



# Barnwell School District 45

Innovation – Integrity – Investment – Community

**CONTACT:**

Crissie Stapleton  
Superintendent, BSD45  
803-541-1300  
Warhorses@bsd45.net

FOR IMMEDIATE RELEASE

## **BSD45 Superintendent Shares Positive Fiscal Overview of the District**

Barnwell, S.C. October 25, 2021 – At the October 2021 Board of Trustees meeting, Superintendent Crissie Stapleton presented a financial overview and the improvements seen longitudinally over the past five years in Barnwell School District 45 (BSD45).

### **Energy Conservation Program**

Beginning in 2009, BSD45 partnered with Cenergistic, prioritizing a sustainable energy solution to address one of the largest expenditures-energy. BSD45 has continually sought to find hidden savings in the utility costs across its facilities. Mike Beasley, who serves as the district’s energy auditor, presented information to the Board of Trustees reporting energy savings over the past three years. Not only has the district saved \$646,756 in energy costs since 2019, but this savings has increased each year, as well.

| Year      | Energy Savings in Dollar Amount | Percentage of Savings (based on the baseline year of 2008) |
|-----------|---------------------------------|--|
| 2018-2019 | \$178,382                       | 28.1%  |
| 2019-2020 | \$226,170                       | 37.4%  |
| 2020-2021 | \$242,204                       | 38.6%  |

Beasley noted, “not only is it a wonderful accomplishment to see the utility savings increase each year, but this is an even greater achievement with the cost of energy rising.” Students, administrative staff, and school board members all have an important role in funding, maintaining, and managing school facilities. The district’s energy conservation program is a critical component of the fiscal oversight of the district.

### **Collaborative Budgeting Process**

The goal of the district’s budgeting process has been to use a strategic plan to guide a coherent budget, where all of its parts are in accord with one another. Superintendent Stapleton described the comprehensive and collaborative budget process BSD45 engages in annually. According to Stapleton, “the ability of the district to maintain a positive fiscal forecast is in large part due to the collaborative

budgeting process.” Each year, beginning in January, BSD45 Chief Financial Officer (CFO) and Superintendent meet with every director and principal individually to review each department and/or school’s budget for the next year, as well as analyze the current fiscal year to determine if any modifications are needed. That information is then used to begin constructing the next year’s general fund budget.

This process happens simultaneously with strategic planning, and the district leaders work to align the budgeting process to the strategic needs of the district by developing financial projections synced to strategic plans and actions steps, as well as adjusting plans from previous years to accommodate for needs determined by data reviews. The CFO and Superintendent utilize this time to work with other district leaders to calculate costs and collaborate with local, state, and federal funding opportunities by allocating funding for any resource or district need identified during the strategic planning process.

There have been many cost-saving measures and increased efficiency evidenced throughout this collaborative process since it was implemented. During the annual strategic planning process, district strategic plans are translated into action items and a list of resources. The CFO and district leaders unify the planning and budgeting across the organization to remain focused on the District vision and mission.

“An effective budgeting process is best when it engages all areas of the organization,” Stapleton shared. “With some planning, and a willingness to set aside old habits, the district has been able to create an annual budget that draws on the valuable perspectives and experiences of a range of leaders from across the district, while also creating a more efficient and effective spending plan.”

### **Facility Management**

During the collaborative budget planning process, the principals determine the five top facility improvement needs for their respective schools. Beginning in the 2017-2018 school year, this more proactive approach was started to address facility management and maintenance across the district. The Superintendent uses data from quarterly facility walkthroughs to determine the district priorities, in addition to the principal’s designated lists.

As part of facility management, the District has done and continues to do the following:

- Implemented facility walkthroughs for Principals as part of their yearly evaluation. (These occur quarterly for each campus and athletic field and are completed by the Superintendent and Facility Project Manager collaboratively.)
- Created and maintain a Facilities Long-Range Plan.
- Create short-term goals for facility improvement each year during the budget planning process for the upcoming school year.

The Superintendent acknowledged that infrastructure improvements and maintenance are one of the district’s greatest challenges, but BSD45 leaders work diligently to maintain the newer properties, as well as continue to improve the more aging facilities across the district.

### General Fund Reserve

As an overview, Stapleton explained that balanced budgets were approved for FY17, FY18, FY19, FY20, FY21, and current year FY22 without needing to borrow from the General Fund Reserve (GFR). Prior to FY17, the district was unable to balance the budget without using reserve funds for nearly a decade.

In South Carolina, a law passed in 2017 setting guidelines for school districts to follow regarding how much they should maintain in their general fund balance to avoid being placed in a state of fiscal watch. South Carolina requires districts to have enough cash reserves to cover at least one month's worth of operating expenses; however, recommendations from auditors are that the district maintains three months operating costs in their GFR. Stapleton said, "I am extremely proud of the increased financial position of the district. BSD45 has not only exceeded the state requirement but has also been able to grow the GFR to have more than three months of operating costs."

Superintendent Stapleton expressed her gratitude to the board members for their support and for working together with the district leaders, making necessary steps to improve the district's fiscal position. She explained, "The district's reserve fund has grown from 2.6 million to roughly 5.2 million since 2017, almost doubling the district fund balance in four years." She added that the district plans to make another addition to the fund balance in December 2021. BSD45 has had successful audits with no findings the last four years, and Stapleton shared each year's reserve total as outlined in the included data table.

| Year                            | General Reserve Total                      |
|---------------------------------|--|
| Baseline during 2016-2017       | \$2,663,705                                |
| After Audit of Fiscal Year 2017 | \$3,525,525                                |
| After Audit of Fiscal Year 2018 | \$4,049,324                                |
| After Audit of Fiscal Year 2019 | \$4,440,759                                |
| After Audit of Fiscal Year 2020 | \$5,164,153                                |
| After Audit of Fiscal Year 2021 | To be determined during Fall FY 2021 Audit |

Stapleton reported that the General Fund Reserve increase from 2017 to the start of the 2021-2022 school year totals \$2,500,448. "It is remarkable what we have been able to do, but what is even more remarkable is that this was done amidst us increasing programs and opportunities across the district for our students," Stapleton added.

For the current school year, the audit process for FY2021 began in October 2021 and the final audit is scheduled to be presented in December 2021.

### Capital Improvement Reserve

The district currently has \$4,779,522.71 in the Capital Reserve, otherwise known as the Capital Improvement Bonds. Stapleton reminded the Board of Trustees that this money includes the saved portion of the match for the FEMA grant, which will be utilized to build a new county-wide Safe House that will serve a dual purpose as a new gym at Barnwell High School(BHS) and emergency shelter. The additional funding the district saves is utilized to address the short-term and long-term facility plans.

Stapleton also explained that South Carolina's state constitution allows government entities to issue bonds to fund capital projects (including the construction of new schools and improvements to existing schools) but limits those bonds to 8% of assessed property values within the district. This equates to an estimated one million dollars per year for BSD45. The District issues bonds on an annual basis within that 8% limit. Stapleton further explained that, without a voter-approved referendum, "this 8-percent money," is currently the only recurring source of funding for the district's facility needs.

### The Path to Fiscal Improvement

Stapleton also engaged the Board of Trustees in discussion regarding how the district has managed to make these fiscal improvements. As shared in meetings previously, the priority of the Board of Trustees and Superintendent was to reduce administrative costs by attrition, making position changes, eliminating positions, and reviewing office accounts and purchased services. This was accomplished by cutting district overhead costs, eliminating positions at the district level, and reorganizing the district's organizational chart so funding could be utilized to add additional instructional staff at the school level. Reorganizing the district office and eliminating positions in the past four years has resulted in more than a \$780,000 decrease in district overhead costs.

BSD45 recently announced that the district received the lowest risk level reported by the State of South Carolina for the past four years, including receiving the best possible risk score during the 2020-2021 school year. Stapleton referenced this and thanked all district leaders for what they have done to work together to maintain programmatic and fiscal compliance, which are key factors in determining a school district's risk score.

### Innovative Funding Opportunities

In the midst of the substantial financial savings the district has experienced, BSD45 has also increased student programming each year and sought innovative funding opportunities to provide resources across the district.

Stapleton outlined a few highlights, stating these were only a "few" examples of the many programmatic improvements across the district.

- Fully implementing and sustaining a 1:1 technology initiative across the district (PreK- 12 grade), allowing each student their own electronic device to further their education and improve student achievement
- Purchase of the Presbyterian Church property to be used as a family engagement center

- Purchase of a new minibus, a new activity bus, and two new maintenance trucks
- Partnering with local businesses and industries for innovative funding opportunities (examples include SRP Warhorse Spirit debit card, local Spirit Pump with Anderson Oil Company)
- Partnering with Van Robotics to serve as a pilot district for ABii artificial intelligence tutors
- Partnering with USC-Aiken to serve as a professional development school, as well as partnering with STEM grants to enhance curriculum and instruction
- Partnering with Savannah River Nuclear Solutions and American Heart Association to secure a loaned executive
- Working with TetraTech and South Carolina Emergency Management to develop a proposal and receive approval from FEMA for the Safe House/Gym project
- Several other grants (including partnering with MUSC and Clemson for the Combatting Childhood Obesity Initiative, Tri-County Community Foundation grants, EEDA Grant to create virtual lab at BHS, most recently the Innovation Grant for a Star Academy, etc.)

In closing, Stapleton expressed her gratitude for the Board of Trustees and their continued support as BSD45 continues to make improvements in the financial standing of the district, increase programs for students, and seek innovative funding opportunities.