



Anderson County School District 4  
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 4'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 4 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 4 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 4 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 4.

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 4's Detail Account Inquiry for the ECI account. To verify expenses, we reviewed

capital project transactions from 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 4 collected \$19,009,530 in 1% Education Capital Improvements Sales and Use Tax from inception through June 30, 2024. The School District also issued \$14,000,000 in General Obligation (GO) Bonds to fund the approved projects. Below is a list of the Anderson County School District 4 Education Capital Improvement projects as approved by the 2014 referendum that reflects the actual expenditures from May 1, 2019 through June 30, 2024.

<b>Anderson County School District 4 Education Capital Improvement Projects</b>				
<b>Project Name</b>	<b>Budget</b>	<b>Expenditures</b>	<b>Variance</b>	<b>Project Status</b>
PHS Track Renovation & Practice Field*	\$ 1,684,937	\$ 1,684,937	-	Complete
Security (Cameras, Door Access etc.)	111,928	111,928	-	Complete
COVID (Furniture, Dividers, etc.)	137,060	137,060	-	Complete
Baseball Screening (Left Field Line)	92,981	92,981	-	Complete
Roof Repairs/Replacement - RMS	526,746	526,746	-	Complete
Emergency Access; Car Loop Expansion - RMS	380,845	380,845	-	Complete
Exterior Walls Renovation/Repairs - RMS	281,165	281,165	-	Complete
Roof Repairs - PES	1,174,806	1,174,806	-	Complete
Roof Repairs - TES	368,711	368,711	-	Complete
Roof Repairs - DO	588,626	451,835	136,791	Complete
Fieldhouse Renovation - PHS	601,387	601,387	-	Complete
Greenhouse Install - PHS	153,917	153,917	-	Complete
Enclosure for Kitchen Walk in Cooler - PES	342,850	342,850	-	Complete
Playground - TES	484,860	484,860	-	Complete
Relocate Septic - TES	117,912	117,912	-	Complete
Walking Track - MLES	55,809	55,809	-	Complete
Clear Touch	988,556	988,556	-	Complete
Front Entrance Drainage Issues	127,113	127,113	-	Complete
Awnings	306,050	306,050	-	Complete
District Office Site Improvements	23,460	23,460	-	Complete
LES Playground - Kindergarten	323,204	323,204	-	Complete
Playground Drainage Issues	55,507	55,507	-	Complete
Transportation Office Site Improvements	49,858	49,858	-	Complete
PHS Parking/Drive Improvements	87,879	87,879	-	Complete
PHS Training Room	225,763	225,763	-	Complete
Tractor Shed & AG Ed Workshop Renovation	281,418	281,418	-	Complete
LES Car Rider Loop Improvements	517,495	517,495	-	Complete
LES Canopy Extension	49,130	49,130	-	Complete

## Anderson County School District 4 Education Capital Improvement Projects

Project Name	Budget	Expenditures	Variance	Project Status
PHS Media Center Renovations	445,076	445,076	-	Complete
Playground - PES	450,916	450,916	-	Complete
Playground - MLES	198,140	198,140	-	Complete
Parking Lot Expansion - MLES	88,663	88,663	-	Complete
LES Playground - Elementary	15,454	15,454	-	Complete
AIT Construction	4,731,043	4,731,043	-	Complete
LES Playground	357,234	357,234	-	Complete
RMS Media Center	112,905	112,905	-	Complete
DO Roof (From 517)	52,486	52,486	-	Complete
Batting Cages	62,126	62,126	-	Complete
Master Plan	43,424	43,424	-	Complete
Referendum Fees	4,170	4,170	-	Complete
Greenhouse	76,999	76,999	-	Complete
PHS Plexiglass	214,047	214,047	-	Complete
<b>Total</b>	<b>\$ 16,992,657</b>	<b>\$ 16,855,867</b>	<b>\$ 136,791</b>	

\*Project(s) with other funding sources included in the budget & expenditures.

### VI. CONCLUSION

For the audit period, this audit concludes that Anderson County School District 4 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.