



**Compliance Examination Program
Clarke County School System
June 30, 2017**

1. Obtain a copy of the Clarke County School System SPLOST resolution and read the terms for design of compliance testing.
2. Compare the terms of the Clarke County School System SPLOST resolution with Article VIII, Section VI, Paragraph IV of the Georgia Constitution and Official Code of Georgia (O.C.G.A.) 48-8-141 to ensure compliance with state law.
3. Compare the terms of the Clarke County School System SPLOST resolution with detail budget and actual records for receipt and disbursement of SPLOST funds during the year.
4. Test accounting system internal controls and procedures for the following:
 - a. Contract bidding and approval process
 - b. Reconciliation of accounting records
 - c. Invoice approval process
 - d. Cash disbursement approval process
5. Confirm receipt of SPLOST funds with the state of Georgia.
6. Trace receipt of funds from the state of Georgia to Clarke County School System SPLOST investment and/or cash accounts.
7. Test the allocation of earnings from the Local Government Investment Pool (LGIP) or other investment fund to Clarke County School System SPLOST funds.
8. Trace Clarke County School System SPLOST disbursement records for individual payments to invoices and/or contract approval and cancelled checks.
9. Verify that these disbursements are for the educational purposes described in the Clarke County School System SPLOST resolution.
10. Vouch the payment of principal and interest on Clarke County School System bond debt per the SPLOST resolution and trace to bond amortization schedules.
11. Test and confirm Clarke County School System SPLOST cash and investment balances.
12. Verify the existence of capital assets funded by Clarke County School System SPLOST proceeds.
13. Read bid proceedings, budgeted to actual cost and comparative data for similar projects for analysis of effective and efficient use of SPLOST funds.



14. Test a sample of transfers in and out of SPLOST funds to ensure funds are properly identified, segregated and spent for the educational purposes described in Clarke County School System SPLOST resolutions.

15. Determine that required annual reporting to the public by Clarke County School System on the results of SPLOST projects was performed.

CLARKE COUNTY SCHOOL SYSTEM
SPLOST PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2017

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INDEPENDENT ACCOUNTANTS' REPORT

To the Clarke County Board of Education
Athens, Georgia

We have examined the Clarke County School System's (School System) attached Schedule of SPLOST Project Expenditures and their compliance with Article VIII, Section VI, Paragraph IV of the Georgia Constitution and Official Code of Georgia (O.C.G.A.) 48-8-141 regarding expenditure of sales tax for educational purposes during the year ended June 30, 2017. Management of the School System is responsible for the School System's compliance with the specified requirements. Our responsibility is to express an opinion on the School System's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School System complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School System complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the School System's compliance with specified requirements.

In our opinion, the Clarke County School System complied, in all material respects, with Article VIII, Section VI, Paragraph IV of the Georgia Constitution and Official Code of Georgia (O.C.G.A.) 48-8-141 regarding expenditure of sales tax for educational purposes during the year ended June 30, 2017.

Serotta Maddocks Evans & Co.

Serotta Maddocks Evans & Co., CPAs

Augusta, Georgia
February 20, 2018

CLARKE COUNTY SCHOOL SYSTEM
 SCHEDULE OF SPLOST PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2017

PROJECT	SPLOST 2012	SPLOST 2017	Total
Debt service, including principal and interest	\$ 10,938,425	\$ -	\$ 10,938,425
Barnett Shoals Elementary	2,372,506	-	2,372,506
Burney Harris Lyons Middle	-	119,366	119,366
Clarke Central High	5,061,512	-	5,061,512
Hilsman Middle	-	24,109	24,109
Oglethorpe Avenue Elementary	4,068,778	-	4,068,778
Old Gaines Elementary	845,613	-	845,613
School nutrition	269,384	-	269,384
Security	2,538	-	2,538
Technology	476,803	554,845	1,031,648
Transportation	307,205	-	307,205
Whitehead Road Elementary	86,738	-	86,738
W.R. Coile Middle	-	102,000	102,000
Other SPLOST	299,473	122,590	422,063
Total SPLOST expenditures	<u>\$ 24,728,975</u>	<u>\$ 922,910</u>	<u>\$ 25,651,885</u>

NOTE: Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the lives of the projects.