



STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

ELLEN E. WEAVER
STATE SUPERINTENDENT OF EDUCATION

February 3, 2023

Dr. Jonathan Phipps, Superintendent
Mr. Brad Small, Board Chair
Ms. Jatana Norris, Chief Financial Officer
Lancaster County School District
300 South Catawba Street
Lancaster, SC 29720

RE: Fiscal Watch under S.C. Code Ann. § 59-20-90 (Supp. 2018)

Dear Dr. Phipps, Mr. Small, and Ms. Norris:

On February 28, 2022, a declaration of fiscal watch was sent to Lancaster County School District (the District). The declaration was due to a material weakness as noted in the annual audit, which, in the opinion of the South Carolina Department of Education (SCDE), the aggregate effect of the reported issues has a significant effect on the financial condition of the district. Section 59-20-90(C)(1)(a)(v). The SCDE's review of your 2021-22 annual audit indicate the District's findings 2022-001 and 2022-002 identify deficiencies and material weaknesses that could have a significant effect on the financial condition of the district. The SCDE recognizes the efforts made by the District to correct previous year findings but because of the findings listed above, this letter represents the continuation of a declaration of fiscal watch for the District pursuant to Section 59-20-90(C)(1)(a)(v).

Per Section 59-20-90(C)(3)(a), the district board must submit a financial recovery plan to the SCDE within sixty days. The State Superintendent then has thirty days from receipt to evaluate the plan, and either accept it or reject it with recommended modifications. While a district is under fiscal watch, the SCDE shall provide technical assistance. A district under a declaration of fiscal watch must not be released from fiscal watch in the same fiscal year in which the declaration was made, but may be released the following fiscal year if the SCDE determines that the corrective actions have been or are being successfully implemented. Section 59-20-90(C)(4).

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The SCDE will be in contact with the District in setting up the required technical assistance. If you have any questions concerning this notice, you may contact Ms. Nancy Williams, the Department's Chief Financial Officer, nwilliams@ed.sc.gov; or Mr. Steven Strother, Director of Finance, sgstrother@ed.sc.gov. Your legal counsel may contact Mr. John E. Tyler, General Counsel, jetyler@ed.sc.gov.

Sincerely,



Ellen E. Weaver
State Superintendent of Education

EEW/nw

cc: Ms. Crystal F. Stapleton, Board Chair, SBE
Ms. Joyce Crimminger, SBE
Lancaster County Legislative Delegation