

July 10, 2025

The Honorable Rita Allison
Chair, South Carolina State Board of Education
Transmitted via Email

## Dear Chair Allison:

Due to ongoing financial concerns in Marlboro County School District ("the District" or "MCSD"), the South Carolina Department of Education (SCDE) is seeking approval from the State Board of Education to assume control of the District's financial operations. As you are aware, "when a district has not made reasonable recovery plans or taken action to correct the practices or conditions that led to the declaration, the Superintendent may make a recommendation to the State Board of Education that the department take over financial operations of the district for the fiscal year in which a fiscal emergency is declared as part of the technical assistance offered to the district." (S.C. Code § 59-20-90(E)(7)).

On February 18, 2025, the SCDE issued a Declaration of Fiscal Emergency, as required by state law, due to persistent financial issues—including significant audit findings and repeated delays in audit submissions—after the District had spent more than three of the past five years under Fiscal Watch. The District did not appeal the Declaration; therefore, no hearing before the State Board was required. Following the Declaration, the SCDE immediately began providing heightened technical assistance and initiated a review of the District's financial condition.

The District continued to face significant fiscal challenges, including expenditures that exceeded revenues and an inability to finalize a balanced budget with its local board for the 2025–26 school year. Options discussed during this time included a potentially rushed school consolidation before the start of the upcoming school year and the possibility of millage increases, neither of which resulted in a viable or timely solution.

To support the District through this process, the SCDE met with district leadership on June 30, 2025, and followed up with a formal letter on July 8 reaffirming the urgency of the situation and offering continued technical support. That letter is attached for reference.

On July 9, following a contentious board meeting, the Marlboro County Board of Trustees adopted a budget. However, the plan relies heavily on exhausting the District's fund balance to cover excess expenditures. This outcome, despite extended support and engagement, signals a lack of long-term financial planning and raises serious concerns

about the District's fiscal sustainability. It also demonstrates that without further intervention, the District may be unable to maintain essential services or restore financial stability.

In addition to this request, the SCDE is referring this matter to the State Inspector General and formally requesting an investigation into potential "fraud, waste, abuse, mismanagement, misconduct, violations of state or federal law, and wrongdoing" related to credible staff disclosure of potential procurement irregularities.

For the reasons outlined above, the SCDE strongly believes that assuming financial operations of the District is the only responsible path forward to safeguard its long-term viability. Therefore, I respectfully request that the State Board of Education address this request by special called meeting, to occur no later than July 24, 2025. While the District may attend and observe any public portion of the meeting, S.C. Code § 59-20-90(E)(7) does not entitle the District to appear before the State Board regarding this request.

By copy of this correspondence to representatives from the District, the District is on notice of this request.

Sincerely,

Ellen E. Weaver

State Superintendent of Education

Enc: July 8th Letter to Marlboro County School District from SCDE

cc: Dr. Helena Tillar, MSCD Superintendent
Chairman Michael Coachman, MCSD Board of Directors
The Honorable J.D. Chaplin
The Honorable Jackie Hayes
The Honorable Jason Luck

July 8, 2025

Dr. Helena Tillar Superintendent, Marlboro County School District 122 Broad Street Bennettsville, South Carolina 29512 Transmitted via email

Dear Dr. Tillar:

Thank you for taking the time last week to meet with the South Carolina Department of Education (SCDE) leadership team. We appreciated the opportunity to hear directly from you and your staff regarding the district's recent budget history, its current fiscal situation, and the options under consideration by the Marlboro County School District Board to address these challenges.

The Department has carefully reviewed the information shared during our meeting and is prepared to provide targeted technical assistance to support your team as you work toward a balanced and sustainable budget. We recognize this is a critical moment for the district, and we are committed to supporting your efforts to identify and implement viable fiscal strategies that serve the best interests of your students and community.

We understand that budget development and approval are ultimately local responsibilities, and we respect the important role of the Marlboro County School District in leading this work. While the Department is not positioned to make decisions on your behalf, we are committed to serving as a trusted partner. Our team is ready to assist by helping evaluate options, offering technical guidance, and analyzing data to support sound decision-making.

As part of this support, we can offer guidance in the following areas:

- Evaluate staffing levels to align with current student enrollment and budget realities
- Ensure every classroom is led by a qualified and effective teacher
- Identify strategies to optimize resources while maintaining instructional quality
- Review use of grant-funded staff positions and determine sustainable funding paths
- Assess contracted services and staff contract days
- Assess operational efficiencies, including transportation and facility use

After an initial review, we note the following declining student enrollment and increasing staffing trends in Marlboro and a comparative district:

Marlboro	21-22	22-23	23-24	24-25	Change
Students (ADM)	3,525.7	3,383.5	3,273.4	3,183.1	-9.72%
Teachers	219.0	212.0	265.5	267.0	21.92%
Other District Staff	297.7	304.7	390.7	406.7	36.61%
Dillon 4	21-22	22-23	23-24	24-25	Change
Students (ADM)	3,747.1	3,732.2	3,599.1	3,523.9	-5.96%
Teachers	192.6	193.6	191.5	203.5	5.66%
Other District Staff	298.0	289.2	281.8	281.7	-5.47%

These comparisons highlight the urgent need to closely examine staffing levels and ensure alignment with current enrollment and financial capacity.

We are also aware of the district's proposed school consolidation as well as the potential shifting of some staff to federal funding streams. While these ideas may help close budget gaps, we encourage careful planning. There may be significant logistical challenges to implementing school consolidations in time for the start of the school year, and changes in Title funding availability, especially in light of the ongoing USED evaluation, could limit access to those funds. Additionally, costs related to facility wind-down or repurposing may require a much fuller, detailed accounting to ensure accuracy.

We strongly encourage the district to finalize and approve a budget in the coming days. The SCDE is available to support your team with data analysis, staffing reviews, and connections to external technical experts who can assist in designing a sustainable staffing model.

Please share this correspondence with your local School Board to help inform the urgent decisions they must make to balance Marlboro's budget. By working together, we believe it is possible to make the necessary adjustments, restore community trust, and ensure a strong educational future for Marlboro County students. Please know that the Department stands ready to assist in this important work.

Sincerely,

Kendra Hunt Chief Financial Officer