, or a combination of these purposes.

In the 2014 General Election Anderson County voters approved a referendum on the imposition of the 1% Sales and Use tax for a period of fifteen years beginning March 1, 2015. Anderson County School District 1 received 80% of the Education Capital Improvement tax revenue for use related to new Education Capital Improvement projects, and the remaining 20% of their collections was reserved at the County level for the purpose of property tax relief in accordance with the 2014 referendum.

### **IV. AUDIT SUMMARY**

As noted in the 2014 referendum, 80% of the revenue received from the sales and use tax would be used to fund the Anderson County education capital improvement projects listed in the referendum.

To verify collections, we compared the deposit amounts on Anderson County School District 1's Building Fund statements to the amounts received from the State Treasurer's Office and broken down by district by Anderson County School District Board of Education.

To verify expenses, we reviewed a sample of withdrawals from the Building Fund account as well as capital project transactions from the general ledger and verified supporting invoices.

## V. TAX COLLECTION

Anderson County School District 1 collected \$71,358,074 in 1% Education Capital Improvements Sales and Use Tax since inception, March 2015. Below is a list of the Anderson County School District 1 projects as approved by the 2014 referendum that reflects the actual expenditures from FY2019 through FY2024.

<b>Anderson County School District #1 Education Capital Improvement Projects</b>				
<b>Project Name</b>	<b>Original Budget</b>	<b>ECI Expenditures</b>	<b>Variance</b>	<b>Project Status</b>
<b>FY19-FY20</b>				
FY19-20 Renaissance Academy	\$ 29,888	\$ 29,888	\$ -	Complete
Career & Technology Center	120,000	120,000	-	Complete
Supplement 2019 Building Plan	4,000,000	4,000,000	-	Complete
<b>FY20-FY21</b>				
FY20-21 Various Repairs and Maintenance	35,127	35,127	-	Complete
Technology	231,439	231,439	-	Complete
Mobile Classroom Set up at Concrete Primary	6,226	6,226	-	Complete
Grounds & Improvements	24,480	24,480	-	Complete
Equipment - AG Program & PVHS weightroom	180,005	180,005	-	Complete
Career & Technology Center	120,000	120,000	-	Complete
Renaissance Academy	50,288	50,288	-	Complete
Supplement 2019 Building Program	6,000,000	6,000,000	-	Complete
<b>FY21-FY22</b>				
FY21-22 Repairs and Maintenance	21,397	21,397	-	Complete
Technology	1,522,343	1,522,343	-	Complete
Mobile Classroom/Setup	17,420	17,420	-	Complete
Renaissance Academy	51,287	51,287	-	Complete
Career and Technology Center	120,000	120,000	-	Complete
Equipment	116,090	116,090	-	Complete
Safety and Security	11,272	11,272	-	Complete
Construction Services	8,742	8,742	-	Complete
Improvements/Grounds	287,370	287,370	-	Complete
Supplement 2019 Building Plan	6,000,000	6,000,000	-	Complete
<b>FY22-FY23</b>				
FY22-23 Technology	1,279,592	1,279,592	-	Complete
Repairs, Maintenance, and other purchased services	219,932	219,932	-	Complete
Mobile Classroom/Setup/Relocation	84,544	84,544	-	Complete
Renaissance Academy	51,563	51,563	-	Complete
Construction Services	2,500	2,500	-	Complete
Grounds/Improvements	33,894	33,894	-	Complete
Equipment	514,516	514,516	-	Complete
Safety and Security	109,258	109,258	-	Complete
HVAC	222,914	222,914	-	Complete
Career and Technology Center	150,000	150,000	-	Complete
Acquisition Payment Johnson Controls HVAC	768,764	768,764	-	Complete

**Anderson County School District #1 Education Capital Improvement Projects**

<b>Project Name</b>	<b>Original Budget</b>	<b>ECI Expenditures</b>	<b>Variance</b>	<b>Project Status</b>
<b>FY23-FY24</b>				
FY23-24 County Board of Education	5,907	5,907	-	Complete
Repairs, Maintenance, and other Purchased Services	204,597	204,597	-	Complete
Renaissance Academy	51,295	51,295	-	Complete
Technology	1,215,952	1,215,952	-	Complete
Construction Services includes roof improvements	54,326	54,326	-	Complete
Playground Improvements	679,867	679,867	-	Complete
Equipment	289,717	289,717	-	Complete
Safety and Security	71,183	71,183	-	Complete
HVAC	309,843	309,843	-	Complete
Activity Bus	171,340	171,340	-	Complete
Mobile Classroom/Setup/Relocation	115,409	115,409	-	Complete
Acquisition Payment Johnson Controls HVAC	768,764	768,764	-	Complete
<b>Total</b>	<b>\$ 26,329,051</b>	<b>\$ 26,329,051</b>	<b>\$ -</b>	

**VI. CONCLUSION**

For the audit period, this audit concludes that Anderson County School District 1 is in compliance with the Education Capital Improvement Sales and Use Tax Act and the 2014 referendum. The Educational Capital Improvement Sales and Use Tax revenue was utilized exclusively for projects identified in the 2014 referendum.