GLYNN COUNTY BOARD OF EDUCATION

Brunswick, Georgia

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 2015


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Annual Financial Report
For the Year Ended June 30, 2015

Table of Contents

	Page
Independent Auditors' Report	A -1
Management's Discussion and Analysis	B -1
Basic Financial Statements:	
District-wide Financial Statements:	
Statement of Net Position	C - 1
Statement of Activities	C - 2
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	C - 3
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	C - 4
Statement of Revenues, Expenditures, and Changes in Fund Balances	C - 5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C - 6
Proprietary Funds (Internal Service):	
Statement of Net Position	C - 7
Statement of Revenues, Expenses and Changes in Fund Net Position	C - 8
Statement of Cash Flows	C - 9
Fiduciary Funds (Agency):	
Statement of Fiduciary Assets and Liabilities	C - 10
Notes to the Basic Financial Statements	C - 11
Required Supplementary Information other than MD&A:	
Budgetary Comparison Schedule - General Fund	D - 1
Schedule of Proportionate Share of the Net Pension Liability - Teachers' Retirement System	D - 2
Schedule of Proportionate Share of the Net Pension Liability - Employees' Retirement System	D - 3
Schedule of Contributions - Teachers' Retirement System	D - 4
Schedule of Contributions - Employees' Retirement System	D - 6
Notes to Required Supplementary Information	D - 8
Supplementary Data - Combining Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet - by Fund Type	E - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - by Fund Type	E - 3

Glynn County Board of Education

Annual Financial Report
For the Year Ended June 30, 2015

Table of Contents

	Page
Budgetary Comparison Schedules - Nonmajor Governmental Funds:	
Special Revenue Funds:	
Special Programs	E - 5
Title I	E - 6
Title II	E - 7
Title IVB	E - 8
Special Education	E - 9
Pre Kindergarten	E - 10
Athletics	E - 11
School Food Service	E - 12
Debt Service Fund	E - 13
Internal Service Funds:	
Combining Statement of Net Position	E - 14
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	E - 15
Combining Statement of Cash Flows	E - 16
Fiduciary Funds:	
Statement of Changes in Assets and Liabilities - Agency Funds	E - 17
Supplemental Schedule:	
Schedule of Approved Special Purpose Local Option Sales Tax Projects	E - 18
Compliance and Internal Control Reports:	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	F - 1
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	F - 3
Schedule of Expenditures of Federal Awards	F - 5
Note to the Schedule of Expenditures of Federal Awards	F - 6
Schedule of Findings and Questioned Costs and Status of Prior Audit Findings	F - 7

INDEPENDENT AUDITORS' REPORT


GLYNN
SCHOOLS
COUNTY

INDEPENDENT AUDITORS' REPORT

To the Superintendent and Members of the
Board of Education of Glynn County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Glynn County, Georgia (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Tel 912-232-0475 *Fax* 912-232-0478
6600 Abercorn Street, Suite 200 | Savannah, GA 31405 | P.O. Box 16149 | Savannah, GA 31416 | krtcpa.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Glynn County, Georgia, as of June 30, 2015, and the respective changes in financial position, and, where applicable cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page B-1 and budgetary comparison information and pension schedules beginning on page D-1 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated March 25, 2016, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

KRT, CPAs P.C.

KRT, CPAs P.C.

Savannah, Georgia
March 25, 2016


GLYNN
SCHOOLS
COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS


GLYNN
SCHOOLS
COUNTY

GLYNN COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The discussion and analysis of Glynn County Board of Education's financial performance provides an overall review of the Board's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the Board's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the Board's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2015 are as follows:

- In total, net position increased $20 million, which represents a 15.3 percent increase from fiscal year 2014. This increase was due to governmental activities since the Board has no business-type activities.
- General revenues accounted for $87 million in revenue or 56.6 percent of all revenues. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for $67 million or 43.4 percent of total revenues of $154 million.
- The Board had $134.3 million in expenses related to governmental activities; only $66.8 million of these expenses were offset by program revenues. General revenues (primarily property and sales taxes) of $87.1 million funded the remaining expenses for these programs.
- Among major funds, the general fund has $115.6 million in revenues and $115.5 million in expenditures. The general fund's fund balance remained at $23.4 million.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Glynn County Board of Education as a financial whole, or as an entire operating entity.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Board, presenting both an aggregate view of the Board's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the Glynn County Board of Education, the general fund is by far the most significant fund.

Reporting the Board as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Board to provide programs and activities, the view of the Board as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2015?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets, liabilities, and deferred outflows/inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Board's net position and changes in position. This change in net positon is important because it tells the reader whether, for the Board as a whole, the financial position of the Board has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Board's property tax base, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the Board has one distinct type of activity:

- Governmental Activities - All of the Board's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service, after school program, principal's accounts and various others.

Reporting the Board's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Board's major funds. The Board uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Board's most significant funds. The Board's major governmental funds are the general fund, and the capital projects fund.

Governmental Funds Most of the Board's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Board's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds The district is the trustee, or fiduciary, for assets that belong to others, such as school clubs and organizations within the principals' accounts. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

The Board as a Whole

- The perspective of the statement of net position is of the Board as a whole. Table 1 provides a summary of the Board's net position for fiscal year 2015 compared to fiscal year 2014.

Table 1
Net Assets
(In Thousands)

	6/30/2015	RESTATED 6/30/2014
Assets		
Current and other assets	$ 88,338	$ 84,100
Capital assets, net of accumulated depreciation	204,295	204,314
Total assets	292,633	288,414
Deferred Outflows of Resources		
Pension related	8,931	8,243
Liabilities		
Current and other liabilities	21,597	19,999
Long-term liabilities	100,433	147,992
Total liabilities	122,030	167,991
Deferred Inflows of Resources		
Pension related	31,236	-
Net Position		
Net investment in capital assets	189,406	175,821
Restricted	35,497	29,728
Unrestricted	(76,605)	(76,883)
Total net position	$ 148,298	$ 128,666

Total net position increased $20 million in fiscal year 2015.

Table 2 shows the changes in net assets for fiscal year 2015 compared to the changes in net position for fiscal year 2014.

Table 2
Change in Net Position
(In Thousands)

	6/30/2015	RESTATED 6/30/2014
Revenues		
Program revenues:		
Charges for services and sales	$ 2,497	$ 2,742
Operating grants and contributions	62,375	51,934
Capital grants and contributions	1,948	17,599
Total program revenues	66,820	72,275
General Revenues:		
Taxes		
Property taxes	64,104	64,147
Sales taxes	20,030	18,777
Other taxes	1,633	1,356
Grants and contributions not restricted to specific programs	117	146
Unrestricted investment earnings	41	41
Investment earnings restricted for capital projects	3	32
Miscellaneous	1,170	1,257
Total general revenues	87,098	85,756
Total revenues	153,918	158,031
Program Expenses		
Instruction	89,388	79,643
Support services		
Pupil services	3,476	3,013
Improvement of instructional services	4,394	3,718
Educational media services	1,860	1,760
Federal grant administration	148	221
General administration	973	848
School administration	6,278	5,834
Business administration	1,143	1,085
Maintenance and operation of plant	10,856	10,350
Student transportation services	5,725	5,908
Central support services	1,561	1,441
Other support services	503	557
Operations of non-instructional services		
Food services	7,903	7,284
Community services	1	3
Interest on short-term and long-term debt	77	156
Total expenses	134,286	121,821
Increase in net position	19,632	36,210
Net position - beginning	128,666	92,456
Net position - ending	$ 148,298	$ 128,666

Governmental Activities

Instruction comprises 67 percent of governmental program expenses. Interest expense was less than one percent of governmental program expenses. Interest expense was attributable to capital leases and the outstanding bonds for capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services comparing fiscal year 2015 with fiscal year 2014. Net cost of services can be defined as the total cost less fees generated by the activities and revenues or contributions provided for specific programs. That is, it identifies the cost of these services supported by tax revenues, unrestricted state grants, investment earnings and other general revenues.

Table 3
Governmental Activities
(In Thousands)

	Total Cost of Services		Net Cost of Services	
	Fiscal Year 2015	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2014
Instruction	$ 89,388	$ 79,643	$ 41,425	$ 24,955
Support services:				
Pupil services	3,476	3,013	2,313	2,158
Improvement of instructional services	4,394	3,718	3,078	2,573
Educational media services	1,860	1,760	774	808
Federal grant administration	148	221	148	221
General administration	973	848	(269)	(217)
School administration	6,278	5,834	4,030	3,825
Business administration	1,143	1,085	1,143	1,085
Maintenance and operation of plant	10,856	10,350	8,284	8,113
Student transportation services	5,725	5,908	4,547	4,719
Central support services	1,561	1,441	1,561	1,441
Other support services	503	557	95	80
Operations of non-instructional services:				
Food services	7,903	7,284	283	(352)
Community services	1	3	(24)	(18)
Interest on short-term and long-term debt	77	156	77	156
Total expenses	$ 134,286	$ 121,821	$ 67,465	$ 49,547

Expenditures for fiscal year 2015 increased about 10.2% from the prior year and net cost of services increased about 36.2%. The increase in net cost of services was due to decreases in program specific revenues. The Board's capital grants were $16 million less than fiscal year 2014. The state capital grant for the New Brunswick High School represents the final payment of 10% of the grant. Program specific revenues represent 43.4% of revenues. The Board is dependent upon tax revenues for governmental activities.

The Board's Funds

The Board's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of $158.8 million and expenditures and other financing uses of $156.2 million. The district-wide capital projects' fund balance had an increase of $2.9 million mainly from receiving a state grant for the New Brunswick High School. The general fund had an increase of $47,238 in fund balance. The positive change in the fund balance of the general fund for the year reflects that the Board was able to meet current costs without reducing reserves.

General Fund Budgeting Highlights

The Board's budget is prepared according to Georgia law. The most significant budgeted fund is the General Fund which includes local, state and federal funds collected and disbursed for the purpose of operating the school system.

During the course of fiscal year 2015, the Board amended its general fund budget as needed. The Board uses site-based budgeting. The budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the final budgeted revenues and other financing sources of $113.7 million were higher than the original budgeted amount of $110.7 million by $3 million. The actual revenues and other financing sources of $115.6 million were more than the budgeted amount of $113.7 million by $1.9 million.

The final budgeted expenditures and other financing uses of $118 million exceeded the original budgeted amount of $113.8 million by $4.2 million. This difference was due to changes in grants after the school year had begun, unanticipated expenditures, recording a capital lease, and transferring excess reserves to the local capital projects fund and the self-insured workmen's compensation fund. The actual expenditures and other financing uses of $115.5 million were $2.5 million less than budgeted. This difference was due to conservative spending practices along with combining positions and attrition.

General fund revenues and other financing sources were more than the expenditures and other financing uses by $47,238. The Board was able to maintain an adequate fund balance while waiting for the economy to turn around.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2015, the Board had $204 million invested in capital assets, all in governmental activities. Table 4 shows fiscal year 2015 balances compared with fiscal year 2014 balances.

Table 4
Capital Assets at June 30
(Net of Depreciation, in Thousands)

	2015	2014
Land	$ 5,368	$ 5,368
Construction in progress	8,833	2,671
Building and building improvements	184,013	190,662
Equipment	6,081	5,613
Total capital assets, net of accumulated depreciation	$ 204,295	$ 204,314

Capital Assets remained the same for fiscal year 2015. The Board began renovating Glynn Academy. These capital expenditures are being funded with Educational Special Purpose Local Option Sales Tax (ESPLOST) revenues and General Obligation Bonds. In March of 2007, the voters of Glynn County approved the first ESPLOST for the school district to be collected between July 1, 2007 and December 31, 2010. In November of 2009, the voters of Glynn County approved the second ESPLOST for the school district to be collected between January 1, 2011 and December 31, 2015.

Debt

At June 30, 2015, the Board had $13 million in bonds outstanding with $13 million due within one year. Table 5 summarizes general obligation bonds, capital leases, and compensated absences outstanding. Table 5 shows fiscal year 2015 balances compared with fiscal year 2014 balances.

Table 5
Debt at June 30
(In Thousands)

	2015	2014
General obligation bonds	$ 13,009	$ 26,593
Capital leases	1,880	1,514
Compensated absences	2,421	2,468
Total long-term obligations	$ 17,310	$ 30,575

In November 2009, voters approved a 1% ESPLOST in conjunction with a $51.8 million General Obligation Bond issue for the purpose of building new schools and renovating schools. The ESPLOST, collected between January 1, 2011, and December 31, 2015, will be used to retire the bonds. In September 2010, Glynn County Board of Education issued $51.8 million in General Obligation Sales Tax Bonds to advance fund the capital projects. At June 30, 2015, the School District's assigned bond rating was "Aa1" as determined by Moody's Investors Service.

Current Issues

Despite state revenue austerity cuts remaining intact since 2003 and equaling $4.4 million in 2015, state mandated salary, retirement and health insurance increases only being partially funded, and the ongoing effort of the board to maintain class sizes in accord with maximum class-size requirements from the state, the Glynn County School System has been able to maintain an adequate fund balance of $23.4 million in the General Fund. Even though the Board implemented conservative budgeting practices throughout the recession, they were not able to maintain the same millage rate. The digest has declined by 25% since fiscal year 2009. The Board was forced to raise the millage rate to 16.230 in 2014 but was able to roll the millage rate back to 16.157 in 2015. With the School District's second ESPLOST, the New Brunswick High School was completed and renovations began on Glynn Academy. These projects will ensure adequate space for future growth in our high schools.

Currently, there are no legal issues pending that would materially affect the financial position of the School System. Glynn County Schools is expecting the Austerity Reductions from the state to continue and are hopeful the property tax digest will begin to increase. Although the Board will be looking to streamline programs and operations in order to compensate for the loss in revenues from the state and slow growth in the digest, Glynn County Schools is in a sound financial position with a $23.4 million reserve and a conservative millage rate.

Contacting the Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, you may contact Andrea H. Preston at Glynn County Board of Education, 1313 Egmont Street, Brunswick, Georgia 31521 or email at apreston@glynn.k12.ga.us.

DISTRICT-WIDE FINANCIAL STATEMENTS


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Statement of Net Position

June 30, 2015

	Governmental Activities
ASSETS	
Cash and investments	$ 46,858,266
Receivables:	
Intergovernmental	7,868,670
Taxes	3,243,640
Other	203,723
Inventory and prepaid expenses	663,558
Restricted cash and investments	29,500,140
Capital assets	
Land, improvements, and construction in progress	14,201,558
Other capital assets, net of accumulated depreciation	190,093,864
Total assets	292,633,418
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	8,931,282
LIABILITIES	
Accounts payable	3,742,218
Construction contracts payable - retainage	386,388
Accrued salaries and benefits	17,154,392
Interest payable	167,152
Other current liabilities	146,424
Long-term liabilities:	
Due within one year	13,878,164
Due in more than one year	3,432,401
Net pension liability	83,123,178
Total liabilities	122,030,317
DEFERRED INFLOWS OF RESOURCES	
Pension related	31,235,992
Net Position	
Net investment in capital assets	189,405,957
Restricted for	
Debt service	28,428,058
Capital projects	4,192,535
Grant programs	2,876,701
Unrestricted	(76,604,860)
Total net position	$ 148,298,391

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Statement of Activities

For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities:					
Instruction	$ 89,387,178	$ 1,079,531	$ 44,934,587	$ 1,948,421	$ (41,424,639)
Support services:					
Pupil services	3,476,093	-	1,162,909	-	(2,313,184)
Improvement of instructional services	4,394,199	-	1,316,425	-	(3,077,774)
Educational media services	1,860,495	-	1,085,995	-	(774,500)
Federal grant administration	147,578	-	-	-	(147,578)
General administration	972,855	-	1,242,269	-	269,414
School administration	6,278,305	-	2,248,113	-	(4,030,192)
Business administration	1,142,897	-	-	-	(1,142,897)
Maintenance and operation of plant	10,855,791	-	2,571,756	-	(8,284,035)
Student transportation services	5,725,170	-	1,178,002	-	(4,547,168)
Central support services	1,560,831	-	-	-	(1,560,831)
Other support services	502,674	-	407,087	-	(95,587)
Operations of non-instructional services:					
Food services	7,903,295	1,392,012	6,228,283	-	(283,000)
Community services	1,214	25,227	-	-	24,013
Interest on long-term debt	76,912	-	-	-	(76,912)
Total governmental activities	134,285,487	$ 2,496,770	$ 62,375,426	$ 1,948,421	(67,464,870)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					64,104,155
Sales taxes for capital projects					20,030,499
Other taxes					1,632,868
Grants and contributions not restricted to specific programs:					
Other grants and contributions					116,605
Investment earnings:					
Unrestricted investment earnings					40,600
Restricted for capital projects					3,063
Miscellaneous					1,169,515
Total general revenues					87,097,305
Change in net position					19,632,435
Net position - beginning (restated)					128,665,956
Net position - ending					$ 148,298,391

The notes to the basic financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Governmental Funds
Balance Sheet

June 30, 2015

	General	District-Wide Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	$ 36,938,334	$ 385,807	$ 5,552,268	$ 42,876,409
Receivables:				
Taxes	3,243,640	-	-	3,243,640
State government	4,010,622	1,874,344	121,310	6,006,276
Grants and other	299,703	-	1,766,414	2,066,117
Interfund receivables	1,490,424	2,000,108	190	3,490,722
Inventory and prepaid expenses	521,219	-	142,339	663,558
Restricted cash and investments	-	29,500,140	-	29,500,140
Total assets	$ 46,503,942	$ 33,760,399	$ 7,582,521	$ 87,846,862
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ 1,671,688	$ 753,418	$ 168,131	$ 2,593,237
Accrued salaries and benefits	15,131,420	-	2,022,972	17,154,392
Construction contracts payable - retainage	-	386,388	-	386,388
Interfund payables	4,131,180	-	1,490,424	5,621,604
Other current liabilities	146,424	-	-	146,424
Total liabilities	21,080,712	1,139,806	3,681,527	25,902,045
Deferred inflows of resources				
Unavailable income	1,999,705	-	9,833	2,009,538
Fund balances				
Nonspendable:				
Inventory and prepaid expenses	521,219	-	142,339	663,558
Restricted:				
Debt service	-	28,428,058	-	28,428,058
Capital projects	-	4,192,535	-	4,192,535
Federal and state grant programs	-	-	2,876,701	2,876,701
Assigned:				
Student activity accounts	-	-	557,895	557,895
Historic Glynn Academy	-	-	15,198	15,198
Athletic programs	-	-	299,028	299,028
Appropriations for fiscal year 2016 budget	2,110,800	-	-	2,110,800
Local capital outlay projects	3,462,122	-	-	3,462,122
Unassigned	17,329,384	-	-	17,329,384
Total fund balances	23,423,525	32,620,593	3,891,161	59,935,279
Total liabilities and fund balances	$ 46,503,942	$ 33,760,399	$ 7,582,521	$ 87,846,862

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities

June 30, 2015

Total Governmental Fund Balances		$ 59,935,279
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds, net of accumulated depreciation:		
Capital assets, at cost	$ 296,387,724	
Accumulated depreciation	(92,092,302)	204,295,422
Other long-term assets are not available to pay for current period expenditures:		
Unavailable property taxes		2,009,538
Long-term and related liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.		
Interest payable	(167,152)	
Compensated absences	(2,421,099)	
General obligation debt	(13,009,251)	
Capital leases payable	(1,880,215)	
Net pension liability	(83,123,178)	(100,600,895)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the government fund financial statements		(22,304,710)
Internal service funds are used by management to charge the cost of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position		4,963,757
Net Position of Governmental Activities		$ 148,298,391

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2015

	General	District-Wide Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	$ 66,784,854	$ -	$ -	$ 66,784,854
Sales taxes	-	20,030,499	-	20,030,499
State sources	45,870,990	1,948,421	2,210,543	50,029,954
Federal sources	588,909	-	14,012,873	14,601,782
Charges for services	-	-	1,083,587	1,083,587
Investment earnings	36,090	3,063	2,118	41,271
Miscellaneous	838,471	-	1,446,178	2,284,649
Total revenues	114,119,314	21,981,983	18,755,299	154,856,596
Expenditures				
Current				
Instruction	76,615,733	-	9,003,889	85,619,622
Support services:				
Pupil services	3,060,506	-	491,894	3,552,400
Improvement of instructional services	3,455,590	-	1,129,934	4,585,524
Educational media services	1,931,457	-	-	1,931,457
Federal grant administration	-	-	147,578	147,578
General administration	970,112	-	34,632	1,004,744
School administration	6,357,536	-	163,996	6,521,532
Business administration	1,181,405	-	-	1,181,405
Maintenance and operation of plant	10,772,684	-	109,231	10,881,915
Student transportation services	5,008,152	977,798	37,034	6,022,984
Central support services	1,421,901	-	14,329	1,436,230
Other support services	100,612	-	407,087	507,699
Food services	63,384	-	7,929,662	7,993,046
Community services	1,214	-	-	1,214
Capital Outlay	-	6,379,115	-	6,379,115
Debt Service				
Principal	1,091,616	13,000,000	-	14,091,616
Interest and other charges	57,691	772,600	-	830,291
Total expenditures	112,089,593	21,129,513	19,469,266	152,688,372
Excess of revenues over (under) expenditures	2,029,721	852,470	(713,967)	2,168,224
Other financing sources (uses)				
Capital lease	1,457,149	-	-	1,457,149
Transfers in	-	2,039,508	439,632	2,479,140
Transfers out	(3,439,632)	-	(39,508)	(3,479,140)
Total other financing sources (uses)	(1,982,483)	2,039,508	400,124	457,149
Net Changes in fund balances	47,238	2,891,978	(313,843)	2,625,373
Fund balances at beginning of year	23,376,287	29,728,615	4,205,004	57,309,906
Fund balances at end of year	$ 23,423,525	$ 32,620,593	$ 3,891,161	$ 59,935,279

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2015

Net change in Fund Balances - Total Governmental Funds		$ 2,625,373
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlays	$ 9,125,489	
Depreciation expense	(9,143,793)	(18,304)
Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability		(1,457,149)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year these amounts consist of:		
Bond principal retirement	13,000,000	
Capital lease payments	1,091,616	14,091,616
Because some revenues will not be collected for several months after the system's fiscal year ends, they are not considered "available" revenues and are deferred inflows in the governmental funds. Deferred inflows of resources increased (decreased) by this amount this year		(1,047,831)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Decrease (increase) in compensated absences	46,693	
Net (increase) decrease in accrued interest expense	169,565	
Amortization of bond premium	583,814	800,072
Pension contributions, reported in the governmental fund financial statements but made subsequent to the measurement date of the net pension liability, are reported as deferred outflows of resources on the statement of net position		3,746,682
Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities		891,976
Change in Net Position of Governmental Activities		$ 19,632,435

Glynn County Board of Education

Proprietary Funds
Statement of Net Position

June 30, 2015

	Governmental Activities - Internal Service Funds
Assets	
Current assets:	
Cash and investments	$ 3,981,856
Interfund receivables	2,130,882
Total assets	6,112,738
Liabilities	
Current liabilities:	
Accounts payable and contracts payable	1,148,981
Total liabilities	1,148,981
Net Position	
Unrestricted	4,963,757
Total net position	$ 4,963,757

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position

For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
Operating revenues	
Risk management fees	$ 997,773
Total operating revenues	997,773
Operating expenses	
Risk management	1,108,189
Total operating expenses	1,108,189
Operating income (loss)	(110,416)
Nonoperating revenues	
Investment income	2,392
Total nonoperating revenues (expenses)	2,392
Net income (loss) before transfers	(108,024)
Transfers in (out)	1,000,000
Change in net position	891,976
Net position, beginning of year	4,071,781
Net position, end of year	$ 4,963,757

The notes to the basic financial statements are an integral part of this statement.

Glynn County Board of Education

Proprietary Funds
Statement of Cash Flows

For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Cash received for services and fees	$ 997,773
Cash payments for supplies and insurance	(1,065,585)
Net cash provided (used) by operating activities	(67,812)
Cash flows from noncapital financing activities:	
Decrease (increase) in interfund receivables	(1,747,321)
Net cash provided (used) by noncapital financing activities	(747,321)
Cash flows from investing activities:	
Interest earned on cash and investments	2,392
Net cash provided (used) by investing activities	2,392
Net increase (decrease) in cash and cash equivalents	(812,741)
Cash and cash equivalents, beginning of year	4,794,597
Cash and cash equivalents, end of year	$ 3,981,856
Operating income (loss)	$ (110,416)
Change in liabilities:	
Increase (decrease) in accounts payable	42,604
Total adjustments	42,604
Net cash provided (used) by operating activities	$ (67,812)

Glynn County Board of Education

Fiduciary Funds
Statement of Fiduciary Assets and Liabilities

June 30, 2015

	Agency Funds
Assets	
Cash and investments	$ 369,464
Total assets	$ 369,464
Liabilities	
Due to student groups	$ 369,464
Total liabilities	$ 369,464

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS


GLYNN
SCHOOLS
COUNTY

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A.	Reporting Entity	C - 11
B.	Basic Financial Statements	C - 11
C.	Measurement Focus and Basis of Accounting	C - 13
D.	Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity	C - 13
E.	Revenues, Expenditures, and Expenses	C - 17
F.	Retstatement of Prior Year Net Position	C - 18
G.	New Accounting Pronouncements	C - 19

NOTE II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

A.	Cash and Investments	C - 19
B.	Receivables	C - 20
C.	Property Taxes	C - 21
D.	Capital Assets	C - 22
E.	Capital Leases	C - 22
F.	Long-term Debt	C - 23
G.	Interfund Receivables, Payables, and Transfers	C - 24
H.	Operating Leases	C - 24
I.	Restricted Assets	C - 24

NOTE III. OTHER NOTES

A.	Retirement Plans	C - 25
B.	Pensions Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	C - 26
C.	Post-employment Benefits	C - 30
D.	Commitments and Contingencies	C - 31
E.	Risk Management	C - 32
F.	On-Behalf of Payments	C - 33


GLYNN
SCHOOLS
COUNTY

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Glynn County Board of Education, (the "Board") operates under a Board-Superintendent form of government and provides public educational services to the citizenry of the Glynn County, Georgia. The Board receives funding from local, state, and federal government sources and must comply with the accompanying requirements of these funding source entities.

The Board's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Board are discussed below.

A. Reporting Entity

The Board was established under the laws of the State of Georgia and operates under the guidance of a school board elected by the voters and a Superintendent appointed by the Board. The Board is organized as a separate legal entity and has the power to levy taxes and issue bonds. Its budget is not subject to approval by any other entity. Accordingly, the School District is a primary government and consists of all the organizations that compose its legal entity.

B. Basic Financial Statements

The Board's basic financial statements include both district-wide (reporting the Board as a whole) and fund financial statements (reporting the Board's major funds). Both the district-wide and fund financial statements categorize its primary activities as governmental. Those activities (functions) are instruction, pupil services, instructional services, educational media services, general administration, business administration, school administration, pupil transportation, maintenance and operations, central support services, other support services, food service operations and interest on long-term debt.

1. District-wide Financial Statements

In the district-wide Statement of Net Position, the governmental activity column (a) is presented on a consolidated basis (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Board's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Board first utilizes restricted resources to finance qualifying activities.

The district-wide Statement of Activities reports both the gross and net cost of each of the Board's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, unrestricted investment earnings, and other revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues that are directly associated with the function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The Board does not allocate indirect cost to functions in the statement of activities.

This district-wide focus is more on the sustainability of the Board as an entity and the change in the Board's net assets resulting from the current year's activities.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

2. Fund Financial Statements

The financial transactions of the Board are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditure/expenses. The various funds are reported by generic classification within the financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The emphasis in fund financial statements is on the major funds in the governmental fund category.

The District reports the following major governmental funds:

- General Fund
- District-wide Capital Projects Fund

The following fund types are used by the Board:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Board:

The ***General fund*** is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The ***Debt Service fund*** is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

The ***District-wide Capital Project fund*** is used to account for financial resources including eSPLOST, bond proceeds, and grants from the Georgia State Financing and Investment Commission to be used for the acquisition, construction, or renovation of major capital facilities.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Board:

Internal service funds are used to account for the financing of risk management services such as: worker's compensation and unemployment compensation that are charged to other departments or funds of the Board on a cost–reimbursement basis. The principal users of the internal services are the Board's governmental activities; the financial statement of the internal service fund is consolidated into the governmental column when presented in the district-wide financial statements. The cost of these services is reported in the appropriate functional activity, as disclosed at Note III.D.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Fiduciary Funds

Fiduciary funds are used to report assets held in an agency capacity for others, are not available to support Board programs, and do not involve measurement of results of operations. The Board has one fiduciary (agency) fund. Student Activity funds account for various student activities.

The Board's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of third parties and cannot be used to address activities or obligations of the government, these funds are not incorporated into the district-wide statements.

C. Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures /expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. The measurement focus relates to the types of transactions reported. The district-wide financial statements and the proprietary (internal service) fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities (whether current or noncurrent) are included on the statement of net position. Governmental funds financial statements are accounted for on a flow of current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are reported.

1. Accrual

Governmental activities in the district-wide financial statements, the proprietary (internal service) fund financial statements, and the fiduciary (agency) fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 30 days after year end. Revenues considered susceptible to accrual are property taxes, intergovernmental revenues, and investment income. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt are recognized when due.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Equity

1. Cash and Cash Equivalents

The Board maintains a cash and investment pool that is available for all funds. Each fund's portion of this pool is displayed as "Cash & Investments." For purposes of the statement of cash flows, the Board considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

2. Investments

During 2015 and as of June 30, 2015, the Board held no financial instruments classified as investments. The Board is authorized by state statutes to invest in the obligations of the U.S. Treasury, agencies and instrumentalities, repurchase agreements, bank certificates of deposit, and the Georgia Fund 1 administered by the State of Georgia.

3. Receivables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, sales taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the district-wide financial statements in accordance with the accrual basis. Allowances for uncollectible taxes receivable are based upon historical trends and the periodic aging of taxes receivable.

4. Sales Tax

Special Purpose Local Option Sales Tax, at the fund reporting level, during the year amounted to $18,776,975 and is to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be re-authorized at least every five years.

5. Inventory

Inventories are stated at cost (principally first-in, first-out), which is not in excess of market. The Board utilizes the consumption method to recognize inventory usage.

Under the consumption method, inventories are recorded as expenditures when used rather than when purchased. Reported inventories are equally offset by a reservation of fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA

6. Capital Assets

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

District-wide Statements

Capital assets, which include land, building, building improvements and equipment, are reported in the applicable governmental activities columns in the district-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold is a unit cost of $5,000 or more for equipment and $10,000 for buildings and improvements. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight–line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements.....	30 years
Equipment.....	3-20 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in district-wide statements.

7. Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

District-wide Statements

All long-term debt to be repaid from governmental resources is reported as liabilities in the district-wide statements. The long-term debt consists primarily of general obligation bonds, contractual obligations, capital leases and accrued compensated absences. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using a straight-line method.

Fund Financial Statements

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The face amount of the debt issued and premiums on the debt issuances are reported as other financing sources.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of resources that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. Under the full accrual method of accounting, the district has reported the contributions to the cost sharing benefit pension plan subsequent to the measurement date and prior to the fiscal year end as deferred outflows of resources.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of resources that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. Under the full accrual method of accounting, the district has reported the actuarial changes in the district's proportionate share of the governmental nonemployer cost sharing benefit pension plan, as discussed in Note III B. Additionally, the district has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

9. Equity Classifications

District-wide Statements

Equity is classified as net assets and displayed in three components:

1) **Net investment in capital assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

2) **Restricted net position** - Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

3) **Unrestricted net position** - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

The district-wide statement of net position includes a deficit unrestricted net position at June 30, 2015. The balance of unrestricted net position is as follows:

	Unrestricted
Net unfunded proportionate share of the TRS pension liability	$ (83,123,178)
Remaining unrestricted	6,518,318
Net position, unrestricted, June 30, 2015	$ (76,604,860)

Fund Financial Statements

Governmental fund equity is classified as fund balance. Governmental Accounting Standards Board (GASB) Statement 54 distinguishes fund balance classifications based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts will be reported in the following classifications:

1) **Nonspendable Fund Balance** – Fund balance reported as nonspendable represents fund balance associated with inventory, prepaid items, or long-term receivables. Nonspendable indicates that the respective resources are not available to be spent in any way due to their very nature and/or their lack of availability.

2) **Restricted Fund Balance** – Fund balance reported as restricted represents amounts that can be spent only on the specific purposes stipulated by law through constitutional provisions or enabling legislation or by the external providers of those resources.

3) **Committed Fund Balance** – Fund balance reported as committed includes amounts that can be used only for the specific purposes determined by a formal action of the Board. The only way committed funds can be removed or changed is by a formal action of the Board on or before the end of the fiscal year.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

4) **Assigned Fund Balance** – Fund balance reported as assigned represents amounts intended to be used for specific purposes, but not meeting the criteria to be reported as committed or restricted fund balance. At fiscal year-end, any appropriation of existing fund balance to eliminate a projected budgetary deficit in the next year's budget is considered to be an assignment of fund balance.

5) **Unassigned Fund Balance** – Fund Balance reported as unassigned represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications.

When an expenditure is incurred that would qualify as an expenditure of either Restricted or Unrestricted fund balance, those expenditures will first be applied to the Restricted Fund Balance category. When expenditures are incurred that would qualify as a use of any of the Unrestricted Fund Balance categories (Committed, Assigned, Unassigned), those expenditures will be applied in the order of Assigned first, then Unassigned, and then Committed.

Proprietary fund equity is classified the same as in the district-wide statements.

E. Revenues, Expenditures, and Expenses

1. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Board's internal service funds are charges to funds for risk management services. The Board's operating expenses for internal service funds include risk management expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

2. Expenditures/Expenses

In the district-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character: Current (further classified by function), Debt Service, and Capital Outlay.

Proprietary Fund - By Operating and Non-Operating

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

3. Interfund Activity and Internal Balances

Interfund activities are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at a market or near market rates, are treated as revenues and expenditures/expenses and are eliminated from the statement of activities to remove the "doubling-up" effect of the activity. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Permanent reallocation of resources between funds is classified as interfund transfers.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

In the process of aggregating data for the statement of net position and the statement of activities certain amounts reported as interfund activity and balances in the funds are eliminated or reclassified in the district-wide financial statements.

4. Compensated Absences

Eligible Board employees can earn annual vacation based on length of service, to a maximum of 18 days after 10 years of service. However, no more than 45 days are allowed to be carried over between fiscal years. Sick pay is as follows:

1) All employees earn one and one quarter days of sick leave with full pay each month.
2) Sick leave is cumulative up to an indefinite period.
3) Sick leave is paid for each day over 45 days at ½ of the substitute rate upon retirement or termination of employment.

All compensated absences are accrued when incurred in the district-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

5. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

F. Restatement of Prior Year Net Position

For fiscal year 2015, the district made several prior period adjustments due to the adoption of GASB Statement No. 68 and GASB Statement No. 71, as described in "New Accounting Pronouncements" below, which require the restatement of the June 30, 2014, net position in governmental activities. The result is a decrease in net position at July 1, 2014 of $109,174,571. This change is in accordance with generally accepted accounting principles.

For fiscal year 2015, the district restated long-term obligations for a change in the amortization method of the bond premium paid for the general obligation bonds (Sales Tax, Series 2010). The district changed from the straight line method of amortization to the effective interest rate method of amortization which requires the restatement of the June 30, 2014, net position in governmental activities. The result is an increase in net position at July 1, 2014 of $384,950. This change is in accordance with generally accepted accounting principles.

Net position, July 1, 2014, as previously reported		$ 237,455,577
Prior period adjustment - implementation of GASBS No. 68		
TRS net pension liability at June 30, 2014	$ (117,417,380)	
Deferred outflows - district's contribution made during fiscal year 2014	8,242,809	(109,174,571)
Change in bond premium amortization method		384,950
Net position, July 1, 2014, as restated		$ 128,665,956

G. New Accounting Pronouncements

In fiscal year 2015, the district adopted Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. The provisions of this Statement establish accounting and financial reporting standards for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts. Implementation of this statement requires a restatement to beginning net position. The adoption of this statement has a significant impact on the district's financial statements.

In fiscal year 2015, the district adopted Governmental Accounting Standards Board (GASB) Statement 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB No. 68. The objective of this statement is to improve accounting and financial reporting by addressing an issue in Statement No. 68, Accounting and Financial Reporting for Pensions, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of statement. This statement amends paragraph 137 of Statement No. 68 which limited recognition of pension-related deferred inflows of resources at the transition to circumstances in which it is practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions.

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

A. Cash and Investments

Collateralization of Deposits

Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (OCGA 45-8-13.1) the aggregate of the market value of the securities pledged to secure a pool of public funds shall be not less than 110 percent of the daily pool balance. OCGA Section 45-8-11(b) provides an officer holding public funds may, in his discretion, waive the requirement for security in the case of operating funds placed in the demand deposit checking accounts.

Acceptable security for deposits consists of any one of or any combination of the following:

i. Surety bond signed by a surety company duly qualified and authorized to transact business within the State of Georgia,

ii. Insurance on accounts provided by the Federal Deposit Insurance Corporation,

iii. Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia,

iv. Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia,

v. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose,

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

vi. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia, and

vii. Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest or debt obligations issued by or securities guaranteed by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

At June 30, 2015, the carrying amount of the Board's deposits was $76,727,870 and the bank balances were $75,455,214. The bank balances were secured entirely by either federal depository insurance or collateralized with securities held by the pledging financial institution.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction the district will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The district does not have a formal policy for managing custodial credit risk.

Deposits and investments are reconciled between the financial statements and note disclosure as follows:

Basic financial statements:	
Cash and investments	$ 46,858,266
Restricted cash and investments	29,500,140
Fiduciary fund cash	369,464
Total	$ 76,727,870
Notes to financial statements:	
Deposits and investments	$ 76,727,270
Cash on hand	600
Total	$ 76,727,870

B. Receivables

The Board disaggregates significant components of receivables in the financial statements. Receivables from taxes expected to be collected within the subsequent fiscal year approximate $3,243,640 in the General Fund.

In the General fund, significant components of intergovernmental receivables include $4,010,622 from the State of Georgia for Quality Basic Education (QBE) formula grants.

In the District-wide capital projects fund, the intergovernmental receivables include $1,874,344 due from the State of Georgia for eSPLOST revenue collected but not remitted at June 30, 2015.

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

Taxes receivable reported in General Fund represents 2015 and prior years' uncollected taxes. Property taxes which are not expected to be collected in time (30 days after year-end) to meet the "available" criteria in accordance with GASB Cod. Sec. 1600.103, are recorded as deferred inflows or resources. An evaluation of the allowance for uncollected taxes is made in relation to the expected collectability of the taxes. At June 30, 2015, the allowance was $951,714.

Grants and other receivables (reported in General and Nonmajor governmental funds) primarily represent funds due the Board for reimbursement of expenditures/expenses incurred as of year-end under grant terms.

C. Property Taxes

The Glynn County Tax Commissioner bills and collects property taxes for the Board of Education. Property taxes are levied (assessed) on all taxable real, public utility and personal property (including vehicles) located within the County as of January 1st of each year. Assessed values for property tax purposes are determined by the Glynn County Board of Tax Assessors for all property except public utilities and motor vehicles. Assessed value is set at 40% of market value. Public utility assessed values are established by the State of Georgia.

Property is appraised and a lien on such property becomes enforceable 60 days after final notification on delinquency of property taxes. Taxes are due and payable when billed by the Glynn County Tax Commissioner. Glynn County may place liens on property once the related tax payments become delinquent.

The property tax calendar is as follows:

Event	Date
Beginning of fiscal year for taxes	January 1, 2014
Vehicle personal property tax bill rendered	January 1, 2014
Delinquency date - vehicle personal property taxes	Taxpayer's birthday
Millage rate approved	July 28, 2014
Real and personal property tax bills rendered	September 15, 2014
Real and personal property tax payments due	November 15, 2014

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (*continued*)

D. Capital Assets

Capital assets activity for the year ended June 30, 2015, was as follows:

	Balance June 30, 2014	Increases	Decreases	Transfers	Balance June 30, 2015
Capital assets, not being depreciated:					
Land	$ 5,368,205	$ -	$ -	$ -	$ 5,368,205
Construction in progress	2,670,988	6,351,970	-	(189,605)	8,833,353
Total capital assets, not being depreciated	8,039,193	6,351,970	-	(189,605)	14,201,558
Capital assets, being depreciated:					
Buildings and improvements	249,892,232	-	-	189,605	250,081,837
Equipment	30,012,381	2,773,518	(681,570)	-	32,104,329
Total capital assets, being depreciated	279,904,613	2,773,518	(681,570)	189,605	282,186,166
Less accumulated depreciation for:					
Buildings and improvements	(59,230,689)	(6,838,604)	-	-	(66,069,293)
Equipment	(24,399,390)	(2,305,189)	681,570	-	(26,023,009)
Total accumulated depreciation	(83,630,079)	(9,143,793)	681,570	-	(92,092,302)
Total capital asset, being depreciated, net	196,274,534	(6,370,275)	-	189,605	190,093,864
Governmental activities capital assets, net	$ 204,313,727	$ (18,305)	$ -	$ -	$ 204,295,422

Depreciation expense was charged to the functions/activities of the primary government as follows:

Governmental activities:	
Instruction	$ 8,001,287
Business administration	989
Maintenance and operations	26,240
Pupil transportation	781,948
Support services	198,567
Food service operations	134,762
Total Depreciation expense - governmental activities	$ 9,143,793

E. Capital Leases

The district has entered into several capital lease agreements as lessee for financing the acquisition of buses and certain other equipment. Principal and interest payments under capital leases having remaining terms in excess of one year as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	$ 855,694	$ 70,307	$ 926,001
2017	683,705	36,575	720,280
2018	282,381	10,007	292,388
2019	58,435	432	58,867
Totals	$ 1,880,215	$ 117,321	$ 1,997,536

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (*continued*)

For the year ended June 30, 2015, depreciation expense recorded on leased assets was $947,130. At June 30, 2015, the net book value of assets under capital lease was as follows:

	Capital Assets Under Capital Leases
Equipment	$ 3,141,421
Less: accumulated depreciation	(286,607)
Total	$ 2,854,814

F. Long-term Debt

The following schedule summarizes the School District's long-term debt issues, including interest rates, original debt, and balance at year end.

	Interest Rates	Original Debt	Balance June 30, 2015
General Obligation Bonds:			
Sales Tax, Series 2010	3.00% to 4.00%	$ 51,815,000	$ 12,815,000

Requirements to Maturity - General Obligation Debt

Year	Principal	Interest
2015	$ 12,815,000	$ 256,300

Changes in Long-term Debt

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
General obligation bonds:					
General obligation bonds	$ 25,815,000	$ -	$ (13,000,000)	$ 12,815,000	$ 12,815,000
Unamortized premium	778,065	-	(583,814)	194,251	194,251
Total general obligation bonds	26,593,065	-	(13,583,814)	13,009,251	13,009,251
Capital leases payable	1,514,682	1,457,149	(1,091,616)	1,880,215	855,694
Compensated absences	2,467,792	23,405	(70,098)	2,421,099	13,219
Totals	$ 30,575,539	$ 1,480,554	$ (14,745,528)	$ 17,310,565	$ 13,878,164

In prior years, compensated absences and capital leases have been typically liquidated with General Fund resources.

II. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (*continued*)

G. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2015, is as follows:

Receivable Fund	Payable Fund	Amount
Governmental Funds:		
General	Other governmental	$ 1,490,424
Capital Projects	General	2,000,108
Other governmental	General	190
Total governmental fund interfund receivables.....		3,490,722
Proprietary Funds:		
Internal service	General	2,130,882
Subtotal Internal Service Fund interfund receivable.....		2,130,882
Total due to / from other funds.....		$ 5,621,604

These balances represent loans between the borrower fund and the lender fund. These balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Interfund receivables and payables are reported in the fund financial statements. However, they are eliminated in the district-wide financial statements if the interfund loan is between governmental funds.

For the year ended June 30, 2015, interfund transfers of $537,050 were used to move unrestricted revenues collected in the general fund to finance various programs accounted for in other non-major governmental funds in accordance with budgetary authorizations. Transfers of this type are recorded as other financing uses and other financing sources in the governmental funds financial statements. However, they are eliminated in the district-wide financial statements if the interfund transfer is within the governmental fund group.

H. Operating Leases

The Board has entered into an operating lease for copiers throughout the school system. Rental expenditures in 2015 amounted to $228,345. Minimum scheduled lease payments at June 30, 2015 are as follows:

Fiscal Year Ending June 30,	Operating Leases
2016	$ 228,345
2017	228,345
	456,690

I. Restricted Assets

Special Purpose Local Option Sales Tax (SPLOST) proceeds, general obligation bond proceeds, and Georgia State Financing and Investment Commission (GSFIC) funds are restricted assets in the Statement of Net Assets because their use is limited by applicable bond covenants or statutory provisions. Restricted assets at June 30, 2015, were $29,500,140.

II. OTHER NOTES

A. Retirement Plans

The Glynn County Board of Education participates in various retirement plans administered by the State of Georgia. There are two major retirement systems in which the district participates: Teachers Retirement System of Georgia and Public School Employees' Retirement System of Georgia (PSERS). These systems issue separate publicly available financial reports that include the applicable financial statements and required supplementary information. The reports may be obtained from the respective administrative offices.

Teachers' Retirement System

Plan Description. All teachers of the district as defined in §47-3-60 of the Official Code of Georgia Annotated (O.C.G.A.) and certain other support personnel as defined by §47-3-63 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple- employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. The Teachers' Retirement System of Georgia issues a publicly available separate financial audit report that can be obtained at www.trsga.com/publications.

Benefits Provided. TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions. Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6% of their annual pay during fiscal year 2015. The school district's contractually required contribution rate for the year ended June 30, 2015 was 13.57% of annual school district payroll.

Fiscal Year	Percentage Contributed	Required Contribution
2015	100%	$ 8,931,282
2014	100%	8,242,809
2013	100%	7,725,870

III. OTHER NOTES (*continued*)

Public School Employees' Retirement System

Plan Description. PSERS is a cost sharing multiple employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia. The ERS Board of Trustees, plus two additional trustees, administers PSERS. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. PSERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs.

Benefits provided. A member may retire and elect to receive normal monthly retirement benefits after completion of ten years of creditable service and attainment of age 65. A member may choose to receive reduced benefits after age 60 and upon completion of ten years of service.

Upon retirement, the member will receive a monthly benefit of $14.75, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost of living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

Contributions. The general assembly makes an annual appropriation to cover the employer contribution to PSERS on behalf of local school employees (bus drivers, cafeteria workers, and maintenance staff). The annual employer contribution required by statute is actuarially determined and paid directly to PSERS by the State Treasurer in accordance with O.C.G.A. §47-4-29(a) and 60(b). Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Individuals who became members prior to July 1, 2012 contribute $4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute $10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees.

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the district reported a liability of $83,123,178 for its proportionate share of the net pension liability for TRS.

The TRS net pension liability reflected a reduction for support provided to the district by the State of Georgia for certain public school support personnel. The amount recognized by the district as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the district were as follows:

School District's proportionate share of the net pension liability.....	$ 83,123,178
State of Georgia's proportionate share of the net pension.....	173,839
Total.....	$ 83,297,017

III. OTHER NOTES (continued)

The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The district's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2014.

At June 30, 2014, the district's TRS proportion was .657949%, which was a decrease .015900% from its proportion measured as of June 30, 2013.

At June 30, 2015, the district did not have a PSERS liability for a proportionate share of the net pension liability because of a special funding situation with the State of Georgia, which is responsible for the net pension liability of the plan. The amount of the State's proportionate share of the net pension liability associated with the district is $1,093,295.

The PSERS net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The State's proportion of the net pension liability associated with the School District was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2014.

For the year ended June 30, 2015, the district recognized pension expense of 5,184,599 for TRS and $94,946 for PSERS. Revenue of $11,819 for TRS and $94,946 for PSERS. The revenue is support provided by the State of Georgia. For TRS the State of Georgia support is provided only for certain support personnel.

At June 30, 2015, the School District reported deferred outflows of resource and deferred inflows of resources related to pension from the following sources:

	TRS	
	Deferred Outflow of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 28,978,502
Changes in proportion and differences between districts contributions and proportionate share of contributions	-	2,257,490
District contributions subsequent to the measurement date	8,931,282	-
Total	$ 8,931,282	$ 31,235,992

III. OTHER NOTES (*continued*)

District contributions subsequent to the measurement date of June 30, 2015 for TRS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	TRS
2016	$ (7,757,690)
2017	(7,757,690)
2018	(7,757,690)
2019	(7,757,690)
2020	(205,226)
	$ (31,235,986)

Actuarial assumptions. The total pension liability as of June 30, 2014 was determined by an actuarial valuation as of June 30, 2013, using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System

Inflation 3.00%

Salary increases 3.75 – 7.00%, average, including inflation

Investment rate of return 7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females set back two years for males and set back three years for females.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

Public School Employees' Retirement System

Inflation 3.00%

Salary increases N/A

Investment rate of return 7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

III. OTHER NOTES (continued)

The long term expected rate of return on TRS and PSERS pension plan investments was determined using a log normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Fixed income	30.00%	3.00%
Domestic large stocks	39.70%	6.50%
Domestic mid stocks	3.70%	10.00%
Domestic small stocks	1.60%	13.00%
International developed market stocks	18.90%	6.50%
International emerging market stocks	6.10%	11.00%
	100.00%	

* Rates shown are net of the 3.00% assumed rate of inflation

Discount rate. The discount rate used to measure the total TRS and PSERS pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and nonemployer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the TRS pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the district's proportionate share of the net pension liability to changes in the discount rate. The following presents the district's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the district's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

TEACHERS RETIREMENT SYSTEM	1.0% Decrease (6.50%)	Current Discount Rate (7.50%)	1.0% Increase (8.50%)
District's proportionate share of the net pension liability	$ 153,184,864	$ 83,123,178	$ 25,428,834

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS and PSERS financial report which is publically available at www.trsga.com/publications and http://www.ers.ga.gov/formspubs/formspubs.html.

III. OTHER NOTES (*continued*)

Section 403- B Tax Qualified Retirement Plan

The Board makes available an IRS section 403-b tax qualified retirement plan for its classified employees. Participation is voluntary. During 2015, employee contributions amounted to $94,261.

C.Post-employment Benefits

Plan Description. The Georgia School Personnel Post-employment Health Benefit Fund (School OPEB Fund) is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers eligible former employees of public school systems, libraries and regional educational service agencies. The School OPEB Fund provides health insurance benefits to eligible former employees and their qualified beneficiaries through the State Employees Health Benefit Plan administered by the Department of Community Health. The Official Code of Georgia Annotated (O.C.G.A.) assigns the authority to establish and amend the benefit provisions of the group health plans, including benefits for retirees, to the Board of Community Health (Board). The Department of Community Health, which includes the School OPEB Fund, issues a separate stand-alone financial audit report and a copy can be obtained from the Georgia Department of Audits and Accounts.

Funding Policy. The contribution requirements of plan members and participating employers are established by the Board in accordance with the current Appropriations Act and may be amended by the Board. Contributions of plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage, and Medicare eligibility and election. For members with fewer than five years of service as of January 1, 2012, contributions also vary based on years of service. On average, members with five years or more of service as of January 1, 2012 pay approximately 25 percent of the cost of the health insurance coverage. In accordance with the Board resolution dated December 8, 2011, for members with fewer than five years of service as of January 1, 2012, the State provides a premium subsidy in retirement that ranges from 0% for fewer than 10 years of service to 75% (but no greater than the subsidy percentage offered to active employees) for 30 or more years of service. The subsidy for eligible dependents ranges from 0% to 55% (but no greater than the subsidy percentage offered to dependents of active employees minus 20%). No subsidy is available to Medicare eligible members not enrolled in a Medicare Advantage Option. The Board of Community Health sets all member premiums by resolution and in accordance with the law and applicable revenue and expense projections. Any subsidy policy adopted by the Board may be changed at any time by Board resolution and does not constitute a contract or promise of any amount of subsidy.

Participating employers are statutorily required to contribute in accordance with the employer contribution rates established by the Board. The contribution rates are established to fund all benefits due under the health insurance plans for both active and retired employees based on projected "pay-as-you-go" financing requirements. Contributions are not based on the actuarially calculated annual required contribution (ARC) which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

III. OTHER NOTES (*continued*)

The combined active and retiree contribution rates established by the Board for employers participating in the School OPEB Fund were as follows for the fiscal year ended June 30, 2015:

For certificated teachers, librarians and regional educational service agencies and certain other eligible participants:

July 1, 2014 – June 30, 2015 $945 per member per month

For non-certificated school personnel:

July 1, 2014 – June 30, 2015 $596 per member per month

No additional contribution was required by the Board for fiscal year 2015 nor contributed to the School OPEB Fund to prefund retiree benefits. Such additional contribution amounts are determined annually by the Board in accordance with the School plan for other post-employment benefits and are subject to appropriation.

The School District's combined active and retiree contributions to the health insurance plans, which equaled the required contribution, for the current fiscal year and the preceding two fiscal years were as follows:

Fiscal Year	Percentage Contributed	Required Contribution
2015	100%	$ 15,850,177
2014	100%	15,472,634
2013	100%	14,250,957

D. Commitments and Contingencies

The Board is involved in legal matters, which either have or could result in litigation. In the opinion of Board management after consultation with legal counsel, the ultimate outcome of these contingencies will not have a material impact on the financial position of the Board.

The Board participates in a number of Federal financial assistance programs including the National School Lunch Program and the School Breakfast Program, the Title VIB Special Education, and the Title I Part A Improving the Academic Achievement of the Disadvantaged Program and the Title II Part A Improving Teacher Quality. Although the Board's grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 through June 30, 2015, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Board expects such amounts, if any, to be immaterial.

III. OTHER NOTES (*continued*)

E. Risk Management

The District is exposed to various risks of loss for claims associated with torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, natural disasters and unemployment compensation. There were no significant reductions in insurance coverage from coverage in the prior year. Settled claims have not exceeded the commercial excess coverage in any of the past three fiscal years.

Self-Insurance

The Board is self-insured for the risks associated with unemployment compensation and workers compensation. The Board has established a separate fund for accounting for workers compensation risk financing. A contribution to the fund is calculated on the basis of 1.15% of each salary dollar. Liabilities of this fund are reported when it is probable a loss has occurred and the amounts can be reasonably estimated including amounts for claims incurred but not yet reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims up to statutory limits.

Changes in the balances of claims liabilities for the workers' compensation fund during the last three fiscal years were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims and Changes in Current Year Liability	Claim Payments	Balance at Fiscal Year End
2015	$ 1,098,404	$ 1,083,534	$ 1,037,777	$ 1,144,161
2014	1,103,917	819,245	824,758	1,098,404
2013	1,158,279	737,875	792,237	1,103,917

The fiscal year-end liability is calculated by a third party administrator considering the effects of inflation and recent claim settlement trends including frequency and amount of pay-outs as previously described.

The Board also self-insures unemployment claims. Changes in the balances of claims liabilities for the unemployment fund during the last three fiscal years were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims and Changes in Current Year Liability	Claim Payments	Balance at Fiscal Year End
2015	$ 7,973	$ 24,655	$ 27,808	$ 4,820
2014	28,487	48,979	69,493	7,973
2013	138,746	125,036	235,295	28,487

III. OTHER NOTES (*continued*)

Risk Transfer

The Board transfers the risk from all other risks through the use of commercially purchased insurance.

F. On-Behalf of Payments

The Board has recognized revenues and expenditures in the amount of $282,750 for health insurance and retirement contributions paid on the Board's behalf by the following State Agencies.

	Amount
Paid to the Teachers Retirement System of Georgia (TRS)	
For the TRS Employer's Cost	$ 18,418
Office of Treasury and Fiscal Services	
Paid to the Public School Employees Retirement System (ERS)	
For the ERS Employer's Cost	264,332
Total on-behalf of payments	$ 282,750


GLYNN
SCHOOLS
COUNTY

REQUIRED SUPPLEMENTARY INFORMATION


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Required Supplementary Information
Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Postive
	Original	Final	Amounts	(Negative)
Revenues				
Propety taxes	$ 64,678,800	$ 64,678,800	$ 66,784,854	$ 2,106,054
State sources	44,459,400	46,087,700	45,870,990	(216,710)
Federal sources	430,100	427,100	588,909	161,809
Investment earnings	100,000	100,000	36,090	(63,910)
Miscellaneous	1,068,000	957,000	838,471	(118,529)
Total revenues	110,736,300	112,250,600	114,119,314	1,868,714
Expenditures				
Current				
Instruction	77,073,700	77,777,400	76,615,733	1,161,667
Support services:				
Pupil services	3,037,900	3,090,600	3,060,506	30,094
Improvement of instructional services	3,298,900	3,510,200	3,455,590	54,610
Educational media services	1,993,600	1,936,900	1,931,457	5,443
General administration	950,900	993,000	970,112	22,888
School administratioin	6,506,000	6,387,400	6,357,536	29,864
Business administration	1,186,200	1,207,500	1,181,405	26,095
Maintenance and operation of plant	11,256,700	11,557,300	10,772,684	784,616
Student transportation services	5,382,800	5,287,800	5,008,152	279,648
Central support services	1,485,200	1,484,900	1,421,901	62,999
Other support services	116,800	109,200	100,612	8,588
Food services	-	63,300	63,384	(84)
Community services	5,800	5,800	1,214	4,586
Debt Service				
Principal	1,063,100	1,132,900	1,091,616	41,284
Interest and other charges	53,600	58,800	57,691	1,109
Total expenditures	113,411,200	114,603,000	112,089,593	2,513,407
Excess of revenues over (under) expenditures	(2,674,900)	(2,352,400)	2,029,721	4,382,121
Other financing sources (uses)				
Capital lease proceeds	-	1,455,500	1,457,149	1,649
Transfers out	(376,700)	(3,430,400)	(3,439,632)	(9,232)
Total other financing sources (uses)	(376,700)	(1,974,900)	(1,982,483)	(7,583)
Net Changes in fund balances	(3,051,600)	(4,327,300)	47,238	4,374,538
Fund balances at beginning of year	23,376,287	23,376,287	23,376,287	-
Fund balances at end of year	$ 20,324,687	$ 19,048,987	$ 23,423,525	$ 4,374,538

Glynn County Board of Education

Schedule of Proportionate Share of the Net Pension Liability

Teachers' Retirement System of Georgia

Year Ended June 30, 2015

	2015
District's proportion of the net pension liability	0.657949%
District's proportionate share of the net pension liability	$ 83,123,178
State of Georgia's proportionate share of the net pension liability associated with the District	173,839
Total	$ 83,297,017
District's covered-employee payroll during measurement period	$ 67,400,262
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.258%
Plan fiduciary net position as a percentage of the total pension liability	84.03%

Glynn County Board of Education

Schedule of Proportionate Share of the Net Pension Liability

Employees' Retirement System of Georgia

Year Ended June 30, 2015

		2015
District's proportion of the net pension liability		0.000000%
District's proportionate share of the net pension liability	$	-
State of Georgia's proportionate share of the net pension liability associated with the District		1,093,295
Total	$	1,093,295
District's covered-employee payroll during measurement period	$	232,440
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll		N/A
Plan fiduciary net position as a percentage of the total pension liability		88.29%

Glynn County Board of Education

Schedule of Contributions

Teachers' Retirement System of Georgia

Year Ended June 30, 2015

	2006	2007	2008	2009
Contractually required contribution				
Contributions in relation to the contractually required contribution				
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered employee payroll				
Contribution as a percentage of covered employee payroll				

NOTE:

Information prior to the year ended June 30, 2014 is not readily available

2010	2011	2012	2013	2014	2015
				$ 8,242,809	$ 8,931,282
				8,242,809	8,931,282
$ -	$ -	$ -	$ -	$ -	$ -
				$ 67,400,262	$ 68,430,702
				12.23%	13.05%

Glynn County Board of Education

Schedule of Contributions

Employees' Retirement System of Georgia

Year Ended June 30, 2015

	2006	2007	2008	2009
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered employee payroll	$ -	$ -	$ -	$ -
Contribution as a percentage of covered employee payroll				

NOTE:

Information prior to the year ended June 30, 2014 is not readily available

2010	2011	2012	2013	2014	2015
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ 232,440	$ 237,065
				N/A	N/A

BUDGETARY INFORMATION

I. Budgets And Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Formal budgetary integration is employed as a management control device during the year for the General Fund. The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the fund level.

Supplemental appropriations and decreases in budget appropriations were properly approved by the School District. For the year ended June 30, 2015, the following supplemental and decrease in appropriations were approved:

Fund Type	Original Appropriations	Supplemental Appropriations	Supplemental Decreases	Final Appropriations
General	$ 113,787,900	$ 4,523,700	$ 278,200	$ 118,033,400

RETIREMENT SYSTEMS

I. Teachers' Retirement System

Changes of assumptions: In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability, and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended June 30, 2015 reported in that schedule.

Valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Asset valuation method	Seven-year smoothed market
Inflation rate	3%
Salary increases	3.75 - 7.00%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

II. Employees' Retirement System

Changes of assumptions: There were no changes in assumptions or benefits that affect the measurement of the total pension liability since the prior measurement date.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended June 30, 2015 reported in that schedule

Valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	30 years
Asset valuation method	Seven-year smoothed market
Inflation rate	3%
Salary increases	2.725% - 4.625% for FY2012-2013 5.45% - 9.25% for FY2014
Investment rate of return	7.50%, net of pension plan investment expense, including inflation


GLYNN
SCHOOLS
COUNTY

SUPPLEMENTARY DATA –

COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES


GLYNN
SCHOOLS
COUNTY


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015

	Special Revenue			
	Special Programs	Title I	Title II	Title IVB
Assets				
Cash and investments	$ 572,157	$ -	$ -	$ -
Receivables:				
State government	-	-	-	-
Grants and other	24,908	939,976	176,907	-
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 597,065	$ 939,976	$ 176,907	$ -
Liabilities and fund balances				
Liabilities				
Accounts payable	$ 14,657	$ 7,875	$ 44,590	$ -
Accrued salaries and benefits	9,315	646,108	68,218	-
Interfund payables	-	285,993	64,099	-
Total liabilities	23,972	939,976	176,907	-
Deferred inflows of resources				
Unavailable income	-	-	-	-
Fund balances:				
Nonspendable:				
Inventory	-	-	-	-
Restricted:				
School food service	-	-	-	-
Assigned:				
Student activity accounts	557,895	-	-	-
Historic Glynn Academy	15,198	-	-	-
Athletic programs	-	-	-	-
Total fund balances	573,093	-	-	-
Total liabilities and fund balances	$ 597,065	$ 939,976	$ 176,907	$ -

Funds						
Special Education	Pre-Kindergarten	Athletics	School Food Service	Debt Service Fund	Total
$ -	$ 415,873	$ 310,194	$ 4,254,044	$ -	$ 5,552,268
-	-	-	121,310	-	121,310
624,623	-	-	-	-	1,766,414
-	-	190	-	-	190
-	-	-	142,339	-	142,339
$ 624,623	$ 415,873	$ 310,384	$ 4,517,693	$ -	$ 7,582,521
$ 6,563	$ 12,083	$ 10,741	$ 71,622	$ -	$ 168,131
431,102	393,957	-	474,272	-	2,022,972
186,958	-	615	952,759	-	1,490,424
624,623	406,040	11,356	1,498,653	-	3,681,527
-	9,833	-	-	-	9,833
-	-	-	142,339	-	142,339
-	-	-	2,876,701	-	2,876,701
-	-	-	-	-	557,895
-	-	-	-	-	15,198
-	-	299,028	-	-	299,028
-	-	299,028	3,019,040	-	3,891,161
$ 624,623	$ 415,873	$ 310,384	$ 4,517,693	$ -	$ 7,582,521

Glynn County Board of Education

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2015

	Special Revenue			
	Special Programs	Title I	Title II	Title IVB
Revenues				
State sources	$ -	$ -	$ -	$ -
Federal sources	340,081	4,116,789	662,101	22,496
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	1,105,255	-	-	-
Total revenues	1,445,336	4,116,789	662,101	22,496
Expenditures				
Current				
Instruction	1,237,114	3,548,564	-	17,341
Support services:				
Pupil services	-	-	-	-
Improvement of instructional services	82,640	28,922	635,156	2,497
Federal grant administration	42,304	103,898	-	1,376
General administration	-	19,798	12,616	172
School administration	-	-	-	-
Maintenance and operations	-	-	-	-
Student transportation services	-	11,077	-	-
Central support services	-	-	14,329	-
Other support services	1,447	404,530	-	1,110
Food service operations	-	-	-	-
Total expenditures	1,363,505	4,116,789	662,101	22,496
Excess of revenues over (under) expenditures	81,831	-	-	-
Other financing sources (uses)				
Transfers in	8,876	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	8,876	-	-	-
Net Changes in fund balances	90,707	-	-	-
Fund balances at beginning of year	482,386	-	-	-
Fund balances at end of year	$ 573,093	$ -	$ -	$ -

Funds					
Special Education	Pre-Kindergarten	Athletics	School Food Service	Debt Service Fund	Total
$ -	$ 2,024,716	$ -	$ 185,827	$ -	$ 2,210,543
2,530,901	-	-	6,340,505	-	14,012,873
-	-	-	1,083,587	-	1,083,587
-	-	349	1,769	-	2,118
-	-	330,547	10,376	-	1,446,178
2,530,901	2,024,716	330,896	7,622,064	-	18,755,299
1,666,917	2,246,817	287,136	-	-	9,003,889
465,838	2,372	23,684	-	-	491,894
372,992	3,873	3,854	-	-	1,129,934
-	-	-	-	-	147,578
1,887	-	159	-	-	34,632
-	163,996	-	-	-	163,996
-	38,414	6,153	64,664	-	109,231
23,267	-	2,690	-	-	37,034
-	-	-	-	-	14,329
-	-	-	-	-	407,087
-	-	-	7,929,662	-	7,929,662
2,530,901	2,455,472	323,676	7,994,326	-	19,469,266
-	(430,756)	7,220	(372,262)	-	(713,967)
-	430,756	-	-	-	439,632
-	-	-	-	(39,508)	(39,508)
-	430,756	-	-	(39,508)	400,124
-	-	7,220	(372,262)	(39,508)	(313,843)
-	-	291,808	3,391,302	39,508	4,205,004
$ -	$ -	$ 299,028	$ 3,019,040	$ -	$ 3,891,161

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Special Programs

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Federal sources	$ 295,300	$ 583,300	$ 340,081	$ (243,219)
Miscellaneous	900,000	900,000	1,105,255	205,255
Total revenues	1,195,300	1,483,300	1,445,336	(37,964)
Expenditures				
Current				
Instruction	1,053,200	1,350,900	1,237,114	113,786
Support services:				
Pupil services	4,000	-	-	-
Improvement of instructional services	99,800	96,700	82,640	14,060
Federal grant administration	36,500	42,500	42,304	196
Other support services	1,800	1,900	1,447	453
Total expenditures	1,195,300	1,492,000	1,363,505	128,495
Excess of revenues over (under) expenditures	-	(8,700)	81,831	90,531
Other financing sources (uses)				
Transfers in	-	8,700	8,876	176
Total other financing sources (uses)	-	8,700	8,876	176
Net Changes in fund balances	-	-	90,707	90,707
Fund balances at beginning of year	482,386	482,386	482,386	-
Fund balances at end of year	$ 482,386	$ 482,386	$ 573,093	$ 90,707

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Title I

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Federal sources	$ 4,126,200	$ 4,254,600	$ 4,116,789	$ (137,811)
Total revenues	4,126,200	4,254,600	4,116,789	(137,811)
Expenditures				
Current				
Instruction	3,451,600	3,672,000	3,548,564	123,436
Support services:				
Pupil services	200	300	-	300
Improvement of instructional services	51,700	49,400	28,922	20,478
Federal grant administration	125,800	114,500	103,898	10,602
General administration	35,800	3,000	19,798	(16,798)
Student transportation services	10,000	9,300	11,077	(1,777)
Other support services	451,100	406,100	404,530	1,570
Total expenditures	4,126,200	4,254,600	4,116,789	137,811
Excess of revenues over (under) expenditures	-	-	-	-
Net Changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Title II

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Federal sources	$ 683,500	$ 883,700	$ 662,101	$ (221,599)
Total revenues	683,500	883,700	662,101	(221,599)
Expenditures				
Support services:				
Improvement of instructional services	656,500	837,900	635,156	202,744
Federal grant administration	-	7,000	-	7,000
General administration	-	22,300	12,616	9,684
Central suport services	27,000	16,500	14,329	2,171
Total expenditures	683,500	883,700	662,101	221,599
Excess of revenues over (under) expenditures	-	-	-	-
Net Changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Title IVB

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Federal sources	$ 658,700	$ 24,000	$ 22,496	$ (1,504)
Total revenues	658,700	24,000	22,496	(1,504)
Expenditures				
Current				
Instruction	513,100	17,800	17,341	459
Support services:				
Pupil services	5,400	-	-	-
Improvement of instructional services	12,800	3,000	2,497	503
Federal grant administration	83,000	1,700	1,376	324
General administration	15,100	300	172	128
Maintenance and operations	400	-	-	-
Student transportation services	12,800	-	-	-
Other support services	16,100	1,200	1,110	90
Total expenditures	658,700	24,000	22,496	1,504
Excess of revenues over (under) expenditures	-	-	-	-
Net Changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Special Education

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Federal sources	$ 2,758,100	$ 3,119,400	$ 2,530,901	$ (588,499)
Total revenues	2,758,100	3,119,400	2,530,901	(588,499)
Expenditures				
Current				
Instruction	1,835,700	2,169,600	1,666,917	502,683
Support services:				
Pupil services	516,400	491,800	465,838	25,962
Improvement of instructional services	356,600	413,600	372,992	40,608
General administration	23,500	15,500	1,887	13,613
Maintenance and operations	2,600	-	-	-
Student transportation services	23,300	28,900	23,267	5,633
Total expenditures	2,758,100	3,119,400	2,530,901	588,499
Excess of revenues over (under) expenditures	-	-	-	-
Net Changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Pre-Kindergarten

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
State sources	$ 1,962,200	$ 2,000,200	$ 2,024,716	$ 24,516
Total revenues	1,962,200	2,000,200	2,024,716	24,516
Expenditures				
Current				
Instruction	2,140,300	2,223,300	2,246,817	(23,517)
Support services:				
Pupil services	2,500	2,500	2,372	128
Improvement of instructional services	5,500	5,500	3,873	1,627
School administration	157,200	157,200	163,996	(6,796)
Maintenance and operations	33,400	33,400	38,414	(5,014)
Total expenditures	2,338,900	2,421,900	2,455,472	(33,572)
Excess of revenues over (under) expenditures	(376,700)	(421,700)	(430,756)	(9,056)
Other financing sources (uses)				
Transfers in	376,700	421,700	430,756	9,056
Total other financing sources (uses)	376,700	421,700	430,756	9,056
Net Changes in fund balances	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	$ -	$ -	$ -

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – Athletics

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Investment earnings	$ 1,200	$ 1,200	$ 349	$ (851)
Miscellaneous	270,900	270,900	330,547	59,647
Total revenues	272,100	272,100	330,896	58,796
Expenditures				
Current				
Instruction	232,100	232,100	287,136	(55,036)
Support services:				
Pupil services	17,700	17,700	23,684	(5,984)
Improvement of instructional services	4,200	4,200	3,854	346
General administration	-	-	159	(159)
Maintenance and operations	7,100	7,100	6,153	947
Student transportation services	-	-	2,690	(2,690)
Total expenditures	261,100	261,100	323,676	(62,576)
Excess of revenues over (under) expenditures	11,000	11,000	7,220	(3,780)
Net Changes in fund balances	11,000	11,000	7,220	(3,780)
Fund balances at beginning of year	291,808	291,808	291,808	-
Fund balances at end of year	$ 302,808	$ 302,808	$ 299,028	$ (3,780)

Glynn County Board of Education

Budgetary Comparison Schedule
Special Revenue Funds – School Food Service

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
State sources	$ 156,000	$ 156,000	$ 185,827	$ 29,827
Federal sources	6,235,000	6,235,000	6,340,505	105,505
Charges for services	1,155,500	1,155,500	1,083,587	(71,913)
Investment earnings	2,400	2,400	1,769	(631)
Miscellaneous	2,000	2,000	10,376	8,376
Total revenues	7,550,900	7,550,900	7,622,064	71,164
Expenditures				
Current				
Support services:				
Maintenance and operations	60,000	60,000	64,664	(4,664)
Food service operations	7,490,900	7,490,900	7,929,662	(438,762)
Total expenditures	7,550,900	7,550,900	7,994,326	(443,426)
Net Changes in fund balances	-	-	(372,262)	(372,262)
Fund balances at beginning of year	3,391,302	3,391,302	3,391,302	-
Fund balances at end of year	$ 3,391,302	$ 3,391,302	$ 3,019,040	$ (372,262)

Glynn County Board of Education

Budgetary Comparison Schedule
Debt Service Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positve
	Original	Final	Amounts	(Negative)
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Debt Service:				
Principal retirements	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers out	(39,508)	(39,508)	(39,508)	-
Total other financing sources (uses)	(39,508)	(39,508)	(39,508)	-
Net Changes in fund balances	(39,508)	(39,508)	(39,508)	-
Fund balances at beginning of year	39,508	39,508	39,508	-
Fund balances at end of year	$ -	$ -	$ -	$ -

INTERNAL SERVICE FUNDS


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Combining Statement of Net Position
Internal Service Funds

June 30, 2015

	Unemployment Compensation Fund	Workers' Compensation Fund	Total
ASSETS			
Current assets:			
Cash and investments	$ 1,638,806	$ 2,343,050	$ 3,981,856
Due from other funds	-	2,130,882	2,130,882
Total assets	1,638,806	4,473,932	6,112,738
LIABILITIES			
Current liabilities:			
Accounts payable and contracts payable	4,820	1,144,161	1,148,981
Total liabilities	4,820	1,144,161	1,148,981
NET POSITION			
Unrestricted	1,633,986	3,329,771	4,963,757
Total net position	$ 1,633,986	$ 3,329,771	$ 4,963,757

Glynn County Board of Education

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds

For the Year Ended June 30, 2015

	Unemployment Compensation Fund	Workers' Compensation Fund	Total
Operating revenues			
Risk management fees	$ -	$ 997,773	$ 997,773
Total operating revenues	-	997,773	997,773
Operating expenses			
Risk management	24,655	1,083,534	1,108,189
Total operating expenses	24,655	1,083,534	1,108,189
Operating income (loss)	(24,655)	(85,761)	(110,416)
Nonoperating revenues			
Investment income	-	2,392	2,392
Total nonoperating revenues (expenses)	-	2,392	2,392
Net income (loss) before transfers	(24,655)	(83,369)	(108,024)
Transfers in (out)	-	1,000,000	1,000,000
Change in net position	(24,655)	916,631	891,976
Net position, beginning of year	1,658,641	2,413,140	4,071,781
Net position, end of year	$ 1,633,986	$ 3,329,771	$ 4,963,757

Glynn County Board of Education

Combining Statement Cash Flows
Internal Service Funds

For the Year Ended June 30, 2015

	Unemployment Compensation Fund	Workers' Compensation Fund	Total
Cash flows from operating activities:			
Cash received for services and fees	$ -	$ 997,773	$ 997,773
Cash payments for supplies and insurance	(27,808)	(1,037,777)	(1,065,585)
Net cash provided (used) by operating activities	(27,808)	(40,004)	(67,812)
Cash flows from noncapital financing activities:			
Transfers in	-	1,000,000	1,000,000
Decrease (increase) in interfund receivables	-	(1,747,321)	(1,747,321)
Net cash provided (used) by noncapital financing activities	-	(747,321)	(747,321)
Cash flows from investing activities:			
Interest earned on cash and investments	-	2,392	2,392
Net cash provided (used) by investing activities	-	2,392	2,392
Net increase (decrease) in cash and cash equivalents	(27,808)	(784,933)	(812,741)
Cash and cash equivalents, beginning of year	1,666,614	3,127,983	4,794,597
Cash and cash equivalents, end of year	$ 1,638,806	$ 2,343,050	$ 3,981,856
Operating income (loss)	$ (24,655)	$ (85,761)	$ (110,416)
Change in liabilities:			
Increase (decrease) in accounts payable	(3,153)	45,757	42,604
Total adjustments	(3,153)	45,757	42,604
Net cash provided (used) by operating activities	$ (27,808)	$ (40,004)	$ (67,812)


GLYNN
SCHOOLS
COUNTY

FIDUCIARY FUNDS


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Statement of Changes in Assets and Liabilities
Agency Funds

For the Year Ended June 30, 2015

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Student Activity Funds				
Assets				
Cash and investments.....	$ 373,531	$ 1,096,666	$ 1,100,732	$ 369,465
Liabilities				
Due to student groups.....	$ 373,531	$ 1,096,666	$ 1,100,732	$ 369,465


GLYNN
SCHOOLS
COUNTY

SUPPLEMENTAL SCHEDULE


GLYNN
SCHOOLS
COUNTY

Glynn County Board of Education

Schedule of Approved Special Purpose Local Option Sales Tax Projects

For the Year Ended June 30, 2015

Project	Original Estimated Cost [1]	Current Estimated Cost [2]	Amount Expended in Current Year [3]	Amount Expended in Prior Years	Project Status
For the following capital outlay projects: (i) a new Southwest Middle School; (ii) a new Brunswick High School, including necessary demolition, renovation and upgrades to existing facilities and associated site and fieldwork; (iii) renovations and additions to Risley Early College Academy (formerly Risley Middle School); (iv) renovations and additions to Glynn Academy; (v) a new fine arts center to be known as the Coastal Community Center for the Arts; (vi) renovations to the Historic Risley Center; (vii) renovations to Altama and Burroughs-Molette Elementary Schools; (viii) a new elementary school; (ix) demolition at the former Jane Macon Middle School and Glynn Middle School; and (x) other real and personal property for the school system, including necessary demolition, site improvements, renovations, and improvement to facilities, land acquisition, technology upgrades, computers and related technology including fiber and software, telephone and communication equipment, computerized energy management systems, heating and air conditioning systems, lighting, and similar property and equipment in accordance withits facilities plans, as the same may be revised in accordance with the needs of the school district.	123,879,223	119,756,371	6,406,943	85,689,042	Ongoing
Totals.....	$ 123,879,223	$ 119,756,371	$ 6,406,943	$ 85,689,042	

(1) The School District's original cost estimate as specified in the resolution calling for the imposition of the one percent sales and use tax for educational purposes (the "Educational Sales Tax").

(2) The School District's current estimate of total costs for the project(s). Includes all cost from project inception to completion.

(3) The voters of Glynn County approved the imposition of a one percent sales and use tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.


GLYNN
SCHOOLS
COUNTY

COMPLIANCE AND INTERNAL CONTROL REPORTS


GLYNN
SCHOOLS
COUNTY

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Superintendent and Members of the
Board of Education of Glynn County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of Glynn County, Georgia (the "District') as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 25, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Tel 912-232-0475 *Fax* 912-232-0478
6600 Abercorn Street, Suite 200 | Savannah, GA 31405 | P.O. Box 16149 | Savannah, GA 31416 | krtcpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's control and compliance. Accordingly, this communication is not suitable for any other purpose.

KRT, CPAs P.C.

KRT, CPAs P.C.

Savannah, Georgia
March 25, 2016

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Independent Auditor's Report

To the Superintendent and Members of the
Board of Education of Glynn County, Georgia

Report on Compliance for Each Major Program

We have audited the Board of Education of Glynn County, Georgia's (the "District") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Board of Education of Glynn County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Tel 912-232-0475 *Fax* 912-232-0478
6600 Abercorn Street, Suite 200 | Savannah, GA 31405 | P.O. Box 16149 | Savannah, GA 31416 | krtcpa.com

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing base on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

KRT, CPAs P.C.

KRT, CPAs P.C.

Savannah, Georgia
March 25, 2016

Glynn County Board of Education

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Grant Title	CFDA Number	Grantor's Number	Federal Expenditures	
U.S. Department of Agriculture				
Pass-Through Georgia Department of Education				
Child Nutrition Cluster:				
School Breakfast Program	10.553	556	$ 1,755,763	
National School Lunch Program - cash assistance	10.555	556	4,286,693	
National School Lunch Program - non-cash assistance	10.555	556	298,049	(1)
Total Child Nutrition Cluster			6,340,505	
Total U.S. Department of Agriculture			6,340,505	
U.S. Department of Defense				
Direct Program				
Department of the Navy ROTC Program	12.000	n/a	99,831	
U.S. Department of Education				
Direct Program				
Impact Aid	84.041	n/a	9,840	
Pass-Through Georgia Department of Education				
Special Education Cluster:				
Special Education - Grants to States	84.027	553	2,461,322	
Special Education - Preschool Grants	84.173	553	69,579	
Total Special Education Cluster			2,530,901	
Title I, Part A Cluster:				
Title I Grants to Local Educational Agencies	84.010	551	4,091,919	
Total Title I, Part A Cluster			4,091,919	
Other Programs:				
Migrant Education - State Grant Program	84.011	628	24,870	
Career and Technical Education - Basic Grants to States	84.048	562	114,398	
Education for Homeless Children and Youth	84.196	573	33,749	
Twenty-First Century Community Learning Centers	84.287	634	22,496	
English Language Acquisition Grants	84.365	632	83,056	
Improving Teacher Quality State Grants	84.367	630	662,100	
Striving Readers Birth to Age 5	84.371	637	89,874	
Race to the Top - Math/ELA Training and Student Learing Objectives	84.395	315	19,004	
Total U.S. Department of Education			7,682,207	
Total Federal Financial Assistance			$ 14,122,543	

(1) The amount shown for non-cash assistance represents the Federally assigned value of donated commodities received during the current fiscal year under the USDA Food Distribution program.

Glynn County Board of Education

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Board of Education of Glynn County, Georgia and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Glynn County Board of Education

Schedule of Findings and Questioned Costs and Status of Prior Year Audit Findings

For the Year Ended June 30, 2015

I. SCHEDULE OF FINDINGS AND QUESTIONED COSTS

A. Summary of Auditors Results

Financial Statements

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the Glynn County Board of Education.

2. Internal control over financial reporting:
   a Material weakness(es) identified? _____ yes __X__ no
   b Significant deficiency (ies) identified that are not considered to be material weaknesses? _____ yes __X__ none reported

3. Noncompliance material to financial statements noted? _____ yes __X__ no

Federal Awards

4. Internal control over major programs:
   a Material weakness(es) identified? _____ yes __X__ no
   b Significant deficiency (ies) identified that are not considered to be material weaknesses? _____ yes __X__ none reported

5. The auditors' report expresses an unqualified opinion for all major programs.

6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? _____ yes __X__ no

7. The programs tested as major programs include:

Name of Federal Program	CFDA Number
Title I Grants to Local Educational Agencies	84.010
Career and Technical Education	84.048

8. The threshold for distinguishing Type A and B programs was $423,676.

9. The Board of Education was determined to be a low-risk auditee.

B. Findings – Financial Statement Audit

None reported.

C. Findings and Questioned Costs – Major Federal Award Programs Audit

None reported.

II. STATUS OF PRIOR YEAR AUDIT FINDINGS

No findings were reported relative to Major Federal Award Programs for the year ended June 30, 2014.


GLYNN
SCHOOLS
COUNTY