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GREENWOOD PUBLIC SCHOOL DISTRICT

Audited Financial Statements
For the Year Ended June 30, 2019

GREENWOOD PUBLIC SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Superintendent and School Board
Greenwood Public School District

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 Greenwood Public School District as of and for the year ended June 30, 2019, 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

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.

Auditor's 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.

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 Greenwood Public School District, as of June 30, 2019, and the respective changes in financial position 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, budgetary comparison information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions (PERS), the Schedule of the District's Proportionate Share of the Net OPEB Liability, and the Schedule of District Contributions (OPEB) on pages 6-14, 44-48, 49, 50, 51, and 52, respectively, 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 Greenwood Public School District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds, and the other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds are the responsibility of management and were derived from and relate 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 accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information mentioned above is fairly stated in all material respects in relation to the basic financial statements as a whole.

The other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2020 on our consideration of the Greenwood Public School 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 solely 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 the effectiveness of the Greenwood Public School District's 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 Greenwood Public School District's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Cunningham CPAs". The signature is written in a cursive, flowing style.

Cunningham CPAs, PLLC

Belzoni, Mississippi

July 13, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

The following discussion and analysis of Greenwood Public School District's financial performance provides an overview of the Greenwood Public School District's financial activities for the year ended June 30, 2019. The intent of this discussion and analysis is to look at the Greenwood Public School District's performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the Greenwood Public School District's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position for 2019 decreased \$468,136, including prior period adjustments of \$43,774, and which represents a 2.15% decrease from fiscal year 2018. Total net position for 2018 decreased \$2,374,037, including a prior period adjustment of (\$2,589,523), which represents a 12% decrease from fiscal year 2017.
- General revenues amounted to \$19,435,885 and \$19,140,158, or 69% and 70% of all revenues for fiscal years 2019 and 2018, respectively. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,741,875, or 31% of total revenues for 2019, and \$8,209,883, or 30% of total revenues for 2018.
- The District had \$28,689,670 and \$27,134,555 in expenses for fiscal years 2019 and 2018; only \$8,741,875 for 2019 and \$8,209,883 for 2018 of these expenses was offset by program specific charges for services, grants and contributions. General revenues of \$19,435,885 for 2019 and \$19,140,158 for 2018 were not adequate to provide for these programs.
- Among major funds, the General Fund had \$19,434,318 in revenues and \$19,355,018 in expenditures for 2019, and \$17,817,639 in revenues and \$17,558,063 in expenditures in 2018. The General Fund's fund balance decreased by \$1,361,309, including a prior period adjustment of \$89,928, from 2018 to 2019, and increased by \$163,463, including a prior period adjustment of (\$41,659) from 2017 to 2018.
- Capital assets, net of accumulated depreciation, increased by \$796,212, including a prior period adjustment of (\$97,002), for 2019 and decreased by \$209,006, including a prior period adjustment of (\$14,810) for 2018. The increase for 2019 was due to capital additions net of the increase in accumulated depreciation.
- Long-term debt decreased by \$6,255 for 2019 and decreased by \$1,074,601 for 2018. This decrease for 2019 was due to the decrease in compensated absences. The liability for compensated absences increased by \$62 for 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's basic financial statements, which include government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information, supplementary information, and other information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances. These statements consist of the Statement of Net Position and the Statement of Activities, which are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

The Statement of Net Position presents information on all the District's nonfiduciary assets, deferred outflows, liabilities, and deferred inflows, with the differences between them reported as "net position." Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial position is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional, pension expense, OPEB expense, and interest on long-term liabilities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds – Most of the District's general activities are reported in its governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds are accounted for using the modified accrual basis of accounting and the flow of current financial resources measurement focus. The approach focuses on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at year end. The governmental fund statements provide a detailed view of the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may gain a better understanding of the long-term impact of the District's near-term financing decisions. The governmental funds Balance Sheet is reconciled to the Statement of Net Position, and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances is reconciled to the Statement of Activities to facilitate this comparison between governmental funds and governmental activities.

The District maintains individual governmental funds in accordance with the *Financial Accounting Manual for Mississippi Public School Districts*. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds. All non-major funds are combined and presented in these reports as other governmental funds.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the District's own programs. These funds are reported using the accrual basis of accounting. The school district is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

Reconciliation of Government-wide and Fund Financial Statements

The financial statements include two schedules that reconcile the amounts reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

statements (accrual basis of accounting). The following summarizes the major differences between the two statements:

Capital assets used in governmental activities are not reported on governmental funds financial statements.

Capital outlay spending results in capital assets on government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.

Bond and note proceeds result in liabilities on government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements.

A net pension liability and net OPEB liability result in liabilities on the government-wide financial statements but are not reported on governmental funds financial statements.

Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions (PERS), Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of District Contributions (OPEB) as required supplementary information. The District adopts an annual operating budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund and each additional major special revenue fund as required by the Governmental Accounting Standards Board.

Supplementary Information

Additionally, a Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and a Schedule of Instructional, Administrative and Other Expenditures for governmental funds can be found in this report.

Other Information

Although not a required part of the basic financial statements, the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years, is presented for purposes of additional analysis as required by the Mississippi Department of Education.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

Net position may serve over time as a useful indicator of the District's financial position. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$22,205,300 as of June 30, 2019.

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

The District's financial position is a product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

Table 1 presents a summary of the District's net position at June 30, 2019 and June 30, 2018.

Table 1
Condensed Statement of Net Position

	June 30, 2019	June 30, 2018	Percentage Change
Current assets	\$ 6,053,350	\$ 8,271,088	-26.81 %
Restricted assets	119,020	119,058	-0.03 %
Capital assets, net	9,813,201	9,016,989	8.83 %
Total assets	15,985,571	17,407,135	-8.17 %
 Deferred outflows of resources	 4,940,345	 3,807,677	 29.75 %
 Current liabilities	 206,362	 1,220,944	 -83.10 %
Long-term debt outstanding	179,280	185,535	-3.37 %
Net OPEB liability	2,595,052	2,557,298	1.48 %
Net pension liability	37,518,660	34,776,145	7.89 %
Total liabilities	40,499,354	38,739,922	4.54 %
 Deferred inflows of resources	 2,631,862	 4,212,054	 -37.52 %
 Net position:			
Net investment in capital assets	9,813,201	9,016,989	8.83 %
Restricted	1,939,192	1,781,077	8.88 %
Unrestricted	(33,957,693)	(32,535,230)	-4.37 %
Total net position	\$ (22,205,300)	\$ (21,737,164)	-2.15 %

Additional information on unrestricted net position:

In connection with the application of standards on accounting and financial reporting for pensions and OPEB, management presents the following additional information:

Total unrestricted net position (deficit)	\$ (33,957,693)
Less unrestricted deficit in net position resulting from recognition of the net pension and net OPEB liability, including the deferred outflows and deferred inflows related to pensions and OPEB	 <u>37,805,229</u>
Unrestricted net position, exclusive of the net pension and net OPEB liability effect	 <u>\$ 3,847,536</u>

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Decrease in net capital assets in the amount of \$796,212.

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

Changes in net position

The District's total revenues for the fiscal years ended June 30, 2019 and June 30, 2018 were \$28,177,760 and \$27,350,041, respectively. The total cost of all programs and services was \$28,689,670 for 2019 and \$27,134,555 for 2018.

Table 2 presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

**Table 2
Changes in Net Position**

	Year Ended June 30, 2019	Year Ended June 30, 2018	Percentage Change
Revenues:			
Program revenues:			
Charges for services	\$ 432,820	\$ 433,988	(0.27) %
Operating grants and contributions	8,309,055	7,775,895	6.86 %
General revenues:			
Property taxes	5,608,672	5,728,401	(2.09) %
Grants and contributions not restricted	13,383,058	12,958,758	3.27 %
Investment earnings	80,366	17,349	363.23 %
Sixteenth section	-	13,500	(100.00) %
Other	363,789	422,150	(13.82) %
Total revenues	28,177,760	27,350,041	3.03 %
Expenses:			
Instruction	13,106,287	12,022,677	9.01 %
Support services	10,824,938	9,824,676	10.18 %
Non-instructional	2,033,587	2,007,087	1.32 %
Pension expense	2,595,634	3,128,032	(17.02) %
OPEB expense	129,224	126,350	2.27 %
Interest on long-term liabilities	-	25,733	(100.00) %
Total expenses	28,689,670	27,134,555	5.73 %
Increase (Decrease) in net position	(511,910)	215,486	(337.56) %
Net Position, July 1, as previously reported	(21,737,164)	(19,363,127)	(12.26) %
Prior Period Adjustment	43,774	(2,589,523)	101.69 %
Net Position, July 1, as restated	(21,693,390)	(21,952,650)	1.18 %
Net Position, June 30	\$ (22,205,300)	\$ (21,737,164)	(2.15) %

Governmental activities

The following table presents the cost of six major District functional activities: instruction, support services, non-instructional, pension expense, OPEB expense and interest on long-term liabilities. The table also shows each functional activity's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost presents the financial burden that was placed on the State and District's taxpayers by each of these functions.

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

Table 3
Net Cost of Governmental Activities

	Total Expenses		Percentage Change
	2019	2018	
Instruction	\$ 13,106,287	\$ 12,022,677	9.01 %
Support services	10,824,938	9,824,676	10.18 %
Non-instructional	2,033,587	2,007,087	1.32 %
Pension Expense	2,595,634	3,128,032	(17.02) %
OPEB Expense	129,224	126,350	2.27 %
Interest on long-term liabilities	-	25,733	(100.00) %
Total expenses	\$ 28,689,670	\$ 27,134,555	5.73 %

	Net (Expense) Revenue		Percentage Change
	2019	2018	
Instruction	\$ (9,543,008)	\$ (8,948,127)	(6.65) %
Support services	(8,123,187)	(7,179,470)	(13.14) %
Non-instructional	443,258	483,040	(8.24) %
Pension Expense	(2,595,634)	(3,128,032)	17.02 %
OPEB Expense	(129,224)	(126,350)	2.27 %
Interest on long-term liabilities	-	(25,733)	100.00 %
Total net (expense) revenue	\$ (19,947,795)	\$ (18,924,672)	5.41 %

- Net cost of governmental activities (\$19,947,795 for 2019 and \$18,924,672 for 2018) was financed by general revenue, which is primarily made up of property taxes (\$5,608,672 for 2019 and \$5,728,401 for 2018) and state and federal revenues (\$13,383,058 for 2019 and \$12,958,758 for 2018). In addition, there was \$0 and \$13,500 in Sixteenth Section sources for 2019 and 2018, respectively.
- Investment earnings amounted to \$80,366 for 2019 and \$17,349 for 2018.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$5,966,008, a decrease of \$1,203,194, including prior period adjustments of \$140,776, and which includes a decrease in inventory of \$10,524. \$1,502,627 or 25% of the fund balance is unassigned, which represents the residual classification for the General Fund's fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The remaining

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

fund balance of \$4,463,381 or 75% is either nonspendable, restricted, committed or assigned to indicate that it is not available for spending except only for the purposes to which it is restricted, committed or assigned.

The General Fund is the principal operating fund of the District. The decrease in fund balance in the General Fund for the fiscal year was \$1,361,309, including a prior period adjustment of \$89,928. The fund balance of Other Governmental Funds showed a decrease in the amount of \$171,483, including a prior period adjustment of (\$10,906), due primarily to normal operations. The increase (decrease) in the fund balances for the other major funds were as follows:

<u>Major Fund</u>	<u>Increase (Decrease)</u>
Child Nutrition Fund	\$ 329,598
Title I Fund	No increase or decrease
School Improvement Grant Fund	No increase or decrease
IDEA Part B Fund	No increase or decrease

BUDGETARY HIGHLIGHTS

During the year, the District revised the annual operating budget. Budget revisions were made to address and correct the original budgets to reflect more accurately the sources and uses of funding for the Greenwood Public School District.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund and major special revenue funds is provided in this report as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2019, the District's total capital assets were \$22,287,709, including land, school buildings, building improvements, buses, other school vehicles, furniture and equipment, and any intangible assets. This amount represents an increase of \$1,049,164 from 2018. Total accumulated depreciation as of June 30, 2019, was \$12,474,508, and total depreciation expense for the year was \$444,950, resulting in total net capital assets of \$9,813,201.

Table 4
Capital Assets, Net of Accumulated Depreciation

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>Percentage Change</u>
Land	\$ 496,738	\$ 496,738	0.00 %
Buildings	7,434,378	7,750,278	(4.08) %
Building improvements	1,047,217	-	N/A %
Improvements other than buildings	81,649	81,649	0.00 %
Mobile equipment	548,708	457,759	19.87 %
Furniture and equipment	204,511	230,565	(11.30) %
Total	\$ 9,813,201	\$ 9,016,989	8.83 %

Additional information on the District's capital assets can be found in Note 5 included in this report.

GREENWOOD PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

Debt Administration. At June 30, 2019, the District had \$179,280 in outstanding long-term debt, of which none is due within one year. The liability for compensated absences decreased \$6,255 from the prior year.

Table 5
Outstanding Long-Term Debt

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>Percentage Change</u>
Compensated absences payable	\$ 179,280	\$ 185,535	(3.37) %
Total	<u>\$ 179,280</u>	<u>\$ 185,535</u>	<u>(3.37) %</u>

Additional information on the District's long-term debt can be found in Note 6 included in this report.

CURRENT ISSUES

The Greenwood Public School District is financially stable. The District is proud of its community support of the public schools.

The District has committed itself to financial excellence for many years. The District's system of financial planning, budgeting and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenges of the future.

The District actively pursues grant funding to supplement the local, state and federal revenues.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have any questions about this report or need additional financial information, contact the Superintendent's Office of the Greenwood Public School District, 401 Howard Street, Greenwood, MS 38930.

FINANCIAL STATEMENTS

GREENWOOD PUBLIC SCHOOL DISTRICT

**Statement of Net Position
June 30, 2019**

Exhibit A

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 4,440,001
Due from other governments	1,577,269
Inventories	36,080
Restricted assets	119,020
Capital assets, non-depreciable:	
Land	496,738
Capital assets, net of accumulated depreciation:	
Buildings	7,434,378
Building improvements	1,047,217
Improvements other than buildings	81,649
Mobile equipment	548,708
Furniture and equipment	204,511
Total Assets	<u>15,985,571</u>
Deferred Outflows of Resources	
Deferred outflows - pensions	4,749,468
Deferred outflows - OPEB	190,877
Total deferred outflows of resources	<u>4,940,345</u>
Liabilities	
Accounts payable and accrued liabilities	206,362
Long-term liabilities, due within one year:	
Net OPEB liability	119,220
Long-term liabilities, due beyond one year:	
Non-capital related liabilities	179,280
Net pension liability	37,518,660
Net OPEB liability	2,475,832
Total Liabilities	<u>40,499,354</u>
Deferred Inflows of Resources	
Deferred inflows - pensions	2,444,229
Deferred inflows - OPEB	187,633
Total deferred inflows of resources	<u>2,631,862</u>
Net Position	
Net investment in capital assets	9,813,201
Restricted for:	
Expendable:	
School-based activities	1,771,295
Unemployment benefits	48,877
Nonexpendable:	
Sixteenth section principal	119,020
Unrestricted	(33,957,693)
Total Net Position	<u>\$ (22,205,300)</u>

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Statement of Activities

For the Year Ended June 30, 2019

Exhibit B

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
Governmental Activities:					
Instruction	\$ 13,106,287	\$ 181,774	\$ 3,381,505	\$ -	\$ (9,543,008)
Support services	10,824,938	-	2,701,751	-	(8,123,187)
Non-instructional	2,033,587	251,046	2,225,799	-	443,258
Pension expense	2,595,634	-	-	-	(2,595,634)
OPEB expense	129,224	-	-	-	(129,224)
Total Governmental Activities	<u>\$ 28,689,670</u>	<u>\$ 432,820</u>	<u>\$ 8,309,055</u>	<u>\$ -</u>	<u>\$ (19,947,795)</u>

General Revenues:

Taxes:

 General purpose levies

5,608,672

Unrestricted grants and contributions:

 State

13,313,130

 Federal

69,928

Unrestricted investment earnings

80,366

Other

363,789

 Total General Revenues

19,435,885

Change in Net Position

(511,910)

Net Position - Beginning, as originally reported

(21,737,164)

Prior period adjustment

43,774

Net Position - Beginning, as restated

(21,693,390)

Net Position - Ending

\$ (22,205,300)

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Governmental Funds

**Balance Sheet
June 30, 2019**

Exhibit C

	Major Funds							
	General Fund	Child Nutrition Fund	Title I Fund	School Improvement Grant Fund	IDEA Part B Fund	Other Governmental Funds	Total Governmental Funds	
Assets								
Cash and cash equivalents	\$ 2,493,882	\$ 1,644,171	\$ -	\$ -	\$ -	\$ 420,968	\$ 4,559,021	
Due from other governments	84,221	1,746	264,864	176,010	139,284	399,911	1,066,036	
Due from other funds	1,268,677	42,994	-	-	-	-	1,311,671	
Advances to other funds	325,200	-	-	-	-	-	325,200	
Inventories	-	36,080	-	-	-	-	36,080	
Total assets	4,171,980	1,724,991	264,864	176,010	139,284	820,879	7,298,008	
Liabilities and Fund Balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 117,217	\$ 394	\$ 325	\$ 1,850	\$ 3,900	\$ 82,676	\$ 206,362	
Due to other funds	27,947	141,360	264,539	174,160	135,384	382,248	1,125,638	
Total Liabilities	145,164	141,754	264,864	176,010	139,284	464,924	1,332,000	
Fund Balances								
Nonspendable:								
Inventory	-	36,080	-	-	-	-	36,080	
Advances	325,200	-	-	-	-	-	325,200	
Permanent fund	-	-	-	-	-	119,020	119,020	
Restricted:								
Grant activities	-	1,547,157	-	-	-	188,058	1,735,215	
Unemployment benefits	-	-	-	-	-	48,877	48,877	
Assigned:								
Future building projects	2,185,847	-	-	-	-	-	2,185,847	
Activity funds	13,142	-	-	-	-	-	13,142	
Unassigned	1,502,627	-	-	-	-	-	1,502,627	
Total Fund Balances	4,026,816	1,583,237	-	-	-	355,955	5,966,008	
Total Liabilities and Fund Balances	\$ 4,171,980	\$ 1,724,991	\$ 264,864	\$ 176,010	\$ 139,284	\$ 820,879	\$ 7,298,008	

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Governmental Funds

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2019**

Exhibit C-1

Total fund balances for governmental funds	\$	5,966,008
Amounts reported for governmental activities in the statement of net position are different because:		
1. Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Land	496,738	
Buildings	16,341,433	
Building improvements	1,090,851	
Improvements other than buildings	408,244	
Mobile equipment	2,267,915	
Furniture and equipment	1,682,528	
Accumulated depreciation	<u>(12,474,508)</u>	9,813,201
2. Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability	(37,518,660)	
Deferred outflow s and inflow s of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflow s of resources related to pensions	4,749,468	
Deferred inflow s of resources related to pensions	<u>(2,444,229)</u>	(35,213,421)
3. Some liabilities, including net OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net OPEB liability	(2,595,052)	
Deferred outflow s and inflow s of resources related to OPEB are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflow s of resources related to OPEB	190,877	
Deferred inflow s of resources related to OPEB	<u>(187,633)</u>	(2,591,808)
4. Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	<u>(179,280)</u>	(179,280)
Net position of governmental activities	\$	<u>(22,205,300)</u>

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2019

Exhibit D

	Major Funds						
	General Fund	Child Nutrition Fund	Title I Fund	School Improvement Grant Fund	IDEA Part B Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Local sources	\$ 6,002,011	\$ 273,447	\$ -	\$ -	\$ -	\$ 92,192	\$ 6,367,650
State sources	13,331,667	19,811	-	-	-	1,115,298	14,466,776
Federal sources	100,640	2,184,338	2,327,364	1,120,900	793,490	816,602	7,343,334
Total Revenues	19,434,318	2,477,596	2,327,364	1,120,900	793,490	2,024,092	28,177,760
Expenditures:							
Instruction	10,688,959	-	1,630,005	217,593	514,634	1,738,369	14,789,560
Support services	8,646,376	139,761	564,799	903,457	267,706	1,140,259	11,662,358
Noninstructional services	19,683	1,945,831	103,405	-	1,150	52,488	2,122,557
Facilities acquisition and construction	-	-	-	-	-	936,731	936,731
Total Expenditures	19,355,018	2,085,592	2,298,209	1,121,050	783,490	3,867,847	29,511,206
Excess (Deficiency) of Revenues over (under) Expenditures	79,300	392,004	29,155	(150)	10,000	(1,843,755)	(1,333,446)
Other Financing Sources (Uses):							
Operating transfers in	192,526	33,698	-	-	-	1,728,147	1,954,371
Operating transfers out	(1,723,063)	(141,360)	(34,979)	-	(10,000)	(44,969)	(1,954,371)
Total Other Financing Sources (Uses)	(1,530,537)	(107,662)	(34,979)	-	(10,000)	1,683,178	-
Net Change in Fund Balances	(1,451,237)	284,342	(5,824)	(150)	-	(160,577)	(1,333,446)
July 1, 2018, as originally stated	5,388,125	1,253,639	-	-	-	527,438	7,169,202
Prior period adjustments	89,928	55,780	5,824	150	-	(10,906)	140,776
July 1, 2018, as restated	5,478,053	1,309,419	5,824	150	-	516,532	7,309,978
Increase (Decrease) in reserve for inventory	-	(10,524)	-	-	-	-	(10,524)
June 30, 2019	\$ 4,026,816	\$ 1,583,237	\$ -	\$ -	\$ -	\$ 355,955	\$ 5,966,008

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Governmental Funds

**Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2019**

Exhibit D-1

Net change in fund balances - total governmental funds \$ (1,333,446)

Amounts reported for governmental activities in the statement of activities are different because:

1. Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 1,359,034	
Depreciation expense	<u>(444,950)</u>	914,084

2. In the statement of activities, only the gain/loss on the sale of assets is reported, while in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.

(20,870)

3. Some items relating to pensions and reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in the governmental funds. These activities include:

Pension expense	(2,595,634)	
Contributions subsequent to the measurement date	<u>2,538,229</u>	(57,405)

4. Some items relating to OPEB and reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in the governmental funds. These activities include:

OPEB expense	(129,224)	
Contributions subsequent to the measurement date	<u>119,220</u>	(10,004)

5. Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:

Change in compensated absences	6,255	
Change in inventory reserve	<u>(10,524)</u>	<u>(4,269)</u>

Change in net position of governmental activities \$ (511,910)

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Fiduciary Funds

Statement of Fiduciary Net Position
June 30, 2019

Exhibit E

	Private-Purpose Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 29,571	\$ 1,675,327
Other receivables	-	2,324
Due from other funds	-	27,774
Total Assets	<u>29,571</u>	<u>\$ 1,705,425</u>
Liabilities		
Accounts payable and accrued liabilities	-	\$ 1,166,418
Due to other funds	-	213,807
Advances	-	325,200
Total Liabilities	<u>-</u>	<u>\$ 1,705,425</u>
Net Position		
Reserved for endowments	<u>29,571</u>	
Total Net Position	<u>\$ 29,571</u>	

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Fiduciary Funds

**Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2019**

Exhibit F

	Private-Purpose Trust Funds
Additions	
Contributions	\$ 5,238
Total Additions	<u>5,238</u>
Deductions	
Scholarships awarded	<u>-</u>
Total Deductions	<u>-</u>
Change in Net Position	<u>5,238</u>
Net Position	
July 1, 2018	<u>24,333</u>
June 30, 2019	<u><u>\$ 29,571</u></u>

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

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements of the school district have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the school district's accounting policies are described below.

A. Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America, the Greenwood Public School District is considered an "other stand-alone government." The Greenwood Public School District is a related organization of, but not a component unit of, the city of Greenwood since the governing authority of the city selects a majority of the Greenwood Public School District's board but does not have financial accountability for the Greenwood Public School District.

For financial reporting purposes, Greenwood Public School District has included all funds and organizations. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the District. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the District's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Net position is reported in three categories:

1. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances of bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.
2. Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property taxes and other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other governmental funds.

The school district reports the following major governmental funds:

General Fund - This is the school district's primary operating fund. The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Child Nutrition Fund – This fund accounts for the federal and state revenue received and expenditures incurred related to the food service operation.

Title I Fund – This is the school district's federal reimbursable fund that serves to fund educational services to low-income, program eligible students.

School Improvement Grant Fund – This fund accounts for the transactions related to the School Improvement federal grant award.

IDEA Part B Fund – This fund provides revenues for children with disabilities with a free and appropriate education.

All other governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

The school district also reports fiduciary funds which focus on net position and changes in net position.

The District's fiduciary funds include the following:

Accounts Payable Clearing Fund – This fund is used to report the accounts payable resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

Payroll Clearing Fund - This fund is used to report the payroll resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

Student Club Fund Agency Funds – These funds are used to report student club resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

Scholarship Funds – These funds are used to account for the contributions to and scholarships awarded from the district's scholarship funds.

Additionally, the school district reports the following fund types:

GOVERNMENTAL FUNDS

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Permanent Funds - Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not the principal, may be used for purposes that support the district's programs.

FIDUCIARY FUNDS

Private-purpose Trust Funds - Private-purpose trust funds are used to report all trust arrangements, other than those properly reported elsewhere, in which the principal and income benefit individuals, private organizations or other governments.

Agency Funds - Agency Funds are used to report resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting, as are the Fiduciary Fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred or economic asset used, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Property taxes, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual.

Ad valorem property taxes are levied by the governing authority of the county on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

The effect of inter-fund activity has been eliminated from the government-wide statements.

Revenues from the Mississippi Adequate Education Program are appropriated on a fiscal year basis and are recorded at the time the revenues are received from the State of Mississippi.

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing, and Financial Reporting*, issued in 2012 by the Government Finance Officers Association and are consistent with the broad classifications recommended in *Financial Accounting for Local and State School Systems, 2014*, issued by the U.S. Department of Education.

D. Encumbrances

An encumbrance system is not maintained to account for commitments resulting from approved purchase orders, work orders and contracts.

E. Assets, liabilities, deferred outflows/inflows, and net position/fund balances

1. Cash, Cash equivalents and Investments

Cash and cash equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The school district deposits excess funds in the financial institutions selected by the school board. State statutes specify how these depositories are to be selected.

Investments

The school district can invest its excess funds, as permitted by Section 29-3-113, Miss. Code Ann. (1972), in interest-bearing deposits or other obligations of the types described in Section 27-105-33, Miss. Code Ann. (1972), or in any other type investment in which any other agency, instrumentality or subdivision of the State of Mississippi may invest, except that 100% of said funds are authorized to be so invested.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired. Investments for the District are reported at fair value.

2. Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds."

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Due from Other Governments

Due from other governments represents amounts due from the State of Mississippi and various grants and reimbursements from other governments.

4. Inventories and Prepaid Items

Donated commodities are received from the USDA and are valued at USDA cost. Other inventories are valued at cost (calculated on the first-in, first-out basis). The costs of governmental fund type inventories are reported as expenditures when purchased.

Prepaid items, such as prepaid insurance, are not reported for governmental fund types since the costs of such items are accounted for as expenditures in the period of acquisition.

5. Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable debt statutes, e.g. Qualified School Construction Bond sinking funds. Also, the nonexpendable portion of the Permanent Fund, if applicable, is classified as restricted assets because the 16th Section Principal fund is not available for use by the district except as provided for under state statute for loans from this fund.

6. Capital Assets

Capital assets include land, improvements to land, easements, water rights, timber rights, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the thresholds in the table below.

Capital acquisition and construction are reflected as expenditures in the Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is calculated on the straight-line basis for all assets, except land.

The following schedule details the capitalization thresholds:

	Capitalization Policy	Estimated Useful Life
Land	\$ 0	0
Buildings	50,000	40 years

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Building improvements	25,000	20 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5-10 years
Furniture and equipment	5,000	3-7 years
Leased property under capital leases	*	*

(*) The threshold amount will correspond with the amounts for the asset classifications, as listed. See Note 5 for details.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The district reports \$4,749,468 of deferred outflows related to its pension plan and \$190,877 related to its OPEB plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The district reports \$2,444,229 of deferred inflows related to its pension plan and \$187,633 related to its OPEB plan.

See Note 12 for further details.

8. Compensated Absences

Employees of the school district accumulate sick leave at a minimum amount as required by state law. A greater amount may be provided by school district policy provided that it does not exceed the provisions for leave as provided in Sections 25-3-93 and 25-3-95. Some employees are allowed personal leave and/or vacation leave in accordance with school district policy. The district pays for unused leave for employees as required by Section 37-7-307(5), Miss. Code Ann. (1972).

The liability for these compensated absences is recorded as a long-term liability in the government-wide statements. The current portion of this liability is estimated based on historical trends. In the fund financial statements, governmental funds report the liability for compensated absences from expendable available financial resources only if the payable has matured, for example, an employee retires.

9. Long-term Liabilities and Bond Discounts/Premiums

In the government-wide financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. See Note 6 for details.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, the benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State and School Employees' Life and Health Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recorded when the OPEB benefits come due. Investments are reported at fair value as determined by the state.

12. Fund Balances

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the School Board, the District's highest level of decision-making authority. This formal action is a vote by the board to commit funds. Currently there is no committed fund balance for this school district.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by management pursuant to authorization established by school board.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the District's general policy to spend

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

committed resources first, followed by assigned amounts, and then unassigned amounts.

Note 2 – Cash and Cash Equivalents

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits and investments are imposed by statutes as follows:

Deposits. The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

Investments. Section 29-3-113 and 37-59-43, Miss. Code Ann. (1972), authorizes the school board to invest excess funds in the types of investments authorized by Section 27-105-33(d) and (e), Miss. Code Ann. (1972). This section permits the following types of investments: (a) certificates of deposit or interest bearing accounts with qualified state depositories; (b) direct United States Treasury obligations; (c) United States Government agency, United States Government instrumentality or United States Government sponsored enterprise obligations, not to exceed fifty percent of all monies invested with maturities of thirty days or longer; (d) direct security repurchase agreements and reverse direct security repurchase agreements of any federal book entry of only those securities enumerated in (b) and (c) above; (e) direct obligations issued by the United States of America that are deemed to include securities of, or other interests in, any open-end or closed-end management type investment company or investment trust approved by the State Treasurer and the Executive Director of the Department of Finance and Administration, not to exceed twenty percent of invested excess funds. Investment income on bond funds (Capital Projects), bond sinking funds (Debt Service Funds) and sixteenth section principal funds (Permanent Funds) must be credited to those funds. Investment income of \$100 or more of any fund must be credited to that fund. Investment income of less than \$100 can be credited to the General Fund.

Cash and Cash Equivalents

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds and fiduciary funds was \$4,559,021 and \$1,704,898, respectively.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

Note 3 – Inter-fund Receivables, Payables and Transfers

The following is a summary of inter-fund transactions and balances:

A. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General fund	Child nutrition fund	\$ 141,360
	Title I fund	264,539
	IDEA Part B fund	135,384
	School improvement grant fund	174,160
	Other governmental funds	341,220
	Fiduciary funds	212,014
Child nutrition fund	General fund	173
	Other governmental funds	41,028
	Fiduciary funds	1,793
Fiduciary funds	General fund	27,774
Total		<u>\$ 1,339,445</u>

The purpose of the inter-fund loans was to cover federal and state funds not received prior to year-end and amounts due from and amounts due to agency funds.

B. Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
General fund	Fiduciary funds	\$ 325,200
Total		<u>\$ 325,200</u>

Advances were for cash flow purposes.

C. Inter-fund Transfers

Transfers Out	Transfers In	Amount
General fund	Other governmental funds	\$ 1,723,063
Child nutrition fund	General fund	141,360
Title I fund	General fund	34,979
IDEA Part B fund	General fund	10,000
Other governmental funds	General fund	6,187
	Child nutrition fund	33,698
	Other governmental funds	5,084
Total		<u>\$ 1,954,371</u>

The primary reason for the transfer out of the other governmental funds is the indirect cost allocation from the general fund.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

Note 4 – Restricted Assets

The restricted assets represents the cash balance, totaling \$119,020, of the Sixteenth Section Principal Fund (Permanent Fund) which is legally restricted and may not be used for purposes that support the district's programs.

Note 5 – Capital Assets

The following is a summary of changes in capital assets for governmental activities:

	Balance 7/1/2018	Increases	Decreases	Completed Construction	Adjustments	Balance 6/30/2019
Governmental Activities:						
<u>Non-depreciable capital assets:</u>						
Land	\$ 496,738	\$ -	\$ -	\$ -	\$ -	\$ 496,738
Construction in progress	-	936,731	-	(936,731)	-	-
Total non-depreciable capital assets	496,738	936,731	-	(936,731)	-	496,738
<u>Depreciable capital assets:</u>						
Buildings	16,341,433	-	-	-	-	16,341,433
Building improvements	-	154,120	-	936,731	-	1,090,851
Improvements other than buildings	408,244	-	-	-	-	408,244
Mobile equipment	2,213,465	182,141	(127,691)	-	-	2,267,915
Furniture and equipment	1,778,665	86,042	(182,179)	-	-	1,682,528
Total depreciable capital assets	20,741,807	422,303	(309,870)	936,731	-	21,790,971
<u>Less accumulated depreciation for:</u>						
Buildings	8,591,155	240,195	-	-	75,705	8,907,055
Building improvements	-	43,634	-	-	-	43,634
Improvements other than buildings	326,595	-	-	-	-	326,595
Mobile equipment	1,755,706	63,698	(114,922)	-	14,725	1,719,207
Furniture and equipment	1,548,100	97,423	(174,078)	-	6,572	1,478,017
Total accumulated depreciation	12,221,556	444,950	(289,000)	-	97,002	12,474,508
Total depreciable capital assets, net	8,520,251	(22,647)	(20,870)	936,731	(97,002)	9,316,463
Governmental activities capital assets, net	\$ 9,016,989	\$ 914,084	\$ (20,870)	\$ -	\$ (97,002)	\$ 9,813,201

Depreciation expense was charged to the following governmental functions:

	Amount
Governmental activities:	
Instruction	\$ 36,530
Support services	392,309
Non-instructional	16,111
Total depreciation expense - Governmental activities	<u>\$ 444,950</u>

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Note 6 – Long-term Liabilities

The following is a summary of changes in long-term liabilities and other obligations for governmental activities:

	Balance 7/1/2018	Additions	Reductions	Balance 6/30/2019	Amounts due within one year
A. Compensated absences payable	\$ 185,535	\$ -	\$ (6,255)	\$ 179,280	-
Total	\$ 185,535	\$ -	\$ (6,255)	\$ 179,280	-

A. Compensated absences payable

As more fully explained in Note 1(E)(8), compensated absences payable is adjusted on an annual basis as required by Section 37-7-307(5), Miss. Code Ann. (1972). Compensated absences will be paid from the fund from which the employees' salaries were paid.

Note 7 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description. The school district contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report is available at www.pers.ms.gov.

Benefits provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter.

Contributions. PERS members are required to contribute 9.00% of their annual covered salary, and the

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

school district is required to contribute at an actuarially determined rate. The employer's rate as of June 30, 2019 was 15.75% of annual covered payroll. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Section 25-11-1 of the Mississippi Code of 1972, as amended, and may be amended only by the Mississippi Legislature. The school district's contributions to PERS for the fiscal years ending June 30, 2019, 2018 and 2017 were \$2,538,229, \$2,268,736 and \$2,113,769, respectively, which equaled the required contributions for each year.

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

At June 30, 2019, the school district reported a liability of \$37,518,660 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the school district's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. The school district's proportionate share used to calculate the June 30, 2019 net pension liability was .225568 percent, which was based on a measurement date of June 30, 2018. This was an increase of .0164 percent from its proportionate share used to calculate the June 30, 2018 net pension liability, which was based on a measurement date of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$2,595,634. At June 30, 2019 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 167,462	\$ 146,684
Net difference between projected and actual earnings on pension plan investments	-	523,262
Changes of assumptions	20,531	21,204
Changes in proportion and differences between District contributions and proportionate share of contributions	2,023,246	1,753,079
District contributions subsequent to the measurement date	2,538,229	-
Total	\$ 4,749,468	\$ 2,444,229

\$2,538,229 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2020. 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 ending June 30:	
2020	\$ (73,533)
2021	217,163
2022	(207,894)
2023	(168,726)
Total	\$ (232,990)

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

Actuarial assumptions. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.75-18.50 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Healthy Annuitant Blue Collar Table Projected with Scale BB to 2022, with males rates set forward one year for males with adjustments.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2016. The experience report is dated April 18, 2017.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of 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:

<u>Asset Class</u>	<u>Target Allocation</u>		<u>Long-Term Expected Real Rate of Return</u>	
U.S. Broad	27.00	%	4.60	%
International Equity	18.00		4.50	
Emerging Markets Equity	4.00		4.75	
Global	12.00		4.75	
Fixed Income	18.00		0.75	
Real Estate	10.00		3.50	
Private Equity	8.00		5.10	
Emerging Debt	2.00		2.25	
Cash	1.00		0.00	
Total	100	%		

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the former employer contribution rate (15.75%) through June 30, 2019 and at the current contribution rate (17.40%) thereafter. Based on those assumptions, the 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 table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.75%, 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 (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 49,401,309	\$ 37,518,660	\$ 27,642,610

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Note 8 – Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan.

Plan description. State law mandates that all state, public education, library, junior and community college and retiring employees be offered health and life benefit coverage through the State and School Employees' Life and Health Insurance Plan (the Plan). The Plan was established by Section 25-15-3 et seq., Mississippi Code Ann. (1972), which may be amended only by the State Legislature. The State and School Employees' Health Insurance Management Board (the Board) administers the Plan. The Board has the sole legal authority to promulgate rules and regulations governing the operations of the Plan within the confines of the law governing the Plan. The Plan is self-insured and is financed through premiums collected from employers, employees, retirees and COBRA participants. The Plan provides for Other Postemployment Benefits (OPEB) as a multiple-employer defined benefit OPEB plan. The plan issues a publicly available financial report that can be obtained at <http://knowyourbenefits.dfa.ms.gov/>.

Benefits provided.

The Plan was formed by the State Legislature to provide group health and life benefits to full-time active and retired employees of the State, agencies, universities, community/junior colleges, public school districts and public libraries. In addition, the spouse and/or children of covered employees and retirees, as well as surviving spouses and COBRA participants, may be eligible for health insurance coverage under the Plan. Benefits of the OPEB Plan consist of an implicit rate subsidy, which is essentially the difference between the average cost of providing health care benefits to retirees under age 65 and the average cost of providing health care benefits to all participants when premiums paid by retirees are not age adjusted. Employees' premiums are funded primarily by their employers. Retirees must pay their own premiums, as do active employees for spouse and dependent medical coverage. The Board has the sole authority for setting life and health insurance premiums for the Plan. Per Section 12-15-15 (10) Mississippi Code Ann. (1972), a retired employee electing to purchase retiree life and health insurance must pay the full cost of such insurance premium. If the Board determined actuarially that the premium paid by the participating retirees adversely affects the overall cost of the Plan to the State, then the Board may impose a premium surcharge, not to exceed 15%, upon such participating retired employees who are under the age for Medicare eligibility and who are initially employed before January 1, 2006. For participating retired employees who are under the age for Medicare eligibility and who are initially employed on or after January 1, 2006, the Board may impose a premium surcharge in an amount the Board determined actuarially to cover the full cost of insurance. The Plan offers a Base option and a Select option for health benefits for non-Medicare participants. The Plan includes a separate coverage level for Medicare eligible retirees, Medicare Eligible surviving spouses, and Medicare eligible dependents of retirees and surviving spouses.

Contributions.

The Board has the sole authority for setting life and health insurance premiums for the Plan. The required premiums vary based on the plan selected and the type of participant. Employers pay no premiums for retirees while employees' premiums are funded primarily by their employer. Contributions to the OPEB plan from the District were \$119,220 for the year ended June 30, 2019.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

At June 30, 2019, the District reported a liability of \$2,595,052 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The basis for the District's proportion is determined by comparing the employer's average monthly employees participating in the Plan with the total average employees participating in the Plan in the fiscal year of all employers. The allocation was utilized because the level of premiums contributed by each employer is the same for any employee regardless of plan participation elections made by the employee. At the measurement date of June 30, 2018, the District's proportion was .33547304 percent. This was an increase of .0095 percent from the proportionate share as of the measurement date of June 30, 2017.

For the year ended June 30, 2019, the District recognized OPEB expense of \$129,224. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,284	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes of assumptions	-	184,903
Changes in proportion and differences between District contributions and proportionate share of contributions	66,373	2,730
District contributions subsequent to the measurement date	119,220	-
Total	<u>\$ 190,877</u>	<u>\$ 187,633</u>

\$119,220 reported as deferred outflows of resources related to OPEB resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2020	\$ (24,602)
2021	(24,602)
2022	(24,602)
2023	(24,602)
2024	(17,372)
Thereafter	(196)
Total	<u>\$ (115,976)</u>

Actuarial assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

Inflation	3.00 percent
Salary increases	3.25-18.50 percent, including wage inflation
Long-term Investment Rate of Return, net of OPEB plan investment expense, including inflation	4.50%
Municipal Bond Index Rate	
Measurement Date	3.89%
Prior Measurement Date	3.56%
Year FNP is projected to be depleted	
Measurement Date	2018
Prior Measurement Date	2017
Single Equivalent Interest Rate, net of OPEB plan investment expense, including inflation	
Measurement Date	3.89%
Prior Measurement Date	3.56%
Health Care Cost Trends	
Medicare Supplement Claims	7.25 percent for 2018 decreasing to an
Pre-Medicare	ultimate rate of 4.75% by 2028

Both pre-retirement and post-retirement mortality rates were based on the RP 2014 Healthy Annuitant Blue Collar Table projected with Scale BB to 2022, male rates set forward 1 year and adjusted by 106% for males at all ages, and females adjusted to 90% for ages less than 76, 95% for age 76, 105% for age 78 and 110% for ages 79 and greater. Post-disability mortality rates were based on the RP 2014 Disabled Retiree Mortality Table set forward 4 years for males and 3 years for females.

The demographic actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study dated April 18, 2017.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

The long-term investment rate of return, net of OPEB plan investment expense, including inflation was 4.50%.

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.89 percent. Since the Prior Measurement Date, the Discount Rate has changed from 3.56% to 3.89%.

The trust was established on June 28, 2018 with an initial contribution of \$1,000,000. The fiduciary net position is projected to be depleted immediately, therefore, the Municipal Bond Index Rate is used in the determination of the discount rate for both June 30, 2017 and the June 30, 2018. The discount rate used to measure the total OPEB liability at June 30, 2018 was based on an average of the Bond Buyer General Obligation 20-year Municipal Bond Index Rates during the month of June published at the end of each week by Bond Buyer.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the District's proportionate share of the net OPEB liability, as well as what the District's

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements For Year Ended June 30, 2019

proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) or 1-percentage-point higher (4.89 percent) than the current discount rate:

	1% Decrease (2.89%)	Current Discount Rate (3.89%)	1% Increase (4.89%)
Net OPEB liability	\$ 2,876,550	\$ 2,595,052	\$ 2,352,954

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB liability	\$ 2,403,876	\$ 2,595,052	\$ 2,812,173

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in a separately issued report that can be found at <http://knowyourbenefits.dfa.ms.gov/>.

Note 9 – Contingencies

Federal Grants – The school district has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowances resulting from the grantor audit may become a liability of the school district.

Litigation – The school district is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the school district with respect to the various proceedings. However, the school district's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the school district.

Note 10 – Risk Management

The school district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

Note 11 – Sixteenth Section Lands

Sixteenth section school lands, or lands granted in lieu thereof, constitute property held in trust for the benefit of the public schools. The school board, under the general supervision of the Office of the Secretary of State, has control and jurisdiction of said school trust lands and of all funds arising from any disposition thereof. It is the duty of the school board to manage the school trust lands and all funds arising therefrom as trust property. Accordingly, the board shall assure that adequate compensation is received for all uses of the trust lands, except for uses by the public schools. The following are the future rental payments to be made to the school district for the use of school trust lands. These future rental payments are from existing leases and do not anticipate renewals or new leases.

Year Ending June 30	Amount
2020	\$ 6,750
2021	6,750
2022	6,750
2023	6,750
2024	6,750
2025-2028	20,250
Total	<u>\$ 54,000</u>

Note 12 – Effect of Deferred Amounts on Net Position

The unrestricted net position amount of (\$33,957,693) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. A portion of the deferred outflow of resources related to pension in the amount of \$2,538,229 resulting from the school district contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. The \$2,211,239 balance of deferred outflow of resources related to pensions, at June 30, 2019 will be recognized as an expense and will decrease the unrestricted net position over the next 3 years.

The unrestricted net position amount of (\$33,957,693) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from pensions. The \$2,444,229 balance of deferred inflow of resources related to pensions, at June 30, 2019 will be recognized as revenue and will increase the unrestricted net position over the next 4 years.

The unrestricted net position amount of (\$33,957,693) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from OPEB. A portion of the deferred outflow of resources related to OPEB in the amount of \$119,220 resulting from the school district contribution subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. The \$71,657 balance of deferred outflow of resources related to OPEB, at June 30, 2019 will be recognized as an expense and will decrease the unrestricted net position over the next 6 years.

The unrestricted net position amount of (\$33,957,693) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from OPEB. The \$187,633 balance of deferred inflow of resources related to OPEB, at June 30, 2019 will be recognized as revenue and will increase the unrestricted net position over the next 6 years.

GREENWOOD PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements
For Year Ended June 30, 2019

Note 13 – Prior Period Adjustments

A summary of significant Net Position/Fund Balance adjustments is as follows:

Exhibit B - Statement of Activities

Explanation	Amount
1. To adjust capital assets to subsidiary ledger	\$ (97,002)
2. To adjust beginning balance sheet amounts	140,776
Total	<u>\$ 43,774</u>

Exhibit D – Statement of Revenues, Expenditures and Changes in Fund Balances

Fund	Explanations	Amount
General Fund	To correct various beginning balance sheet accounts	\$ 89,928
Child Nutrition Fund	To correct various beginning balance sheet accounts	55,780
Title I Fund	To correct various beginning balance sheet accounts	5,824
School Improvement Grant Fund	To correct various beginning balance sheet accounts	150
Other Governmental Funds	To correct various beginning balance sheet accounts	(10,906)
	Total	<u>\$ 140,776</u>

Note 14 - Subsequent Events

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the School District evaluated the activity of the district through July 13, 2020 (the date the financial statements were available to be issued), and determined that the subsequent event has occurred requiring disclosure in the notes to the financial statements.

In accordance with House Bill 987, as passed by the Mississippi Legislature in the regular session of 2016, the Leflore County School District and the Greenwood Public School District consolidated on July 1, 2019 to form the Greenwood-Leflore Consolidated School District. The assets and liabilities of the two school districts were consolidated and the Greenwood Public School District no longer exists.

REQUIRED SUPPLEMENTARY INFORMATION

GREENWOOD PUBLIC SCHOOL DISTRICT
Required Supplementary Information

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local sources	\$ 5,921,947	\$ 5,994,135	\$ 6,002,011	\$ 72,188	\$ 7,876
State sources	12,042,817	14,484,836	13,331,667	2,442,019	(1,153,169)
Federal sources	61,300	6,497	100,640	(54,803)	94,143
Total Revenues	18,026,064	20,485,468	19,434,318	2,459,404	(1,051,150)
Expenditures:					
Instruction	10,533,395	10,701,688	10,688,959	(168,293)	12,729
Support services	8,206,173	8,631,708	8,646,376	(425,535)	(14,668)
Noninstructional services	16,510	1,626,574	19,683	(1,610,064)	1,606,891
Total Expenditures	18,756,078	20,959,970	19,355,018	(2,203,892)	1,604,952
Excess (Deficiency) of Revenues over (under) Expenditures	(730,014)	(474,502)	79,300	255,512	553,802
Other Financing Sources (Uses):					
Operating transfers in	648,500	58,781	192,526	(589,719)	133,745
Operating transfers out	(629,812)	(1,027,611)	(1,723,063)	(397,799)	(695,452)
Total Other Financing Sources (Uses)	18,688	(968,830)	(1,530,537)	(987,518)	(561,707)
Net Change in Fund Balances	(711,326)	(1,443,332)	(1,451,237)	(732,006)	(7,905)
July 1, 2018, as originally reported	5,388,125	5,388,125	5,388,125	-	-
Prior period adjustment	-	(1,907)	89,928	(1,907)	91,835
July 1, 2018, as restated	5,388,125	5,386,218	5,478,053	(1,907)	91,835
June 30, 2019	\$ 4,676,799	\$ 3,942,886	\$ 4,026,816	\$ (733,913)	\$ 83,930

The notes to the required supplementary information are an integral part of this schedule.

GREENWOOD PUBLIC SCHOOL DISTRICT
Required Supplementary Information

Budgetary Comparison Schedule
Child Nutrition Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local sources	\$ 126,511	\$ 291,919	\$ 273,447	\$ 165,408	\$ (18,472)
State sources	19,000	1,339	19,811	(17,661)	18,472
Federal sources	2,162,500	2,269,443	2,184,338	106,943	(85,105)
Total Revenues	2,308,011	2,562,701	2,477,596	254,690	(85,105)
Expenditures:					
Support services	162,539	139,749	139,761	22,790	(12)
Noninstructional services	2,221,229	2,106,844	1,945,831	114,385	161,013
Total Expenditures	2,383,768	2,246,593	2,085,592	137,175	161,001
Excess (Deficiency) of Revenues over (under) Expenditures	(75,757)	316,108	392,004	391,865	75,896
Other Financing Sources (Uses):					
Operating transfers in	-	-	33,698	-	33,698
Operating transfers out	(128,160)	-	(141,360)	128,160	(141,360)
Total Other Financing Sources (Uses)	(128,160)	-	(107,662)	128,160	(107,662)
Net Change in Fund Balances	(203,917)	316,108	284,342	520,025	(31,766)
Fund Balances:					
July 1, 2018, as originally reported	1,253,639	1,253,639	1,253,639	-	-
Prior period adjustment	-	-	55,780	-	55,780
July 1, 2018, as restated	1,253,639	1,253,639	1,309,419	-	55,780
Increase (decrease) in inventory	-	-	(10,524)	-	(10,524)
June 30, 2019	\$ 1,049,722	\$ 1,569,747	\$ 1,583,237	\$ 520,025	\$ 13,490

The notes to the required supplementary information are an integral part of this schedule.

GREENWOOD PUBLIC SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

Title I Fund

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal sources	\$ 4,876,219	\$ 5,107,405	\$ 2,327,364	\$ 231,186	\$ (2,780,041)
Total Revenues	4,876,219	5,107,405	2,327,364	231,186	(2,780,041)
Expenditures:					
Instruction	1,639,658	2,313,726	1,630,005	(674,068)	683,721
Support services	904,797	2,369,011	564,799	(1,464,214)	1,804,212
Noninstructional services	131,208	153,994	103,405	(22,786)	50,589
Total Expenditures	2,675,663	4,836,731	2,298,209	(2,161,068)	2,538,522
Excess (Deficiency) of Revenues over (under) Expenditures	2,200,556	270,674	29,155	(1,929,882)	(241,519)
Other Financing Sources (Uses):					
Operating transfers out	(52,569)	(55,521)	(34,979)	(2,952)	20,542
Total Other Financing Sources (Uses)	(52,569)	(55,521)	(34,979)	(2,952)	20,542
Net Change in Fund Balances	2,147,987	215,153	(5,824)	(1,932,834)	(220,977)
July 1, 2018, as originally reported	-	-	-	-	-
Prior period adjustment	-	-	5,824	-	5,824
July 1, 2018, as restated	-	-	5,824	-	5,824
June 30, 2019	\$ 2,147,987	\$ 215,153	\$ -	\$ (1,932,834)	\$ (215,153)

The notes to the required supplementary information are an integral part of this schedule.

GREENWOOD PUBLIC SCHOOL DISTRICT
Required Supplementary Information

Budgetary Comparison Schedule
School Improvement Grant Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal sources	\$ 793,005	\$ -	\$ 1,120,900	\$ (793,005)	\$ 1,120,900
Total Revenues	793,005	-	1,120,900	(793,005)	1,120,900
Expenditures:					
Instruction	234,619	308,181	217,593	(73,562)	90,588
Support services	1,220,949	1,549,689	903,457	(328,740)	646,232
Total Expenditures	1,455,568	1,857,870	1,121,050	(402,302)	736,820
Excess (Deficiency) of Revenues over (under) Expenditures	(662,563)	(1,857,870)	(150)	(1,195,307)	1,857,720
Net Change in Fund Balances	(662,563)	(1,857,870)	(150)	(1,195,307)	1,857,720
July 1, 2018, as originally reported	-	-	-	-	-
Prior period adjustments	-	-	150	-	150
July 1, 2018, as restated	-	-	150	-	150
June 30, 2019	\$ (662,563)	\$ (1,857,870)	\$ -	\$ (1,195,307)	\$ 1,857,870

The notes to the required supplementary information are an integral part of this schedule.

GREENWOOD PUBLIC SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

IDEA Part B Fund

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal sources	\$ 805,967	\$ 805,967	\$ 793,490	\$ -	\$ (12,477)
Total Revenues	805,967	805,967	793,490	-	(12,477)
Expenditures:					
Instruction	419,717	516,020	514,634	(96,303)	1,386
Support services	402,871	379,248	267,706	23,623	111,542
Noninstructional services	3,001	2,500	1,150	501	1,350
Total Expenditures	825,589	897,768	783,490	(72,179)	114,278
Excess (Deficiency) of Revenues over (under) Expenditures	(19,622)	(91,801)	10,000	(72,179)	101,801
Other Financing Sources (Uses):					
Operating transfers out	-	(10,000)	(10,000)	(10,000)	-
Total Other Financing Sources (Uses)	-	(10,000)	(10,000)	(10,000)	-
Net Change in Fund Balances	(19,622)	(101,801)	-	(82,179)	101,801
July 1, 2018	-	-	-	-	-
June 30, 2019	\$ (19,622)	\$ (101,801)	\$ -	\$ (82,179)	\$ 101,801

The notes to the required supplementary information are an integral part of this schedule.

GREENWOOD PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PERS

Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.2255680%	0.209200%	0.230800%	0.237932%	0.250000%
District's proportionate share of the net pension liability	\$ 37,518,660	34,776,145	41,226,643	36,779,596	30,345,423
District's covered payroll	\$ 14,404,673	13,420,756	14,764,305	14,864,616	15,164,698
District's proportionate share of the net pension liability as a percentage of its covered payroll	260.46%	259.12%	279.23%	247.43%	200.11%
Plan fiduciary net position as a percentage of the total pension liability	62.54%	61.49%	57.47%	61.70%	67.21%

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

GREENWOOD PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF DISTRICT CONTRIBUTIONS

PERS

Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,538,229	2,268,736	2,113,769	2,325,378	2,341,177
Contributions in relation to the contractually required contribution	\$ 2,538,229	2,268,736	2,113,769	2,325,378	2,341,177
Contribution deficiency (excess)	\$ -	-	-	-	-
District's covered payroll	\$ 16,115,740	14,404,673	13,420,756	14,764,305	14,864,616
Contributions as a percentage of covered payroll	15.75%	15.75%	15.75%	15.75%	15.75%

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented in FYE 6/30/2015, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

GREENWOOD PUBLIC SCHOOL DISTRICT
Required Supplementary Information

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB

Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.33547304%	0.32593291%
District's proportionate share of the net OPEB liability	\$ 2,595,052	2,557,298
District's covered-employee payroll	\$ 14,404,673	13,420,756
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	18.015%	19.055%
Plan fiduciary net position as a percentage of the total OPEB liability	0.12911%	0.0000%

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

GREENWOOD PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF DISTRICT CONTRIBUTIONS

OPEB

Last 10 Fiscal Years

	<u>2019</u>	<u>2018 *</u>
Actuarially determined contribution	\$ 119,220	109,021
Contributions in relation to the actuarially determined contribution	\$ 119,220	109,021
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>
District's covered-employee payroll	\$ 16,115,740	14,404,673
Contributions as a percentage of covered-employee payroll	0.7398%	0.7568%

The notes to the required supplementary information are an integral part of this schedule.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No.75 was implemented in FYE 6/30/2018, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available. Prior year information is based on historical amounts reported in prior year audit report(s).

Notes to Required Supplementary Information

Budgetary Comparison Schedule

(1) Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

(2) Budget Amendments and Revisions

The budget is adopted by the school board and filed with the taxing authority. Amendments can be made on the approval of the school board. By statute, final budget revisions must be approved on or before October 15. A budgetary comparison is presented for the General Fund and each major Special Revenue Fund consistent with accounting principles generally accepted in the United States of America.

Pension Schedules

(1) *Changes of assumptions*

2015:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.

The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

2016:

The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

2017:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.

The wage inflation assumption was reduced from 3.75% to 3.25%.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

(2) *Changes in benefit provisions*

2016:

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

(3) *Method and assumptions used in calculations of actuarially determined contributions.*

The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2016 valuation for the June 30, 2018 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	36.6 years
Asset valuation method	5-year smoothed market
Price Inflation	3.00 percent
Salary increase	3.75 percent to 19.00 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

OPEB Schedules

(1) *Changes of assumptions*

2017: The discount rate was changed from 3.01% for the prior Measurement Date to 3.56% for the current Measurement Date.

2018: The discount rate was changed from 3.56% for the prior Measurement Date to 3.89% for the current Measurement Date.

(2) *Changes in benefit provisions*

2017: None

2018: None

(3) *Methods and assumptions used in calculations of Actuarially Determined Contributions.* The Actuarially Determined Contributions rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated as of the most recent Valuation Date. The following actuarial methods and assumptions (from the June 30, 2017 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2018:

Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	30 years, open
Asset valuation method	Market Value of Assets
Price inflation	3%
Salary increases, including wage inflation	3.25% to 18.50%

Initial health care cost trend rates	
Medicare Supplement Claims	7.75%
Pre-Medicare	
Ultimate health care cost trend rates	
Medicare Supplement Claims	5.00%
Pre-Medicare	
Year of ultimate trend rates	
Medicare Supplement Claims	2023
Pre-Medicare	
Long-term investment rate of return, net of pension plan investment expense, including price inflation	3.56%

SUPPLEMENTARY INFORMATION

GREENWOOD PUBLIC SCHOOL DISTRICT

Supplementary Information

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2019

Federal Grantor/ Pass-through Grantor/ Program Title	Catalog of Federal Domestic Assistance No.	Pass-through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed-through Mississippi Department of Education:			
Child nutrition cluster:			
School breakfast program	10.553	195MS326N1099	\$ 556,693
National school lunch program	10.555	195MS326N1099	1,627,644
Summer food service program for children	10.559	195MS326N1099	80,074
Total child nutrition cluster			<u>2,264,411</u>
Total passed-through Mississippi Department of Education			<u>2,264,411</u>
Total U.S. Department of Agriculture			<u>2,264,411</u>
<u>U.S. Department of Defense</u>			
Direct Program:			
Reserve Officers' Training Corps	12.xxx	N/A	63,574
Total U.S. Department of Defense			<u>63,574</u>
<u>Federal Communications Commission</u>			
Administered through the Universal Service Administrative Company:			
The schools and libraries program of the universal service fund	32.xxx	N/A	68,850
Total Federal Communications Commission			<u>68,850</u>
<u>U.S. Department of Education</u>			
Passed-through Mississippi Department of Education:			
Title I grants to local educational agencies	84.010	ES010A180024	2,342,708
Career and technical education - basic grants to states	84.048	V048A180024	21,800
Twenty-first century community learning centers	84.287	ES287C180024	215,667
Rural education	84.358	ES358B180024	57,405
Supporting Effective Instruction State Grants	84.367	ES367A180023	237,456
School improvement grant	84.377	ES377A180025	1,120,900
Student Support and Academic Enrichment	84.424	ES424A180025	72,984
Subtotal			<u>4,068,920</u>
Special education cluster:			
Special education - grants to states	84.027	H027A180108	861,669
Special education - preschool grants	84.173	H173A180113	14,831
Total special education cluster			<u>876,500</u>
Total passed-through Mississippi Department of Education			<u>4,945,420</u>
Total U.S. Department of Education			<u>4,945,420</u>
<u>U.S. Department of Health and Human Services</u>			
Passed-through the Mississippi Department of Education:			
Medical assistance program	93.778	1905MS5ADM	1,078
Total passed-through Mississippi Department of Education			<u>1,078</u>
Total U.S. Department of Health and Human Services			<u>1,078</u>
Total for All Federal Awards			<u>\$ 7,343,333</u>

The notes to the Supplementary Information are an integral part of this schedule.

Schedule of Expenditures of Federal Awards

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Greenwood Public School District under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Greenwood Public School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Greenwood Public School District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

(3) Indirect Cost Rate

The Greenwood Public School District has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(4) Noncash Awards

Donated commodities of \$138,928 are included in the National School Lunch Program.

GREENWOOD PUBLIC SCHOOL DISTRICT

Supplementary Information

Schedule of Instructional, Administrative and Other Expenditures - Governmental Funds

For the Year Ended June 30, 2019

Expenditures	Total	Instruction and Other Student Instructional Expenditures	General Administration	School Administration	Other
Salaries and fringe benefits	\$ 21,167,581	15,138,819	1,427,814	1,982,724	2,618,224
Other	8,343,625	3,592,832	454,159	21,226	4,275,408
Total	<u>\$ 29,511,206</u>	<u>18,731,651</u>	<u>1,881,973</u>	<u>2,003,950</u>	<u>6,893,632</u>
Total number of students *	<u>2,321</u>				
Cost per student	<u>\$ 12,715</u>	<u>8,071</u>	<u>811</u>	<u>863</u>	<u>2,970</u>

For purposes of this schedule, the following columnar descriptions are applicable:

Instruction and Other Student Instructional Expenditures - includes the activities dealing directly with the interaction between teachers and students. Included here are the activities of teachers, teachers aides or classroom assistants of any type.

General Administration - includes expenditures for the following functions: Support Services - General Administration and Support Services - Business.

School Administration - includes expenditures for the following function: Support Services - School Administration.

Other - includes all expenditure functions not included in Instruction or Administration Categories.

* includes the number of students reported on the ADA report submission for month 9, which is the final submission for the fiscal year

OTHER INFORMATION

GREENWOOD PUBLIC SCHOOL DISTRICT

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

Last Four Years

UNAUDITED

	2019	2018*	2017*	2016*
Revenues:				
Local sources	\$ 6,002,011	\$ 6,048,977	\$ 5,609,966	\$ 5,690,160
State sources	13,331,667	11,625,888	12,141,377	12,743,195
Federal sources	100,640	129,274	135,450	73,526
Sixteenth section sources	-	13,500	-	13,500
Total Revenues	19,434,318	17,817,639	17,886,793	18,520,381
Expenditures:				
Instruction	10,688,959	9,761,591	10,081,710	10,220,745
Support services	8,646,376	7,779,935	7,241,695	8,060,358
Noninstructional services	19,683	16,537	23,803	14,520
Sixteenth section	-	-	-	134
Total Expenditures	19,355,018	17,558,063	17,347,208	18,295,757
Excess (Deficiency) of Revenues over (under) Expenditures	79,300	259,576	539,585	224,624
Other Financing Sources (Uses):				
Operating transfers in	192,526	203,489	198,109	207,567
Other financing sources	-	937	-	-
Operating transfers out	(1,723,063)	(258,880)	(185,371)	(755,068)
Other financing uses	-	-	(52,307)	-
Total Other Financing Sources (Uses)	(1,530,537)	(54,454)	(39,569)	(547,501)
Net Change in Fund Balances	(1,451,237)	205,122	500,016	(322,877)
Fund Balances:				
Beginning of period , as previously reported	5,388,125	5,224,662	4,443,210	4,766,087
Prior period adjustments	89,928	(41,659)	281,436	-
Beginning of period , as restated	5,478,053	5,183,003	4,724,646	4,766,087
End of Period	\$ 4,026,816	\$ 5,388,125	\$ 5,224,662	\$ 4,443,210

*SOURCE - PRIOR YEAR AUDIT REPORTS

GREENWOOD PUBLIC SCHOOL DISTRICT

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances

All Governmental Funds

Last Four Years

UNAUDITED

	2019	2018*	2017*	2016*
Revenues:				
Local sources	\$ 6,367,650	\$ 6,600,950	\$ 5,879,244	\$ 5,974,463
State sources	14,466,776	13,921,692	13,758,270	13,930,933
Federal sources	7,343,334	6,812,962	6,784,023	7,079,838
Sixteenth section	-	13,500	-	13,500
Total Revenues	28,177,760	27,349,104	26,421,537	26,998,734
Expenditures:				
Instruction	14,789,560	13,189,789	13,198,305	13,828,143
Support services	11,662,358	10,778,877	9,723,681	10,395,758
Noninstructional services	2,122,557	2,081,503	2,016,632	2,063,111
Sixteenth section	-	-	-	134
Facilities acquisition and construction	936,731	-	-	-
Debt service:				
Principal	-	1,080,000	520,000	500,000
Interest	-	30,915	50,790	69,790
Other	-	1,763	1,350	1,350
Total Expenditures	29,511,206	27,162,847	25,510,758	26,858,286
Excess (Deficiency) of Revenues over (under) Expenditures	(1,333,446)	186,257	910,779	140,448
Other Financing Sources (Uses):				
Operating transfers in	1,954,371	471,216	384,364	962,635
Other financing sources	-	937	-	-
Operating transfers out	(1,954,371)	(471,216)	(384,364)	(962,635)
Other financing uses	-	-	(47,943)	(10,000)
Total Other Financing Sources (Uses)	-	937	(47,943)	(10,000)
Net Change in Fund Balances	(1,333,446)	187,194	862,836	130,448
Fund Balances:				
Beginning of period, as previously reported	7,169,202	6,980,016	5,857,107	5,719,555
Prior period adjustments	140,776	(10,238)	260,000	-
Beginning of period, as restated	7,309,978	6,969,778	6,117,107	5,719,555
Increase (Decrease) in reserve for inventory	(10,524)	12,230	73	7,104
End of Period	\$ 5,966,008	\$ 7,169,202	\$ 6,980,016	\$ 5,857,107

*SOURCE - PRIOR YEAR AUDIT REPORTS

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

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INDEPENDENT AUDITOR'S 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*

Superintendent and School Board
Greenwood Public School District

We have audited, in accordance with the 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 Greenwood Public School District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Greenwood Public School District's basic financial statements, and have issued our report thereon dated July 13, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Greenwood Public School 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 Greenwood Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Greenwood Public School District's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness. [Finding 2019-001].

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Greenwood Public School District's financial statements are free from 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*.

The Greenwood Public School District's responses to the findings identified in our audit are described in the accompanying Auditee Corrective Action Plan. We did not audit Greenwood Public School District's responses and, accordingly, we express no opinion on them.

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 internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Cunningham CPAs". The signature is written in a cursive, flowing style.

Cunningham CPAs, PLLC

Belzoni, Mississippi

July 13, 2020

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Superintendent and School Board
Greenwood Public School District

Report on Compliance for Each Major Federal Program

We have audited the Greenwood Public School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Greenwood Public School District's major federal programs for the year ended June 30, 2019. Greenwood Public School 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Greenwood Public School 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Greenwood Public School 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 Greenwood Public School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Greenwood Public School District, 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, 2019.

Report on Internal Control over Compliance

Management of the Greenwood Public School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Greenwood Public School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the 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 the Uniform Guidance, 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 Greenwood Public School 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. 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 based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Cunningham CPAs". The signature is written in a cursive, flowing style.

Cunningham CPAs, PLLC

Belzoni, Mississippi

July 13, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Superintendent and School Board
Greenwood Public School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greenwood Public School District as of and for the year ended June 30, 2019, which collectively comprise Greenwood Public School District's basic financial statements and have issued our report thereon dated July 13, 2020. 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.

Section 37-9-18(3)(a), Miss. Code Ann. (1972), states in part, "the auditor shall test to ensure that the school district is complying with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), relating to classroom supply funds." As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our procedures performed to test compliance with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), disclosed no instances of noncompliance.

Section 37-9-18(3)(b), Miss. Code Ann. (1972), states in part, "the auditor shall test to insure correct and appropriate coding at the function level. The audit must include a report showing the correct and appropriate functional level expenditure codes in expenditures by the school district."

The results of our procedures performed to test compliance with the requirements of Section 37-9-18(3)(b), Miss. Code Ann. (1972), disclosed no instances of noncompliance related to incorrect or inappropriate functional level expenditure coding.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of procedures performed to test compliance with certain other state laws and regulations and our audit of the financial statements did not disclose any instances of noncompliance with other state laws and regulations.

This report is intended solely for the information and use of the school board and management, entities with accreditation overview, and federal awarding agencies, the Office of the State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink that reads "Cunningham CPAs". The word "Cunningham" is written in a cursive script, and "CPAs" is written in a more blocky, sans-serif style.

Cunningham CPAs, PLLC

Belzoni, Mississippi

July 13, 2020

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

GREENWOOD PUBLIC SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section I: Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
 - a. Material weakness(es) identified? Yes
 - b. Significant deficiency(ies) identified? None reported
3. Noncompliance material to financial statements noted? No

Federal Awards:

4. Internal control over major programs:
 - a. Material weakness(es) identified? No
 - b. Significant deficiency(ies) identified? None reported
5. Type of auditor's report issued on compliance for major programs: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

7. Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

84.010

Title I grants to local educational agencies

8. Dollar threshold used to distinguish between type A and type B programs: \$750,000
9. Auditee qualified as low-risk auditee? Yes
10. Prior fiscal year audit findings(s) and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2CFR 200.511(b). No

GREENWOOD PUBLIC SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section II: Financial Statement Findings

The results of our tests disclosed the following finding related to the financial statements that is required to be reported under *Government Auditing Standards*:

Material Weakness:

Finding 2019-001:

CRITERIA: Management is responsible for establishing an internal control system that ensures strong financial accountability and safeguarding of assets. A critical aspect of financial management is the maintenance of accurate accounting records.

CONDITION: We noted bank reconciliations were not being performed timely or accurately, accounts receivable and accounts payable were not properly accrued and the capital asset ledger was not being maintained to account for current year additions and deletions. The District had to bring in an outside financial consultant to get the bank accounts reconciled and books properly closed and accounted for.

CAUSE OF CONDITION: The cause is a result of not properly implementing a designed system of accounting controls.

EFFECT OF CONDITION: The effect of this condition could result in the financial statements being materially misstated and an increased the risk of misappropriation of assets.

RECOMMENDATION: It is recommended that the district implement policies or procedures to establish an internal control system that will ensure strong financial accountability, proper safeguarding of assets, and accurate accounting records.

Section III: Federal Award Findings and Questioned Costs

The results of our tests did not disclose any findings and questioned costs related to the federal awards.

GREENWOOD PUBLIC SCHOOL DISTRICT

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AUDITEE'S CORRECTIVE ACTION PLAN

As required by 2 CFR 200.516(a), the Greenwood Public School District has prepared and hereby submits the following corrective action plan for the findings included in the Schedule of Findings and Questioned Costs for the year ended June 30, 2019:

<u>Finding</u>	<u>Correction Action Plan Details</u>
2019-001	<p>a. Name of Contact Person Responsible for Corrective Action:</p> <p>Kellia J. Washington, Business Manager, (662) 644-0657</p> <p>b. Corrective Action Planned:</p> <p>We will implement policies or procedures to establish an internal control system that will ensure strong financial accountability, proper safeguarding of assets, and accurate accounting records.</p> <p>c. Anticipated Completion Date:</p> <p>Immediately.</p>