

Hotline

Rock Hill School District Three of York County

To: Members of the Board of Trustees

From: Kelly Pew

C: Cabinet

Date: April 12, 2018

The following items have been included for your information:

Reminders: **Friday, April 13, 2018**

Community Visits

Richmond Drive - 8:30-9:45 a.m.

Ebinport - 10:15-11:45 a.m.

Saturday, April 14, 2018

Kindergarten Registration Event

9:00 a.m. – 12 noon

Location: New Central Office

Monday, April 16, 2018

Board Retreat – 8:30 a.m. – 2:00 p.m.

Location: New Central Office

Monday, April 23, 2018

York County Regional Chamber Legislative Luncheon

11:30 a.m. – 1:30 p.m.

The Palmetto Room

(Registered - Pew, Cook, Vining, Douglas, Cole, Miller, Reid)

Monday, April 23, 2018

Board Meeting @ New Central Office

Business Meeting – 6:00 p.m.

Thursday, April 26, 2018

League of Innovative Schools Spring Visit

Lunch @ 12:45 p.m.

Location: New Central Office

Board members are invited to lunch.

Please arrive at 12:30 p.m.

Wednesday, May 2, 2018
SC Teacher of the Year Gala
6:00-9:00 p.m.
Columbia, SC

1. **Information:** *Budget Outlook Update*
2. **Information:** *Board Audit Letter*
3. **Information:** *Meal Participation Comparison*
4. **Information:** *Superintendent's Event Calendar*

Memo

TO: Dr. Kelly Pew
FROM: Terri Smith
DATE: April 9, 2018
SUBJECT: Budget Outlook Update for FY 2018-2019

The Senate Finance Committee budget deliberations were held March 20th-29th.
Highlights of the Senate Finance Committee recommendations are as follows:

- \$60 increase in EFA Base Student Cost from \$2,425 to \$2,485 (House version \$0 increase)
- 1% increase in state teacher minimum salary schedule funded through EIA (House version 2% increase - 1% funded through EIA & 1% unfunded)
- One year of service step for eligible employees paid on teacher salary schedule (no change from House version)
- Increase to the minimum teacher starting salary from \$30,000 to \$32,000 (no change from House version)
- 1% increase in employer retirement rate (no change from House version)
 - EIA funded for teachers only (must be funded locally for all other employees)
- 8.1% increase in employer health insurance premiums (House version 7.4% increase)
 - No employee rate increase for 2019
- EIA Reading, Professional Development, and Aid to Districts-Technology appropriations to be consolidated into the EIA Aid to Districts line item (district's current EIA Aid to Districts funding used for special education FTEs) (no change from House version)
- Increase to SCDE of \$1.1 million to help with statewide computer security (House version \$0 increase)

- Additional \$10 million for school bus lease replacement to replace all rear-engine school buses currently on the road

Legislative dates to remember:

April 9-12	Senate floor budget debate
April 10	Cross-over deadline
April 17-19	Senate returns budget to House
April 24-26	Conference committee
May 1-3	Budget delivered to Governor
May 8-10	Veto
May 10	Last day of Session

As we continue our budget process for FY 2018-2019, Finance will continue to monitor information as it is provided by the State and evaluate the impact to Rock Hill Schools.

Memo

TO: Dr. Kelly Pew
FROM: Terri Smith
DATE: April 9, 2018
SUBJECT: Board Audit Letter for FY 2017-2018 Financial Audit

Greene Finney, LLP will be conducting the FY 2017-2018 financial audit. The audit letter for the Board of Trustees is attached.



Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

April 9, 2018

Board of Trustees
386 E. Black Street
Rock Hill, SC 29730

We are engaged to audit the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Rock Hill School District Three ("District") for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. Please feel free to contact us, as we would also be glad to meet with you to discuss this information.

Our Responsibility under U.S. Generally Accepted Auditing Standards, Government Auditing Standards, and Uniform Guidance

As stated in our engagement letter dated April 9, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about the District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the District's compliance with those requirements.

Required Supplementary Information

Generally accepted accounting principles provide for certain required supplementary information ("RSI") to supplement the basic financial statements. Our responsibility with respect to management's discussions and analysis, the budgetary comparison schedule – General Fund, the pension plan schedules, and the other postemployment benefits plan schedules, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

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MAULDIN, SC
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MOUNT PLEASANT, SC
843.735.5805

SPARTANBURG, SC
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ASHEVILLE, NC
828.771.0847
OPEN BY APPOINTMENT ONLY

Supplementary Information

We have been engaged to report on the combining and individual fund financial schedules, location reconciliation schedule, other schedules as may be required by the South Carolina Department of Education, and the schedule of expenditures of federal awards, which accompanies the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

According to professional standards, a group audit is an audit of group financial statements which consists of more than one component. A component is any entity or business activity for which the group or component management prepares financial information that is required by accounting standards to be included in the group financial statements. Our audit of the District is a group audit as it not only includes the primary government but also includes The Palmetto School at the Children's Attention Home ("Charter School"), which is a component of the District. For each component, we have gained an understanding of the component auditor and we plan to make reference to their report in the group financial statements. We will review and/or evaluate the component's financial statements and component auditor's report and communications in accordance with professional standards.

We expect to begin our interim audit work in April 2018 and our year-end audit work in October 2018. We expect to issue our report by December 1, 2018. David Phillips is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Trustees and management of Rock Hill School District Three and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Greene Finney, LLP".

Greene Finney, LLP
Certified Public Accountants

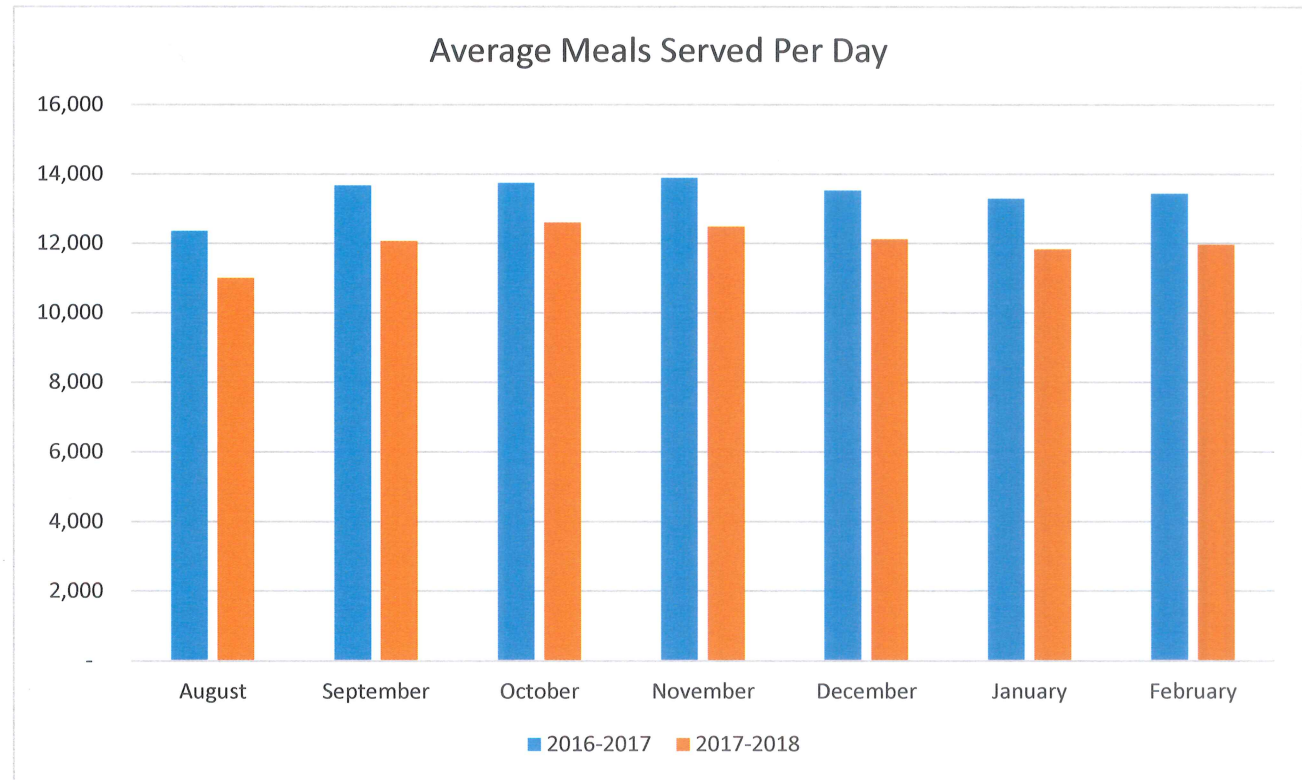
Memo

TO: Dr. Kelly Pew
FROM: Terri Smith
DATE: April 9, 2018
SUBJECT: FY 2016-2017 and FY 2017-2018 Meal Participation Comparison

Attached is the comparison of Food Service meal participation for FY 2016-2017 and FY 2017-2018. The first chart illustrates the average meals served per day. This chart is beneficial because the number of serving days varies from year to year. The additional charts illustrates the monthly meal participation comparison from August through February.

Average Meals Served Per Day

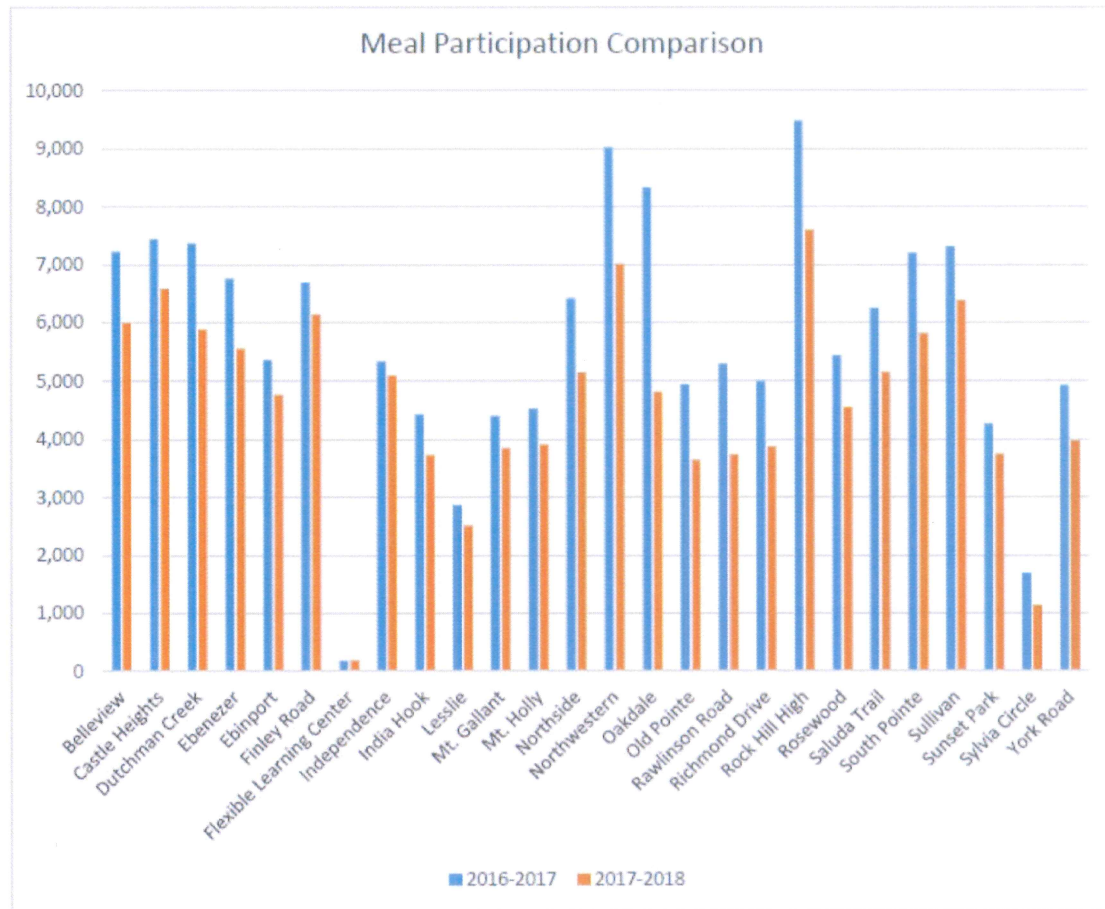
	2016-2017	2017-2018
August	12,350	10,996
September	13,656	12,056
October	13,735	12,594
November	13,876	12,477
December	13,513	12,108
January	13,281	11,825
February	13,425	11,947



August Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	7,228	6,008
Castle Heights	7,447	6,589
Dutchman Creek	7,374	5,892
Ebenezer	6,759	5,563
Ebinport	5,366	4,774
Finley Road	6,692	6,138
Flexible Learning Center	183	197
Independence	5,337	5,105
India Hook	4,429	3,737
Lesslie	2,868	2,514
Mt. Gallant	4,400	3,853
Mt. Holly	4,530	3,915
Northside	6,412	5,155
Northwestern	9,031	7,012
Oakdale	8,328	4,821
Old Pointe	4,942	3,657
Rawlinson Road	5,300	3,747
Richmond Drive	5,006	3,882
Rock Hill High	9,482	7,608
Rosewood	5,437	4,553
Saluda Trail	6,242	5,161
South Pointe	7,207	5,820
Sullivan	7,314	6,380
Sunset Park	4,265	3,753
Sylvia Circle	1,685	1,138
York Road	4,933	3,983

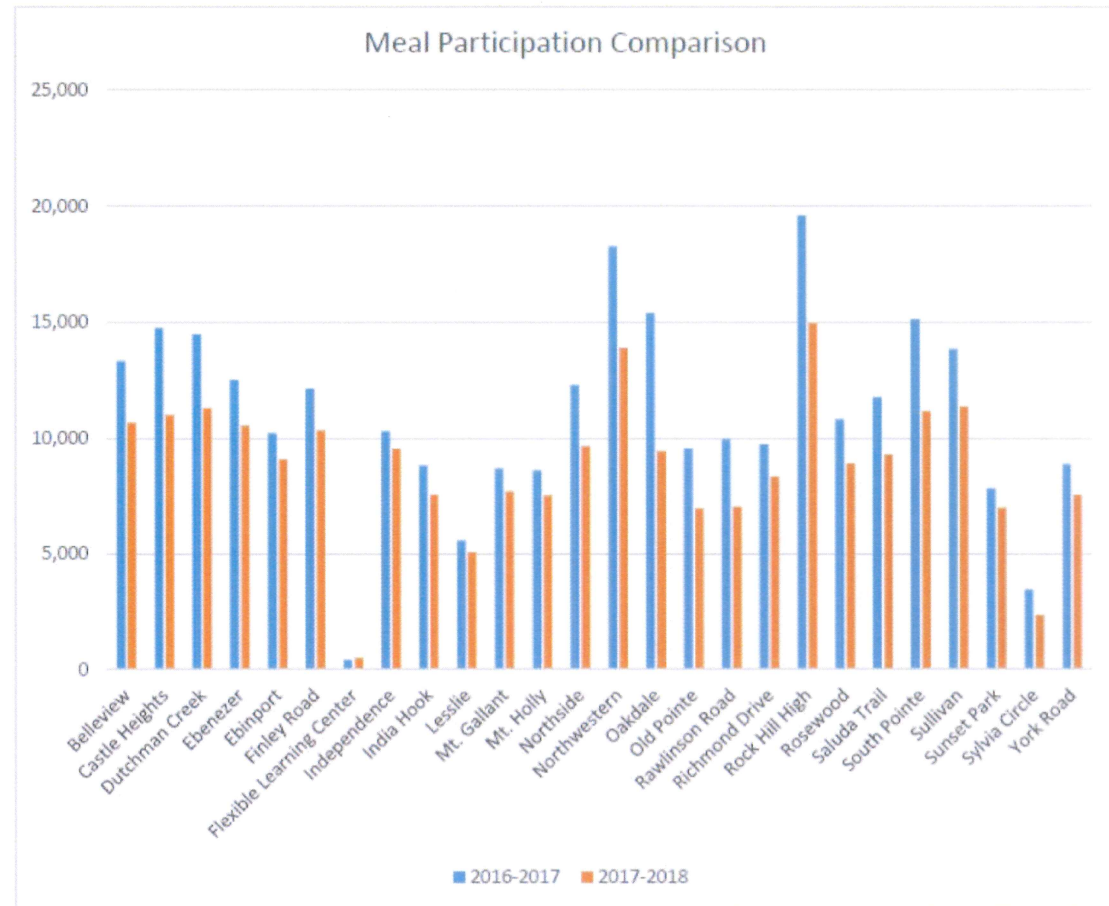
Serving Days	12	11
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September Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	13,367	10,709
Castle Heights	14,783	11,038
Dutchman Creek	14,502	11,333
Ebenezer	12,560	10,572
Ebinport	10,239	9,100
Finley Road	12,165	10,378
Flexible Learning Center	417	503
Independence	10,315	9,555
India Hook	8,824	7,555
Lesslie	5,566	5,060
Mt. Gallant	8,696	7,706
Mt. Holly	8,620	7,529
Northside	12,323	9,672
Northwestern	18,265	13,920
Oakdale	15,425	9,453
Old Pointe	9,566	6,954
Rawlinson Road	9,987	7,034
Richmond Drive	9,747	8,344
Rock Hill High	19,576	14,968
Rosewood	10,851	8,904
Saluda Trail	11,803	9,297
South Pointe	15,160	11,203
Sullivan	13,878	11,401
Sunset Park	7,818	6,987
Sylvia Circle	3,459	2,343
York Road	8,874	7,545

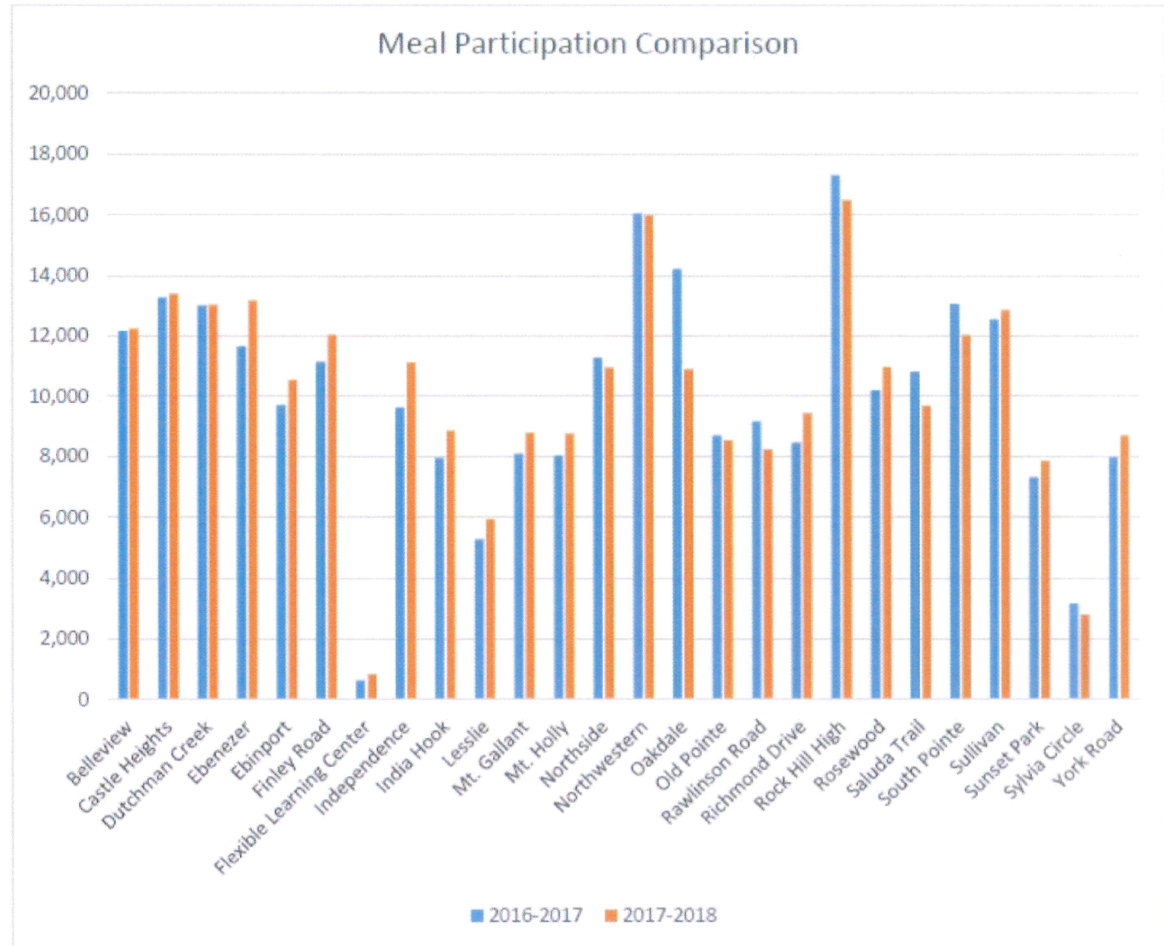
Serving Days	21	19
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October Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	12,188	12,247
Castle Heights	13,287	13,409
Dutchman Creek	13,027	13,049
Ebenezer	11,673	13,197
Ebinport	9,712	10,566
Finley Road	11,170	12,065
Flexible Learning Center	634	850
Independence	9,628	11,136
India Hook	7,950	8,878
Lesslie	5,279	5,945
Mt. Gallant	8,097	8,792
Mt. Holly	8,020	8,760
Northside	11,299	10,972
Northwestern	16,050	15,995
Oakdale	14,219	10,915
Old Pointe	8,701	8,525
Rawlinson Road	9,170	8,237
Richmond Drive	8,449	9,454
Rock Hill High	17,309	16,488
Rosewood	10,206	10,979
Saluda Trail	10,823	9,699
South Pointe	13,060	12,053
Sullivan	12,560	12,883
Sunset Park	7,304	7,863
Sylvia Circle	3,172	2,808
York Road	7,969	8,714

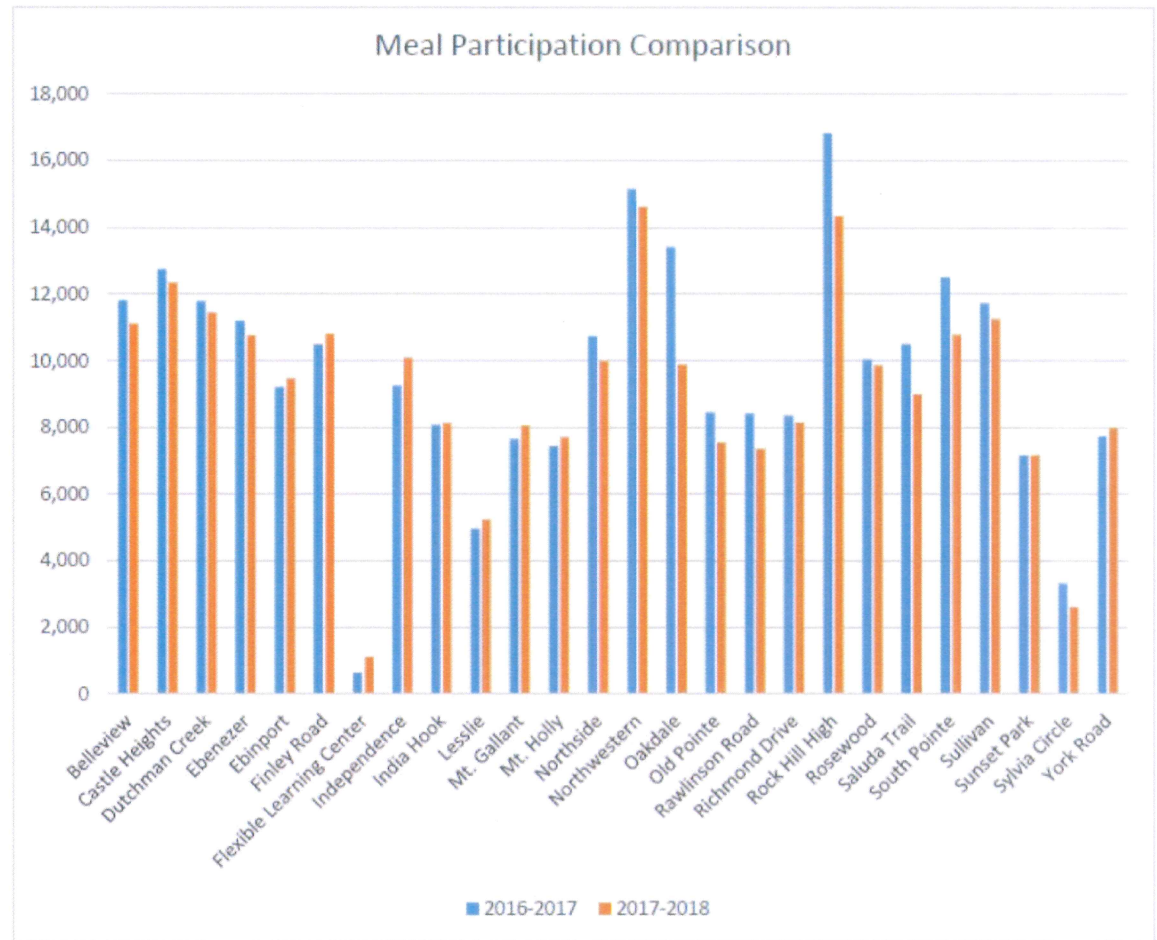
Serving Days 19 21



November Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	11,816	11,125
Castle Heights	12,746	12,355
Dutchman Creek	11,793	11,449
Ebenezer	11,199	10,769
Ebinport	9,213	9,483
Finley Road	10,488	10,824
Flexible Learning Center	652	1,120
Independence	9,262	10,113
India Hook	8,086	8,143
Lesslie	4,976	5,256
Mt. Gallant	7,657	8,061
Mt. Holly	7,442	7,709
Northside	10,741	10,001
Northwestern	15,162	14,635
Oakdale	13,422	9,892
Old Pointe	8,457	7,546
Rawlinson Road	8,420	7,362
Richmond Drive	8,355	8,148
Rock Hill High	16,832	14,344
Rosewood	10,046	9,876
Saluda Trail	10,509	8,986
South Pointe	12,507	10,800
Sullivan	11,742	11,260
Sunset Park	7,164	7,177
Sylvia Circle	3,347	2,623
York Road	7,739	7,997

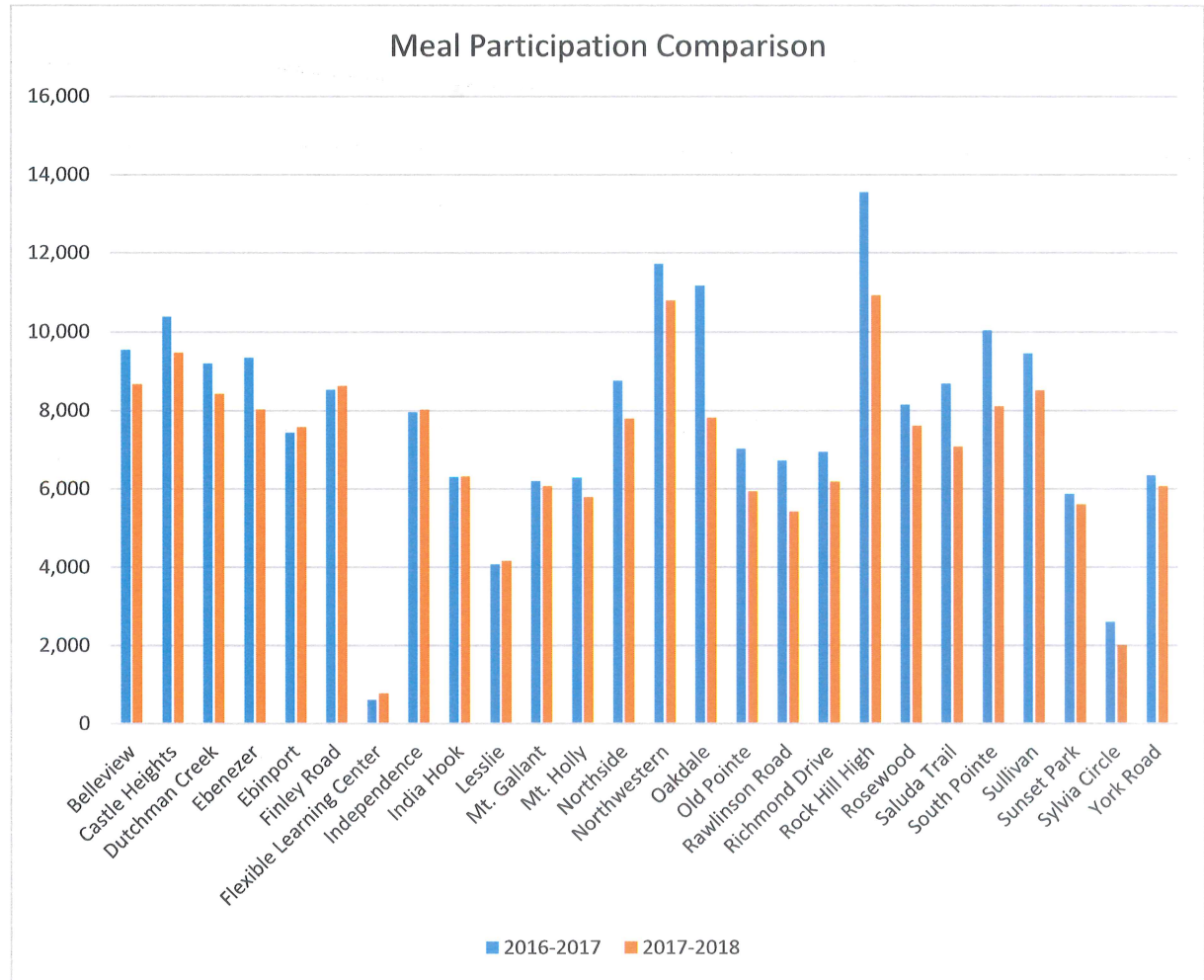
Serving Days 18 19



December
Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	9,534	8,667
Castle Heights	10,375	9,471
Dutchman Creek	9,196	8,421
Ebenezer	9,338	8,022
Ebinport	7,433	7,566
Finley Road	8,529	8,623
Flexible Learning Center	597	776
Independence	7,957	8,012
India Hook	6,291	6,311
Lesslie	4,067	4,157
Mt. Gallant	6,200	6,060
Mt. Holly	6,268	5,775
Northside	8,748	7,783
Northwestern	11,713	10,785
Oakdale	11,159	7,805
Old Pointe	7,020	5,931
Rawlinson Road	6,709	5,410
Richmond Drive	6,933	6,184
Rock Hill High	13,549	10,925
Rosewood	8,144	7,598
Saluda Trail	8,674	7,073
South Pointe	10,026	8,104
Sullivan	9,444	8,510
Sunset Park	5,857	5,592
Sylvia Circle	2,595	2,000
York Road	6,338	6,062

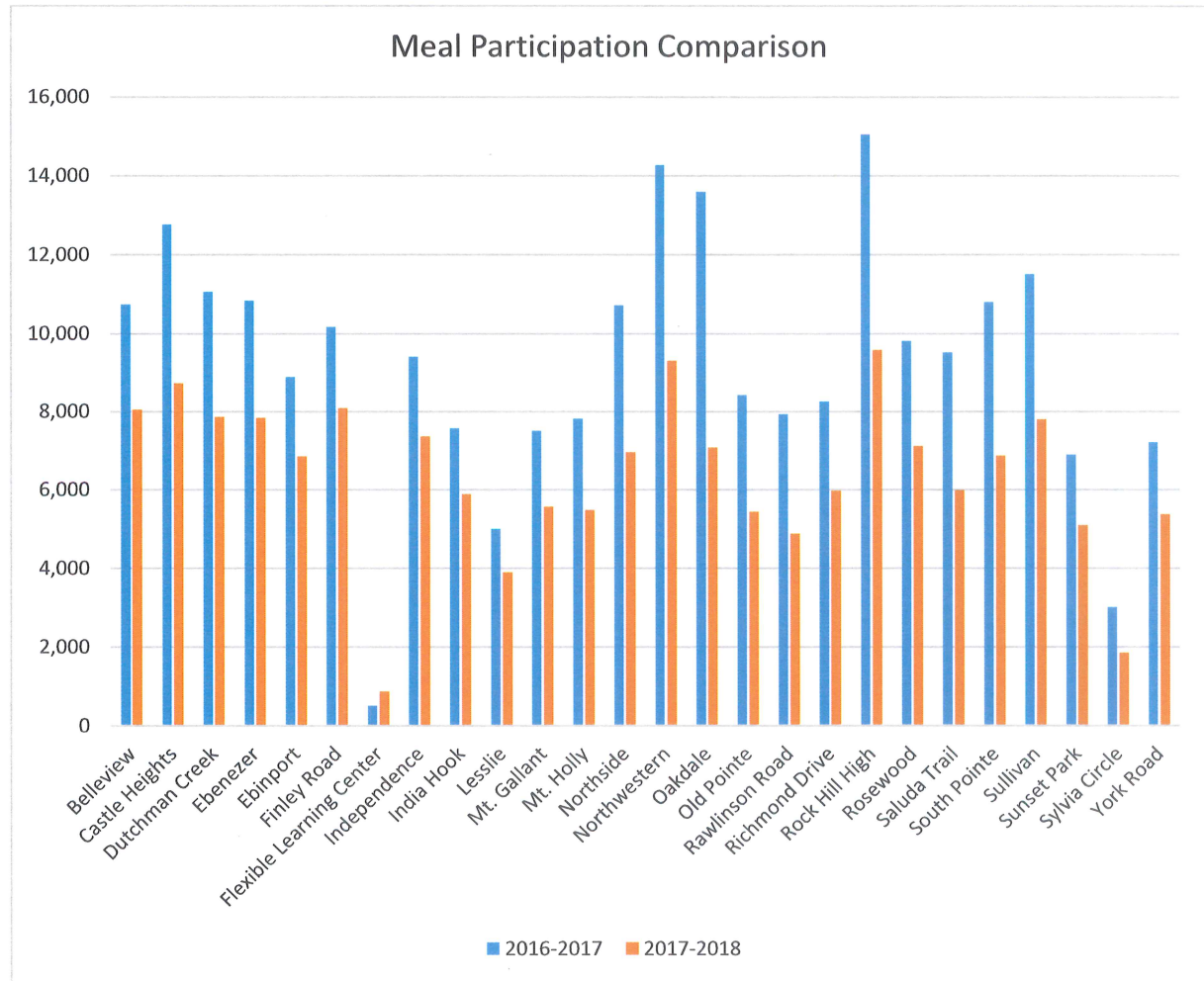
Serving Days 15 15



January
Meal Participation Comparison

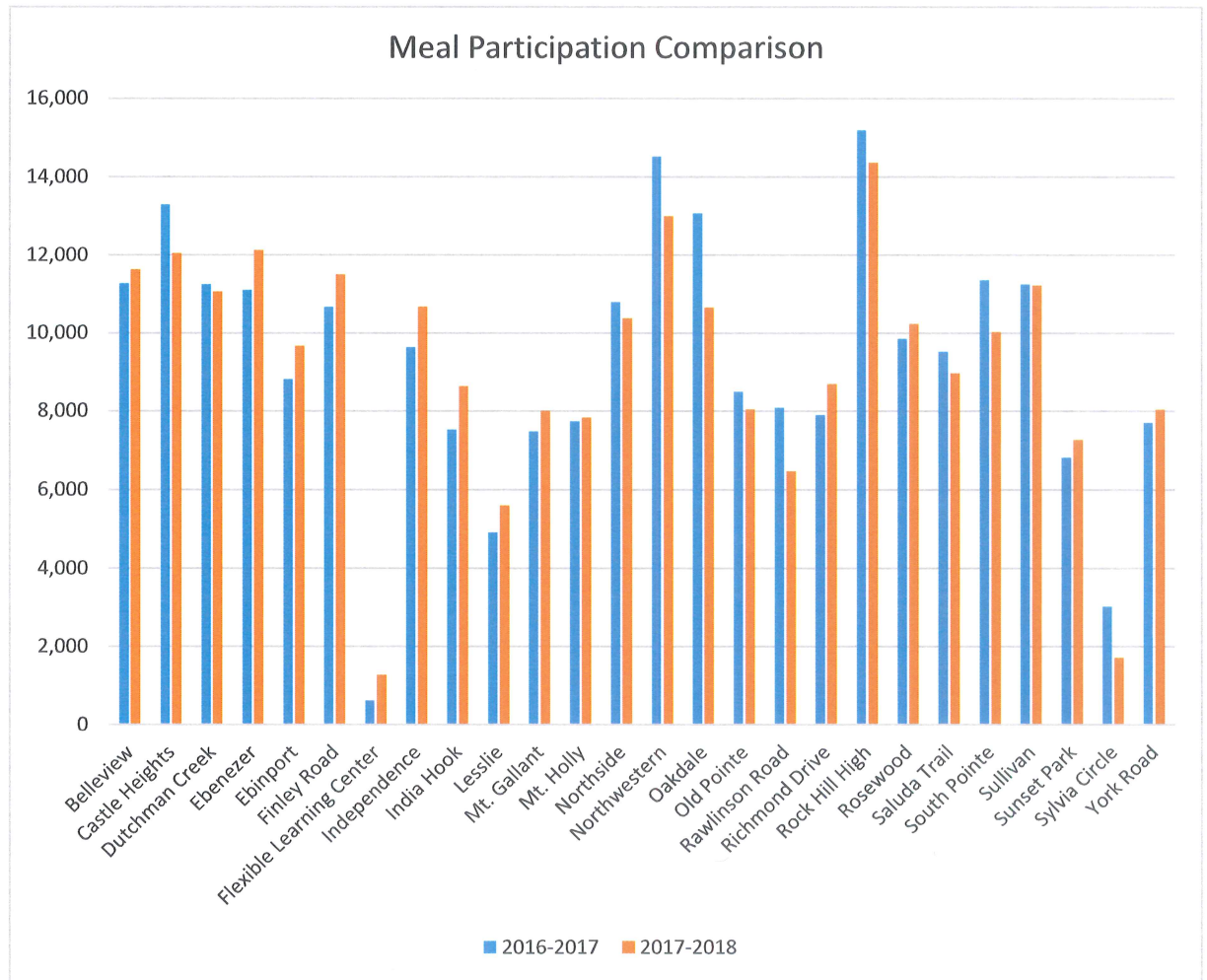
	2016-2017	2017-2018
Bellevue	10,733	8,034
Castle Heights	12,756	8,715
Dutchman Creek	11,063	7,858
Ebenezer	10,837	7,834
Ebinport	8,875	6,840
Finley Road	10,167	8,084
Flexible Learning Center	506	863
Independence	9,401	7,349
India Hook	7,559	5,880
Lesslie	4,991	3,893
Mt. Gallant	7,496	5,561
Mt. Holly	7,800	5,471
Northside	10,714	6,942
Northwestern	14,258	9,301
Oakdale	13,583	7,061
Old Pointe	8,414	5,428
Rawlinson Road	7,914	4,867
Richmond Drive	8,250	5,962
Rock Hill High	15,045	9,578
Rosewood	9,802	7,101
Saluda Trail	9,509	5,980
South Pointe	10,798	6,857
Sullivan	11,504	7,787
Sunset Park	6,879	5,087
Sylvia Circle	3,004	1,846
York Road	7,199	5,366

Serving Days 18 14



February
Meal Participation Comparison

	2016-2017	2017-2018
Bellevue	11,264	11,628
Castle Heights	13,286	12,039
Dutchman Creek	11,241	11,051
Ebenezer	11,101	12,117
Ebinport	8,795	9,655
Finley Road	10,669	11,498
Flexible Learning Center	618	1,272
Independence	9,628	10,673
India Hook	7,513	8,617
Lesslie	4,907	5,590
Mt. Gallant	7,468	7,992
Mt. Holly	7,725	7,826
Northside	10,782	10,367
Northwestern	14,510	12,992
Oakdale	13,061	10,656
Old Pointe	8,476	8,032
Rawlinson Road	8,069	6,471
Richmond Drive	7,887	8,678
Rock Hill High	15,177	14,358
Rosewood	9,848	10,225
Saluda Trail	9,504	8,953
South Pointe	11,356	10,018
Sullivan	11,243	11,220
Sunset Park	6,809	7,265
Sylvia Circle	3,017	1,713
York Road	7,697	8,030
Serving Days	18	20



Superintendent's Event Schedule			
<u>Event</u>	<u>Date</u>	<u>Time</u>	<u>Location</u>
Spring Break	April 2-6		
Depart for San Antonio, Texas	Friday, April 6		
NSBA Conference	Friday, April 6-Monday, April 9		San Antonio, Texas
Return to Rock Hill	Monday, April 9		
Meeting w/Board Chair and Cabinet Members	Monday, April 9	3:45-4:00 p.m.	Central Office
Classroom Observations - Independence	Tuesday, April 10	8:30-10:30 a.m.	Independence
Meeting w/Vice Chair, Board Chair (via telephone)	Tuesday, April 10	3:30-4:00 p.m.	Central Office
Joint Community Meeting High School Choice	Tuesday, April 10	6:00-7:45 p.m.	Central Office
Meeting w/Board Members	Wednesday, April 11	12:00-1:00 p.m.	Central Office
Riley Institute Work Group Conference Call	Wednesday, April 11	7:00-8:00 p.m.	Via Telephone
United Way Board of Directors Meeting	Thursday, April 12	8:00-9:00 a.m.	UW Office
Rotary Board Meeting	Thursday, April 12	11:00 a.m.- Noon	Palmetto Room
Rotary Luncheon	Thursday, April 12	Noon - 1:00 p.m.	Palmetto Room
Community Visits - Richmond Drive	Friday, April 13	8:30-9:45 a.m.	Richmond Drive
Community Visits - Ebinport	Friday, April 13	10:15-11:45 a.m.	Ebinport
Internship Signings	Friday, April 13	12:00-12:45 p.m.	Baxter Hood