



Anderson County School District 3
Education Capital Improvement Sales Tax Audit

July 1, 2019-June 30, 2024

June 30, 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 3'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 or to pay on debt service.

I. INTRODUCTION

The South Carolina Department of Revenue (Department) conducted an audit of the Anderson County School District 3 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 3 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 May 1, 2015. Anderson County School District 3 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, all revenue received from the sales and use tax would be used to pay the costs of the education capital improvements issued by Anderson County to fund the capital projects and to pay debt service on general obligation bonds issued by Anderson County School District 3.

To verify collections, we compared the Anderson Board of Education's breakdown by district of the funds received from the State Treasurer's Office to deposit amounts on Anderson County School District 3's Detail Account Inquiry for the ECI account. To verify expenses, we reviewed

County Claim requests listed on the Detail Account Inquiry and verified supporting invoices. Debt service on the general obligation bonds was verified comparing the Debt Service Schedule to the payments listed on the Detail Account Inquiry.

V. TAX COLLECTION

Anderson County School District 3 collected \$16,494,039 in 1% Education Capital Improvements Sales and Use Tax from inception through June 30, 2024. The School District also issued \$12,500,000 in General Obligation (GO) Bonds, to fund the approved projects. Below is a list of the Anderson County School District 3 projects as approved by the 2014 referendum that reflects the actual expenditures from May 1, 2019 through June 30, 2024.

Anderson County School District 3 Education Capital Improvement Projects				
Project Name	Budget	Expenditures	Variance	Project Status
Band Equipment	\$ 32,346	\$ 32,346	-	Completed
Iva Elementary Entrance Sign	36,286	36,286	-	Completed
Athletic Field Lighting Repairs	27,973	27,973	-	Completed
Sewer Line Repairs at Track Facility	1,785	1,785	-	Completed
Crescent High School Storage Buildings	600	600	-	Completed
Track Facility Logo Application	32,565	32,565	-	Completed
Flat Rock Elementary Entrance Sign Repair	1,770	1,770	-	Completed
Athletic Field Maintenance - Add'l Services	4,200	4,200	-	Completed
Athletic Bleacher Maintenance	750	750	-	Completed
Concession Stand Floor Repairs	1,337	1,337	-	Completed
Parking Lot Striping	3,710	3,710	-	Completed
Starr-Iva MS Cafeteria Ceiling Tile Replacement	6,940	6,940	-	Completed
Crescent Athletic Construction A&E Fees	350,400	350,400	-	Completed
Topography Study for Athletic Constr. Proj	1,900	1,900	-	Completed
Crescent Athletic Constr.-3rd Party Inspections	43,561	43,561	-	Completed
Crescent Electrical Upgrade-Engineered Drawings	3,500	3,500	-	Completed
Bus Parking Lot Construction A&E Fees	86,804	86,804	-	Completed
Bus Parking Lot Topography Survey	7,500	7,500	-	Completed
Bus Parking Lot 3rd Party Inspections	17,194	17,194	-	Completed
District Office Asbestos Inspection	2,754	2,754	-	Completed
Anderson Institute of Technology-Culinary Design	20,829	20,829	-	Completed
CHS Press Box Chairs	1,664	1,664	-	Completed
Track Equipment/Supplies	1,334	1,334	-	Completed
Starr-Iva MS Basketball Scoreboard Cover	321	321	-	Completed
Starr-Iva MS Basketball Wall Padding	1,448	1,448	-	Completed
Crescent HS Gym Bleacher Maintenance	789	789	-	Completed
Crescent HS Athletic Wall Padding	9,097	9,097	-	Completed
Crescent HS Athletic Field Maintenance Supplies	1,027	1,027	-	Completed
Starr-Iva MS Wall Signs	2,939	2,939	-	Completed
Crescent HS Admin Office Maintenance	17,214	17,214	-	Completed
CHS Athletic Technology Supplies	13,399	13,399	-	Completed
Starr Elementary Entrance Sign	39,841	39,841	-	Completed

Anderson County School District 3 Education Capital Improvement Projects

Project Name	Budget	Expenditures	Variance	Project Status
CHS Weight Room Flooring	32,785	32,785	-	Completed
CHS Track Construction - Additional Fencing*	27,240	27,240	-	Completed
CHS Track Drainage	22,211	22,211	-	Completed
CHS Track Construction - Phase I*	1,961,698	1,961,698	-	Completed
CHS Track Field Construction	130,000	130,000	-	Completed
CHS Track Building Addl. Electrical Work	2,248	2,248	-	Completed
CHS Track Shot Put Area	10,478	10,478	-	Completed
CHS Track Bleachers	46,695	46,695	-	Completed
CHS Track Lighting*	212,900	212,900	-	Completed
CHS Football Stadium Construction - Phase II	2,392,090	2,392,090	-	Completed
CHS Football Stadium Construction - Phase III*	3,864,597	3,864,597	-	Completed
CHS Softball Scoreboard	34,418	34,418	-	Completed
Renaissance Academy - FY 20	7,503	7,503	-	Completed
Renaissance Academy - FY 21	12,671	12,671	-	Completed
Renaissance Academy - FY 22	12,679	12,679	-	Completed
Renaissance Academy - FY 23	12,770	12,770	-	Completed
Renaissance Academy - FY 24	12,745	12,745	-	Completed
Bus Parking Lot Construction Costs	1,803,385	1,803,385	-	Completed
District Office Service Feeder	26,514	26,514	-	Completed
Bus Parking Lot Construction - Addl Scope	78,006	78,006	-	Completed
Bus Parking Lot Light Pole Removal	6,508	6,508	-	Completed
Flat Rock Elementary Entrance Sign	35,871	35,871	-	Completed
Anderson Institute of Technology-Construction	458,702	458,702	-	Completed
Starr-Iva MS Façade Improvements	14,469	14,469	-	Completed
Starr Elementary Bathroom Flooring	24,931	24,931	-	Completed
Starr-Iva MS Locker Room Flooring	28,623	28,623	-	Completed
Crescent HS Gym Bleacher Replacement	41,383	41,383	-	Completed
Crescent HS HVAC Unit Replacement	56,537	56,537	-	Completed
Crescent HS Fencing	7,125	7,125	-	Completed
Record Deed for Building Purchase	15	15	-	Completed
CHS Baseball Field Rock Installation-Drainage	14,575	14,575	-	Completed
Crescent HS Goalposts	7,881	7,881	-	Completed
Crescent HS Track Equipment	43,455	43,455	-	Completed
Maintenance Scissor Lift	12,000	12,000	-	Completed
Starr Elementary Drain Line Repair	11,940	11,940	-	Completed
Starr Elementary Bathroom/Classroom Flooring	3,496	3,496	-	Completed
Maintenance Vehicle	35,449	35,449	-	Completed
Maintenance Vehicle	62,754	62,754	-	Completed
Bus Cameras	9,919	9,919	-	Completed
Safety Management Softwares	48,037	48,037	-	Completed
Security Monitoring TV	381	381	-	Completed
Bus Radios	4,505	4,505	-	Completed

Anderson County School District 3 Education Capital Improvement Projects

Project Name	Budget	Expenditures	Variance	Project Status
Security Cameras	6,580	6,580	-	Completed
Internet Switches	16,323	16,323	-	Completed
District-Wide Cabling Project	55,690	55,690	-	Completed
CHS Football Camera & Equipment	8,675	8,675	-	Completed
Security Cameras	8,722	8,722	-	Completed
Internet Switches	637	637	-	Completed
CHS Press Box Server Cabinet	630	630	-	Completed
CHS Press Box Internet	3,506	3,506	-	Completed
CHS Press Box Security Camera and Cabling	5,764	5,764	-	Completed
CHS Press Box Access Controls	7,531	7,531	-	Completed
Misc. Technology Supplies	56	56	-	Completed
Anderson County Board - Server	1,442	1,442	-	Completed
Meeting Room Technology Supplies	10,421	10,421	-	Completed
Total	\$ 12,531,942	\$ 12,531,942	\$ -	

*Projects with other funding sources included in the budget and expenditures.

VI. CONCLUSION

For the audit period, this audit concludes that Anderson County School District 3 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 or to service general obligation bond debt.