

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
ST. GEORGE, SOUTH CAROLINA

**BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

FISCAL YEAR ENDED JUNE 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Dorchester County School District Number Four
St. George, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Dorchester County School District Number Four, St. George, South Carolina, as of and for the year ended June 30, 2014, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Dorchester County School District Number Four, St. George, South Carolina, as of

June 30, 2014, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity 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 and budgetary comparison information on pages 3 through 11 and 45 through 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

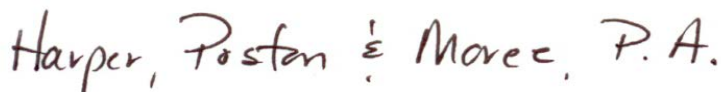
Other Information

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

The combining and individual fund financial statements, supplemental schedules, and the schedule of expenditures of federal awards 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2014 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.



Harper, Poston & Moree, P.A.
Certified Public Accountants

Pawleys Island, South Carolina
November 20, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) YEAR ENDED JUNE 30, 2014

The discussion and analysis of Dorchester School District Four's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2014. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The total assets of the District exceeded its total liabilities and deferred inflows at the close of the most recent fiscal year by \$19,986,808 (net position). Of this amount, \$6,086,099 (unrestricted net position) may be used to meet the District's ongoing obligations to its students and creditors.
- The District's total net position decreased \$611,851, which represents a 2.9% decrease from fiscal year 2013. The District's total unrestricted net position decreased \$952,794 from fiscal year 2013.
- Revenues totaled \$29,281,200. This is an increase of \$315,022 or 1.1% from fiscal year 2013.
- Expenses totaled \$29,779,883. This is an increase of \$315,969 or 1.0% from fiscal year 2013.
- Our principal operating fund, the General Fund, had \$20,730,692 in fiscal year 2014 revenues, which primarily consisted of state aid and property taxes, and \$22,128,802 in expenditures. The General Fund's fund balance decreased from \$5,666,031 as of June 30, 2013 to \$5,186,456 as of June 30, 2014.
- The District's total bonded debt, including issuance premiums, decreased by \$1,304,980 during FY 2014 reflecting principal reductions from previously issued general obligation debt and the SCAGO Equipment Acquisition Lease Program. The District did not issue a Tax Anticipation Note for 2014.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue, Debt Service, Capital Projects, Proprietary, and Fiduciary) and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (government activities) and functions principally supported by user charges (business type activities). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation, and operation of non-instructional services. The government-wide financial statements are included on pages 12 and 13 of this report.

Statement of Net Position: The statement of net position presents information on all of the District's assets, liabilities, and deferred outflows/inflows of resources except for those related to fiduciary funds, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities: 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 (e.g., uncollected taxes and earned but unused compensated absences).

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 three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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 the General, Special Projects, EIA, Capital Projects, and Debt Service Funds, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds: Services for which the District charges a fee are generally reported in the proprietary funds. Proprietary fund statements are reported on the accrual basis and include the District's Food Service Fund.

Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

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.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for the General Fund in the form of a budgetary comparison schedule.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Combining and individual fund schedules mandated by the South Carolina Department of Education follow the required supplementary information for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$19,986,808 as of June 30, 2014.

A large portion of the District's net position (64%) reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

The following table presents a comparison of the District's net position for the past two fiscal years. For purposes of comparison, the amounts presented below for 2013 have been restated due to the implementation of GASB Statement No. 65 during the current fiscal year. Amounts are expressed in thousands of dollars.

	Governmental Activities		Business – Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 10,609	\$ 11,614	\$ (44)	\$ (113)	\$ 10,565	\$ 11,501
Capital Assets, Net	20,401	21,180	163	169	20,564	21,349
Total Assets	\$ 31,010	\$ 32,794	\$ 119	\$ 56	\$ 31,129	\$ 32,850
Total Outflows of Resources	\$ -0-	\$ 5	\$ -0-	\$ -0-	\$ -0-	\$ 5
Current Liabilities	\$ 4,374	\$ 4,375	\$ -0-	\$ -0-	\$ 4,374	\$ 4,375
Long-Term Liabilities	6,762	8,019	-0-	-0-	6,762	8,019
Total Liabilities	\$ 11,136	\$ 12,394	\$ -0-	\$ -0-	\$ 11,136	\$ 12,394
Total Inflows of Resources	\$ 6	\$ -0-	\$ -0-	\$ -0-	\$ 6	\$ -0-
Net Position:						
Net Investment in Capital Assets	\$ 12,651	\$ 12,111	\$ 163	\$ 169	\$ 12,814	\$ 12,280
Restricted	1,087	1,279	-0-	-0-	1,087	1,279
Unrestricted	6,130	7,015	(44)	(113)	6,086	6,902
Total Net Position	\$ 19,868	\$ 20,405	\$ 119	\$ 56	\$ 19,987	\$ 20,461

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

- The principal retirement of \$1,285,000 of bonded debt.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position for its governmental activities. A negative balance was reported in unrestricted net position of business-type activities for the current year as further discussed below.

The District's total revenues for the fiscal year ended June 30, 2014 were \$29,281,200. The total cost of all programs and services was \$29,779,883 for a decrease in net position of \$498,683.

The following table presents a summary of the changes in net position for the past two fiscal years. As noted above, amounts presented for 2013 have been restated for implementation of GASB Statement No. 65. Amounts are expressed in thousands of dollars.

	Governmental Activities		Business – Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Charges for Services	\$ 200	\$ 202	\$ 177	\$ 153	\$ 377	\$ 355
Operating Grants	11,861	11,448	1,446	1,415	13,307	12,863
Capital Grants	42	17	-0-	-0-	42	17
General Revenues:						
Property Taxes	9,992	10,028	-0-	-0-	9,992	10,028
Investment Income	11	19	1	1	12	20
State Aid/Formula Grants	5,536	5,481	-0-	-0-	5,536	5,481
Miscellaneous and Other	9	200	6	1	15	201
Total Revenues	\$ 27,651	\$ 27,395	\$ 1,630	\$ 1,570	\$ 29,281	\$ 28,965
Expenses:						
Instruction	\$ 15,637	\$ 15,459	\$ -0-	\$ -0-	\$ 15,637	\$ 15,459
Support Services	12,137	11,796	-0-	-0-	12,137	11,796
Community Services	2	1	-0-	-0-	2	1
Intergovernmental	104	81	-0-	-0-	104	81
Interest	302	343	-0-	-0-	302	343
Depreciation - Unallocated	6	8	-0-	-0-	6	8
Food Service	-0-	-0-	1,591	1,745	1,591	1,745
Total Expenses	\$ 28,188	\$ 27,688	\$ 1,591	\$ 1,745	\$ 29,779	\$ 29,433
Increase in Net Position	\$ (537)	\$ (293)	\$ 39	\$ (175)	\$ (498)	\$ (468)
Net Position, Beginning						
Restated	20,405	20,698	80	231	20,485	20,929
Net Position, Ending	\$ 19,868	\$ 20,405	\$ 119	\$ 56	\$ 19,987	\$ 20,461

Governmental Activities: The following table presents the cost of the major functional activities: instruction, support services, community services, intergovernmental, and interest on long-term debt. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

	Total Expenses		Net (Expense) Revenue	
	2014	2013	2014	2013
Instruction	\$ 15,637,447	\$ 15,459,044	\$ (5,280,015)	\$ (5,459,315)
Support Services	12,136,718	11,796,103	(10,469,703)	(10,184,916)
Community Services	1,929	895	(1,929)	(895)
Intergovernmental	104,081	81,195	(26,309)	(25,000)
Interest	301,763	343,032	(301,763)	(343,032)
Depreciation – Unallocated	6,511	7,648	(6,511)	(7,648)
Total Expenses	\$ 28,188,449	\$ 27,687,917	\$ (16,086,230)	\$ (16,020,806)

- The cost of all governmental activities this year was \$28,188,449. This was an increase of \$500,532 from fiscal year 2013's total of \$27,687,917.
- Federal and state governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$12,102,219 for fiscal year 2014. This is an increase of \$435,108 from the total of \$11,667,111 for the 2013 fiscal year.
- Net cost of governmental activities (\$16,086,230), was financed by general revenues, which are made up of primarily property taxes \$9,992,230 state aid \$5,535,909 and other miscellaneous general revenues of \$9,400. Investment earnings accounted for \$11,581 of funding. All of these components contributed to an overall decrease in net position for governmental activities of \$537,110. The net cost of governmental activities for fiscal year 2013 was (\$16,020,806) and was financed by general revenues consisting of \$10,027,634 in property taxes, \$5,481,077 in state aid, and \$198,940 in other miscellaneous revenue. Investment earnings contributed \$18,537 which produced an overall decrease in net position of \$292,007 in 2013.

Business-Type Activities: Net position of business-type activities increased by \$38,427 for the current fiscal year. This was the result of the District electing not to make the allowable fringe benefit transfer to the Food Service Fund.

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 near-term 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.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$7,372,795 a decrease of \$1,126,136 in comparison with the prior year. Of this amount, \$4,801,696 constitutes an unrestricted, unassigned fund balance and is available for spending at the District's discretion. The remainder of fund balance is nonspendable, restricted, or assigned to indicate that it is not available for new spending because it has already been committed to pay debt service as well as future facility upgrades.

The General Fund is the principal operating fund of the District. The net change in fund balance in the General Fund for the fiscal year was a decrease of \$479,575. The reason for this decrease was a decrease in the operational millage for the school district as levied by Dorchester County Council as well as local legislation that restricts the amount of fund balance the district can maintain. The Debt Service fund balance showed a decrease of \$195,006 from the prior year. The net change in fund balance in the Building Fund from the prior year was a decrease of \$451,555.

Proprietary Fund: The District's Proprietary Fund (Food Service Fund) provides the same type of information found in the government-wide financial statements, but in more detail.

The Food Service Fund showed an increase in fund balance of \$38,427 for fiscal year 2014. This was the result of the District electing not to make the allowable fringe benefit transfer to the Food Service Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no changes made to the original budget approved for 2014. The District continued to maintain salary scales for professional and certified staff that are comparable to our neighboring districts. We also continue to implement programs that we hope will help us to not only recruit but also retain qualified staff members.

A schedule showing the original budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The district budgeted \$1,895,879 from its fund balance due to the decrease in local funding.

The most significant variances between budget and actual results for the General Fund were unbudgeted capital outlay and maintenance costs expended by the District in order to comply with local legislation regarding the district's fund balance total.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: As of June 30, 2014, the District had invested \$20,564,012 (net of accumulated depreciation) in total capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. Total depreciation expense for the year was \$849,902 and \$22,647 for governmental and business-type activities, respectively.

The following schedule presents governmental activities capital asset balances, net of depreciation, for the past two fiscal years:

	2014	2013	Difference
Land	\$ 310,640	\$ 310,640	\$ -0-
Buildings and Additions	19,778,227	20,506,106	(727,879)
Machinery, Equipment and Vehicles	312,361	363,759	(51,398)
Total	\$ 20,401,228	\$ 21,180,505	\$ (779,277)

Net capital assets of business-type activities amounted to \$162,784 and \$169,457 for 2014 and 2013, respectively, and included machinery and equipment used in school cafeterias.

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

Debt Administration: At year-end, the District had \$7,584,000 in bonded debt outstanding, of which \$1,185,000 in principal payments are due within one year. The following table presents a summary of the District’s outstanding bonded long-term debt for the fiscal year ended June 30, 2014, as compared to 2013:

	2014	2013
8% General Obligation Debt	\$ 1,875,000	\$ 2,151,750
Referendum General Obligation Debt	4,660,000	5,563,250
SCAGO Equipment Lease	1,049,000	1,154,000
Total	\$ 7,584,000	\$ 8,869,000

State statutes currently limit the amount of general obligation debt a District may issue without referendum to 8% of its total assessed valuation. The current debt limitation for the District is \$4,319,696 based on an assessed valuation of \$53,996,199, which is significantly in excess of the District’s current outstanding non-referendum general obligation debt.

Additional information on the District’s long-term debt and other long-term liabilities can be found in Note 6 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Dorchester School District Four used a base student cost of \$2,120 when projecting Education Finance Act funding for the 2014-2015 fiscal year. By utilizing our fund balance, we were able to provide all of our employees with a step increase for an additional year experience. There have been no cuts to date involving our Education Improvement Act funds or Education Finance Act funds. There are no immediate indications that there will be budget cuts during the 2014-2015 but that could always change.

Funding for school districts continues to be a major issue for fiscal year 2015. Funding for the Education Finance Act, EFA, was adjusted for 2015 by implementing changes in the student weightings. However, some state allocations were used in order to fund the increase. The projected net increase for our district for 2015 is approximately \$167,051. This is the third consecutive year that we have obligated a portion of our fund balance in order to balance our General Fund budget. Because of this, the district authorized a Tax Anticipation Note in an amount not to exceed \$1,350,000. The maximum amount subsequently approved by SCAGO was \$1,322,000. As of the date of this report, no amounts have been drawn on the Tax Anticipation Note. The district also issued a General Obligations Bond in the amount of \$340,000 during September 2014 for the purpose of paying for technology related expenditures that are normally included in the district's General Operations budget. The GOB for technology will be paid from existing funds in the district's Debt Service account.

The district continues to work on upgrading our facilities and keeping them in good condition. Our voters passed a \$10 million referendum in November 2014. This referendum includes additional classrooms to be built at Clay Hill Elementary, Woodland High School, Williams Memorial Elementary, Harleyville Elementary and Harleyville-Ridgeville Middle School. Also included is a gymnasium for Clay Hill as well as additions to the football field house at Woodland and construction of a new field house for baseball, softball and tennis.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Office of Fiscal Services, Dorchester School District Four, 500 Ridge Street, St. George, S.C., 29477.

BASIC FINANCIAL STATEMENTS

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF NET POSITION
JUNE 30, 2014

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	\$ 92,213	\$ 492,786	\$ 584,999
Taxes Receivable (Net of Allowance)	488,836	-	488,836
Due From County Treasurer	8,398,127	-	8,398,127
Due From Other State Agencies	96,444	-	96,444
Due From State Department of Education	253,455	-	253,455
Due From Federal Government	591,615	108,882	700,497
Internal Balances	688,193	(688,193)	-
Inventories	-	42,407	42,407
Capital Assets (Not Being Depreciated):			
Land	310,640	-	310,640
Capital Assets (Net of Accumulated Depreciation):			
Building and Improvements	19,778,227	-	19,778,227
Vehicles, Machinery, and Equipment	312,361	162,784	475,145
	<u>\$ 31,010,111</u>	<u>\$ 118,666</u>	<u>\$ 31,128,777</u>
TOTAL ASSETS			
LIABILITIES			
Accounts Payable	\$ 407,296	\$ -	\$ 407,296
Accrued Interest Payable	102,306	-	102,306
Withholding and Benefits Payable	903,188	-	903,188
Accrued Salaries	1,395,232	-	1,395,232
Due To State Department of Education	32,813	-	32,813
Unearned Grant Revenues	191,817	-	191,817
Noncurrent Liabilities:			
Due Within One Year	1,340,543	-	1,340,543
Due In More Than One Year	6,762,409	-	6,762,409
	<u>\$ 11,135,604</u>	<u>\$ -</u>	<u>\$ 11,135,604</u>
TOTAL LIABILITIES			
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Refunding	\$ 6,365	\$ -	\$ 6,365
	<u>\$ 6,365</u>	<u>\$ -</u>	<u>\$ 6,365</u>
TOTAL DEFERRED INFLOWS OF RESOURCES			
NET POSITION			
Net Investment In Capital Assets	\$ 12,650,568	\$ 162,784	\$ 12,813,352
Restricted For:			
Debt Service	1,087,357	-	1,087,357
Unrestricted	6,130,217	(44,118)	6,086,099
	<u>\$ 19,868,142</u>	<u>\$ 118,666</u>	<u>\$ 19,986,808</u>
TOTAL NET POSITION			

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction	\$ 15,637,447	\$ 81,166	\$ 10,234,629	\$ 41,637	\$ (5,280,015)	\$ -	\$ (5,280,015)
Supporting Services	12,136,718	64,753	1,602,262	-	(10,469,703)	-	(10,469,703)
Community Services	1,929	-	-	-	(1,929)	-	(1,929)
Intergovernmental	104,081	53,950	23,822	-	(26,309)	-	(26,309)
Interest and Other Charges*	301,763	-	-	-	(301,763)	-	(301,763)
Depreciation - Unallocated**	6,511	-	-	-	(6,511)	-	(6,511)
Total Governmental Activities	\$ 28,188,449	\$ 199,869	\$ 11,860,713	\$ 41,637	\$ (16,086,230)	\$ -	\$ (16,086,230)
Business-Type Activities:							
Food Service	\$ 1,591,434	\$ 177,806	\$ 1,446,020	\$ -	\$ -	\$ 32,392	\$ 32,392
Total Business-Type Activities	\$ 1,591,434	\$ 177,806	\$ 1,446,020	\$ -	\$ -	\$ 32,392	\$ 32,392
TOTALS	\$ 29,779,883	\$ 377,675	\$ 13,306,733	\$ 41,637	\$ (16,086,230)	\$ 32,392	\$ (16,053,838)
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					\$ 8,528,681	\$ -	\$ 8,528,681
Property Taxes, Levied for Debt Service					1,463,549	-	1,463,549
Unrestricted State Aid and Grants					5,535,909	-	5,535,909
Investment Earnings					11,581	35	11,616
Other Miscellaneous Revenues					9,400	6,000	15,400
TOTAL GENERAL REVENUES					\$ 15,549,120	\$ 6,035	\$ 15,555,155
CHANGE IN NET POSITION					\$ (537,110)	\$ 38,427	\$ (498,683)
NET POSITION BEGINNING OF YEAR (As Restated - Note 17)					20,405,252	80,239	20,485,491
NET POSITION END OF YEAR					\$ 19,868,142	\$ 118,666	\$ 19,986,808

* Excludes interest of \$20,984 that is included in the direct expenses of the various functions.

** Excludes depreciation of \$843,391 that is included in the direct expenses of the various functions.

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014**

	GENERAL	SPECIAL PROJECTS
ASSETS		
Cash	\$ 92,213	\$ -
Taxes Receivable (Net of Allowance for Uncollectibles)	422,214	-
Due From County Treasurer	6,018,735	-
Due From Other Funds	1,176,775	-
Due From Other State Agencies	-	96,444
Due From State Department of Education	64,683	53,027
Due From Federal Government	-	591,615
Advances To Other Funds	384,760	-
	<u>8,159,380</u>	<u>741,086</u>
TOTAL ASSETS	\$ 8,159,380	\$ 741,086
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 407,296	\$ -
Accrued Payroll Liabilities	390,468	-
Accrued Retirement	512,720	-
Accrued Salaries	1,395,232	-
Compensated Absences Payable	26,865	-
Due To Other Funds	-	626,550
Due To State Department of Education	-	32,813
Unearned Grant Revenue	-	81,723
	<u>2,732,581</u>	<u>741,086</u>
Total Liabilities	\$ 2,732,581	\$ 741,086
Deferred Inflows of Resources		
Unavailable Tax Revenue	\$ 240,343	\$ -
	<u>240,343</u>	<u>-</u>
Total Deferred Inflows of Resources	\$ 240,343	\$ -
Fund Balances		
Nonspendable For Advances	\$ 384,760	\$ -
Restricted For Debt Service	-	-
Assigned To:		
Debt Service	-	-
Capital Projects - Facilities Improvements	-	-
Unassigned	4,801,696	-
	<u>5,186,456</u>	<u>-</u>
Total Fund Balances	\$ 5,186,456	\$ -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 8,159,380	\$ 741,086

The accompanying notes are an integral part of these financial statements.

<u>EDUCATION IMPROVEMENT ACT</u>	<u>DEBT SERVICE</u>	<u>SCHOOL BUILDING</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ -	\$ -	\$ 92,213
-	66,622	-	488,836
-	2,011,217	368,175	8,398,127
-	-	-	1,176,775
-	-	-	96,444
135,745	-	-	253,455
-	-	-	591,615
-	-	-	384,760
<u>\$ 135,745</u>	<u>\$ 2,077,839</u>	<u>\$ 368,175</u>	<u>\$ 11,482,225</u>
\$ -	\$ -	\$ -	\$ 407,296
-	-	-	390,468
-	-	-	512,720
-	-	-	1,395,232
-	-	-	26,865
25,651	190,482	30,659	873,342
-	-	-	32,813
<u>110,094</u>	<u>-</u>	<u>-</u>	<u>191,817</u>
<u>\$ 135,745</u>	<u>\$ 190,482</u>	<u>\$ 30,659</u>	<u>\$ 3,830,553</u>
<u>\$ -</u>	<u>\$ 38,534</u>	<u>\$ -</u>	<u>\$ 278,877</u>
<u>\$ -</u>	<u>\$ 38,534</u>	<u>\$ -</u>	<u>\$ 278,877</u>
\$ -	\$ -	\$ -	\$ 384,760
-	1,048,823	-	1,048,823
-	800,000	-	800,000
-	-	337,516	337,516
-	-	-	4,801,696
<u>\$ -</u>	<u>\$ 1,848,823</u>	<u>\$ 337,516</u>	<u>\$ 7,372,795</u>
<u>\$ 135,745</u>	<u>\$ 2,077,839</u>	<u>\$ 368,175</u>	<u>\$ 11,482,225</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2014**

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

Ending fund balances - governmental funds balance sheet	\$	7,372,795
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		20,401,228
Other long-term assets are not available to pay for current period expenditures and, therefore, are not recognized as revenues in the funds.		278,877
Long-term liabilities, including bonds payable (net of premiums and deferred gains), capital leases, compensated absences, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(8,184,758)</u>
Net position of governmental activities	\$	<u><u>19,868,142</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	GENERAL	SPECIAL PROJECTS
REVENUES		
Local	\$ 9,914,539	\$ 350,848
State	10,756,254	749,923
Federal	-	2,471,605
Intergovernmental	59,899	56,832
TOTAL REVENUES	\$ 20,730,692	\$ 3,629,208
EXPENDITURES		
Current		
Instructional Services	\$ 11,600,949	\$ 2,219,091
Supporting Services	10,355,867	1,240,057
Community Services	1,929	-
Intergovernmental Expenditures	26,309	77,772
Debt Service		
Redemption of Principal	-	-
Interest and Fiscal Agent Fees	-	-
Issuance Costs	-	-
Capital Outlay	143,748	572
TOTAL EXPENDITURES	\$ 22,128,802	\$ 3,537,492
Excess Revenues Over (Under) Expenditures	\$ (1,398,110)	\$ 91,716
OTHER FINANCING SOURCES (USES)		
Transfers From Other Funds	\$ 970,919	\$ -
Transfers To Other Funds	-	(91,716)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 970,919	\$ (91,716)
Net Change in Fund Balances	\$ (427,191)	\$ -
FUND BALANCE BEGINNING OF YEAR	5,666,031	-
Adjustment to Beginning Fund Balance (Note 17)	(52,384)	-
FUND BALANCE END OF YEAR	\$ 5,186,456	\$ -

The accompanying notes are an integral part of these financial statements.

<u>EDUCATION IMPROVEMENT ACT</u>	<u>DEBT SERVICE</u>	<u>SCHOOL BUILDING</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ 1,635,084	\$ 1,431	\$ 11,901,902
1,544,890	128,168	-	13,179,235
-	-	-	2,471,605
-	-	-	116,731
<u>\$ 1,544,890</u>	<u>\$ 1,763,252</u>	<u>\$ 1,431</u>	<u>\$ 27,669,473</u>
\$ 941,842	\$ -	\$ -	\$ 14,761,882
82,891	-	285,253	11,964,068
-	-	-	1,929
-	-	-	104,081
-	1,285,000	-	1,285,000
-	322,106	-	322,106
-	-	3,424	3,424
41,065	-	167,734	353,119
<u>\$ 1,065,798</u>	<u>\$ 1,607,106</u>	<u>\$ 456,411</u>	<u>\$ 28,795,609</u>
<u>\$ 479,092</u>	<u>\$ 156,146</u>	<u>\$ (454,980)</u>	<u>\$ (1,126,136)</u>
\$ -	\$ -	\$ 403,536	\$ 1,374,455
<u>(479,092)</u>	<u>(403,536)</u>	<u>(400,111)</u>	<u>(1,374,455)</u>
<u>\$ (479,092)</u>	<u>\$ (403,536)</u>	<u>\$ 3,425</u>	<u>\$ -</u>
\$ -	\$ (247,390)	\$ (451,555)	\$ (1,126,136)
-	2,043,829	789,071	8,498,931
-	52,384	-	-
<u>\$ -</u>	<u>\$ 1,848,823</u>	<u>\$ 337,516</u>	<u>\$ 7,372,795</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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

Net change in fund balances - total governmental funds	\$	(1,126,136)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is the amount by which depreciation expense exceeded capital outlays in the current period.		(779,277)
Revenues and other items in the statement of activities, that will not be collected for several months after year end and do not provide for current financial resources, are not reported as revenues in the funds.		19,022
The issuance of long-term debt (e.g. bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,312,594
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>36,687</u>
Change in net position of governmental activities	\$	<u><u>(537,110)</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014**

		BUSINESS-TYPE ACTIVITY ENTERPRISE FUND (FOOD SERVICE)
ASSETS		
Current Assets		
Cash	\$	492,786
Due From Federal Government		108,882
Inventories		42,407
Total Current Assets	\$	<u>644,075</u>
Noncurrent Assets		
Equipment	\$	617,249
Less: Accumulated Depreciation		(454,465)
Total Noncurrent Assets	\$	<u>162,784</u>
TOTAL ASSETS	\$	<u>806,859</u>
LIABILITIES		
Current Liabilities		
Due To Other Funds	\$	303,433
Total Current Liabilities	\$	<u>303,433</u>
Noncurrent Liabilities		
Advances From Other Funds	\$	384,760
Total Noncurrent Liabilities	\$	<u>384,760</u>
TOTAL LIABILITIES	\$	<u>688,193</u>
NET POSITION		
Net Investment in Capital Assets	\$	162,784
Unrestricted		<u>(44,118)</u>
TOTAL NET POSITION	\$	<u><u>118,666</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUSINESS-TYPE ACTIVITY ENTERPRISE FUND (FOOD SERVICE)
OPERATING REVENUES	
Proceeds from Sales of Meals	\$ <u>177,806</u>
TOTAL OPERATING REVENUES	\$ <u>177,806</u>
OPERATING EXPENSES	
Food Costs	\$ 749,774
Salaries and Employee Benefits	586,679
Utilities	8,821
Depreciation	22,647
Supplies and Materials	119,967
Other Operating Costs	<u>103,546</u>
TOTAL OPERATING EXPENSES	\$ <u>1,591,434</u>
Operating Income (Loss)	<u>\$ (1,413,628)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest	\$ 35
USDA Reimbursements	1,093,382
Commodities Received From USDA	73,516
Other Federal and State Aid	279,122
Miscellaneous Revenue	<u>6,000</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ <u>1,452,055</u>
Change in Net Position	\$ 38,427
NET POSITION BEGINNING OF YEAR	56,341
Adjustment to Beginning Net Position (Note 17)	<u>23,898</u>
NET POSITION END OF YEAR	\$ <u><u>118,666</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUSINESS-TYPE ACTIVITY ENTERPRISE FUND (FOOD SERVICE)
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Patrons	\$ 177,806
Cash Payments to Suppliers for Goods and Services	(914,357)
Cash Payments to Employees for Services	<u>(585,267)</u>
Net Cash Provided (Used) By Operating Activities	\$ <u>(1,321,818)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Other Federal and State Aid	\$ 269,194
USDA Federal Reimbursements	1,093,382
Other Miscellaneous Receipts	<u>6,000</u>
Net Cash Provided (Used) By Non-Capital Financing Activities	\$ <u>1,368,576</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of Capital Assets	<u>\$ (15,974)</u>
Net Cash Provided (Used) By Capital and Related Financing Activities	\$ <u>(15,974)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	<u>\$ 35</u>
Net Cash Provided (Used) By Investing Activities	\$ <u>35</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 30,819
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>461,967</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u><u>\$ 492,786</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUSINESS-TYPE ACTIVITY ENTERPRISE FUND <u>(FOOD SERVICE)</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ (1,413,628)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:	
Depreciation	22,647
Non-Cash Commodities Used	73,516
Changes in Assets and Liabilities	
(Increase) Decrease in Inventory	(3,991)
Increase (Decrease) in Due To Other Funds	<u>(362)</u>
Net Cash Provided (Used) By Operating Activities	\$ <u><u>(1,321,818)</u></u>
 Supplemental Non-Cash Financing and Investing Information:	
Non-Cash Commodities Received from USDA	\$ <u><u>73,516</u></u>

The accompanying notes are an integral part of these financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014**

	<u>AGENCY FUND</u>
ASSETS	
Cash	\$ <u>125,596</u>
TOTAL ASSETS	\$ <u>125,596</u>
LIABILITIES	
Due To Third Parties	\$ <u>125,596</u>
TOTAL LIABILITIES	\$ <u>125,596</u>
NET POSITION	\$ <u><u>-</u></u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Dorchester County School District Number Four (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity

The District is a Local Education Agency empowered by State law with the responsibility to oversee and control activities related to public school education in a portion of Dorchester County, South Carolina. The Board receives state, local and federal government funding and must adhere to the legal requirements of each funding entity. The District operates under the direction of an elected Board of Education. A Superintendent, hired by the Board, serves as the chief administrative officer of the District.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading. Based on this criteria, the District has determined there were no separate governmental units or other organizations meeting the criteria for inclusion in the reporting entity.

Government-Wide and Fund Financial Statements

The financial statement presentation for the District meets the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and related amendments, pronouncements, and interpretations. The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenues, expenses and changes in net position and cash flows that replaces the fund-group perspective previously required and provides for the inclusion of Management's Discussion and Analysis as required supplementary information.

The District implemented the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* during the current year. This statement defines which assets and liabilities are to be reported as deferred outflows and inflows of resources and identifies items previously reported as assets and liabilities that should be recognized as revenues, expenses or expenditures when incurred and not reported in the statement of net position or balance sheet. As required by GASB, this statement was implemented retroactively by restating beginning net position.

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District as a whole. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been eliminated for the statement of activities. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are also reported as general revenues.

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and demonstrate legal compliance. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Each major fund is determined in accordance with criteria established by the Governmental Accounting Standards Board. All non-major funds are aggregated and reported in a single column of the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

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. 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenue, interest, and charges for services associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other items are considered to be measurable and available only when cash is received.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for food sales and services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The focus of proprietary fund measurement focus is upon determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are similar to businesses operating in the private sector where fees are charged to external users for goods and services provided.

Fiduciary funds are used to report assets held in a trustee capacity for others. Since by definition these assets are being held for the benefit of a third party and cannot be used to finance activities or obligations of the District, these funds are not incorporated into the government-wide statements. The funds are, however, reported in the fund financial statements.

The District utilizes the following governmental funds:

General Fund: The general fund is the primary operating fund of the District. The general fund accounts for all financial resources except those that are required to be reported in another fund.

Special Revenue Fund - Special Projects Fund: Accounts for the proceeds of specific revenue sources that are legally or contractually restricted to expenditures for specified purposes.

Special Revenue Fund - Education Improvement Act Fund: Accounts for the proceeds of the additional one percent sales and use tax that are restricted to expenditures for the Education Improvement Act strategies.

Debt Service Fund: Accounts for the accumulation of resources for and the payment of general long-term debt, principal and interest.

Capital Projects Fund - School Building Fund: Accounts for major capital expenditures other than the acquisition of machinery, furniture, and vehicles which is usually accounted for in the fund responsible for financing the expenditures.

The District utilizes the following proprietary fund:

Enterprise Fund - Food Service Fund: Accounts for the operations of the breakfast and lunch food service programs within the District.

Additionally, the District utilizes the following fiduciary fund:

Agency Fund - Pupil Activity Fund: Reports resources held by the District in a custodial capacity for students and student organizations.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The District reports the General Fund, Special Revenue Fund - Special Projects Fund, Special Revenue Fund - Education Improvement Act Fund, the Debt Service Fund, and the Capital Projects Fund - School Building Fund as major governmental funds. The District reports the Enterprise - Food Service Fund as a major proprietary fund.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and deferred outflows and inflows of resources at the date of the financial statements and revenues, expenditures/expenses, and other sources and uses recognized during the reporting period. Actual results could differ from those amounts.

Deposits and Investments

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. State statutes authorize the District to invest in obligations of the United States and its agencies, general obligations of the State of South Carolina and its subdivisions, savings and loan associations to the extent of federal depository insurance, certificates of deposit collaterally secured, and repurchase agreements secured by the foregoing obligations.

Receivables

All receivables are shown at their gross value and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Such allowances are estimated based upon such factors as length of delinquency, historical analysis, and available means for collection enforcement.

Interfund Receivables and Payables

Transactions 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 interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. Interfund receivables and payables are eliminated in the government-wide financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items

Inventory in the food service fund (enterprise fund) consists of food and supplies held for resale. Inventories are valued at cost using the first-in/first-out (FIFO) method except for commodities received from the United States Department of Agriculture which are stated at values assigned by the USDA.

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

Asset	Years
Buildings & Improvements	10 - 40
Machinery & Equipment	3 - 12
Vehicles	5

Depreciation for capital assets that can be specifically identified with a function is included in the direct expenses for that function. Depreciation for capital assets that serve essentially all functions is included in the statement of activities as a separate line item “depreciation - unallocated.”

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet 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 that time.

In addition to liabilities, the statement of net position and/or balance sheet 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.

Compensated Absences

It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District, unless as a result of retirement.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All vacation pay and salary related expenses are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Employees can earn up to 45 vacation days for subsequent use. The portion of time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide statements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position/Fund Balances

The District's net position in the government-wide financial statements and proprietary fund financial statements are classified as follows:

Net Investment in Capital Assets: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position: This represents resources in which the District is legally or contractually obligated to spend in accordance with restrictions externally imposed by third parties or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position: Any remaining balance of net position is reported as unrestricted, including management designations.

In the governmental fund financial statements, equity is classified as fund balance. The following classifications describe the relative strength of spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance: Consists of amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Fund Balance: Consists of amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance: Consists of amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned Fund Balance: Consists of amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned Fund Balance: Consists of amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for a specific purpose.

When fund balance resources are available for a specific purpose in more than one classification, it is the District's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Property Taxes

Property taxes are assessed and collected under a joint billing and collection agreement with Dorchester County. The District's property taxes are levied each October (except for vehicles which are annually assessed on the first day of the month the automobiles are registered) on the assessed value listed as of the prior January 1st for all real and personal property located in the County. The tax levy is considered due upon receipt by the taxpayer, however, the actual due date is January 15th. All unpaid taxes become delinquent on January 16th and are put into execution on March 15th. Vehicle taxes are levied monthly and are due within the period they are levied. Property taxes are recognized under the standards established by GASB Statement No. 33 for imposed nonexchange revenues.

Nonexchange Transactions

The standards established by GASB Statement No. 33, "*Accounting and Financial Reporting for Nonexchange Transactions*", provide accounting and reporting for the following four categories of nonexchange transactions: 1) Derived tax revenues, 2) Imposed nonexchange revenues, 3) Government-mandated nonexchange transactions, and 4) Voluntary nonexchange transactions. Nonexchange transactions involve financial or capital resources in which the government either gives value to another party or receives value from another party without directly receiving equal value in exchange.

Assets from derived tax revenues are recognized when the underlying exchange has occurred or when the resources are received, whichever first. Revenues are recognized when the underlying exchange has occurred and resources are available to the government.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets from imposed nonexchange revenues are recognized when an enforceable legal claim has arisen or when resources are received, whichever occurs first. Revenues are recognized when resources are required to be used or the first period that use is permitted. Resources must also be available to the government.

Assets, liabilities, revenues, and expenditures from government-mandated and voluntary nonexchange transactions are generally recognized when all eligibility requirements have been met. Resources received before the eligibility requirements are fulfilled are reported as unearned revenues. Eligibility requirements can include one or more of the following:

1. The recipient has the characteristics specified by the provider.
2. Time requirements specified by the provider have been met.
3. The provider offers resources on a reimbursement basis and allowable costs have been incurred under the applicable program.
4. The provider's offer of resources is contingent upon a specified action and that action has occurred.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Section 3 of Act 593 of 1992, as amended on March 16, 2011 states that the District may maintain a limited cash reserve (fund balance) not exceeding 15% of the total operating budget for its next fiscal year. At June 30, 2014 the District's operating fund balance was \$5,186,456 which exceeded the 15% maximum limitation by \$1,796,045. The District has adopted a millage reduction plan that has been approved by Dorchester County Council that will remain in effect until the District is in compliance with the 15% limitation.

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the District's carrying amount of deposits was \$710,595, including agency fund cash of \$125,596, and the corresponding bank balance was \$966,097.

Custodial Credit Risk - Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk, but follows the investment policy statutes of the State of South Carolina. As of June 30, 2014, \$260,092 of the District's bank balances of \$966,097 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging bank's trust department or agent, in the District's name.

Cash with Fiscal Agent - The Dorchester County Treasurer's Office collects the District's taxes, as well as federal and state revenues. The County Treasurer invests the District's monies with the South Carolina Local Government Investment Pool until the District submits a claim voucher. The pool is insured for both principal and interest. At year end the County Treasurer was responsible for \$8,398,127.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 4 - RECEIVABLES

Receivables as of the year end for individual major governmental funds, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Projects</u>	<u>EIA</u>	<u>Debt Service</u>	<u>Total</u>
Receivables:					
Taxes	\$ 664,316	\$ -	\$ -	\$ 107,875	\$ 772,191
State & Federal	64,683	644,642	135,745	-	845,070
Other Agencies	<u>-</u>	<u>96,444</u>	<u>-</u>	<u>-</u>	<u>96,444</u>
Gross Receivables	\$ 728,999	\$ 741,086	\$ 135,745	\$ 107,875	\$ 1,713,705
Less: Allowance for Uncollectibles	<u>(242,102)</u>	<u>-</u>	<u>-</u>	<u>(41,253)</u>	<u>(283,355)</u>
Net Receivables	<u>\$ 486,897</u>	<u>\$ 741,086</u>	<u>\$ 135,745</u>	<u>\$ 66,622</u>	<u>\$ 1,430,350</u>

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, not Being Depreciated:				
Land	\$ 310,640	\$ -	\$ -	\$ 310,640
Total Capital Assets, not Being Depreciated	<u>\$ 310,640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,640</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	\$ 31,682,225	\$ 30,592	\$ -	\$ 31,712,817
Vehicles	392,319	-	-	392,319
Machinery and Equipment	<u>493,254</u>	<u>40,033</u>	<u>-</u>	<u>533,287</u>
Total Capital Assets Being Depreciated	<u>\$ 32,567,798</u>	<u>\$ 70,625</u>	<u>\$ -</u>	<u>\$ 32,638,423</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ (11,176,119)	\$ (758,471)	\$ -	\$ (11,934,590)
Vehicles	(314,080)	(25,088)	-	(339,168)
Machinery and Equipment	<u>(207,734)</u>	<u>(66,343)</u>	<u>-</u>	<u>(274,077)</u>
Total Accumulated Depreciation	<u>\$ (11,697,933)</u>	<u>\$ (849,902)</u>	<u>\$ -</u>	<u>\$ (12,547,835)</u>
Total Capital Assets, Being Depreciated, Net	<u>\$ 20,869,865</u>	<u>\$ (779,277)</u>	<u>\$ -</u>	<u>\$ 20,090,588</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,180,505</u>	<u>\$ (779,277)</u>	<u>\$ -</u>	<u>\$ 20,401,228</u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 5 - CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Vehicles	\$ 10,500	\$ -	\$ -	\$ 10,500
Machinery and Equipment	<u>590,775</u>	<u>15,974</u>	<u>-</u>	<u>606,749</u>
Total Capital Assets Being Depreciated	\$ <u>601,275</u>	\$ <u>15,974</u>	\$ <u>-</u>	\$ <u>617,249</u>
Less Accumulated Depreciation for:				
Vehicles	\$ (4,344)	\$ (2,100)	\$ -	\$ (6,444)
Machinery and Equipment	<u>(427,474)</u>	<u>(20,547)</u>	<u>-</u>	<u>(448,021)</u>
Total Accumulated Depreciation	\$ <u>(431,818)</u>	\$ <u>(22,647)</u>	\$ <u>-</u>	\$ <u>(454,465)</u>
Total Capital Assets, Being Depreciated, Net	\$ <u>169,457</u>	\$ <u>(6,673)</u>	\$ <u>-</u>	\$ <u>162,784</u>
Business-Type Activities Capital Assets, Net	<u>\$ 169,457</u>	<u>\$ (6,673)</u>	<u>\$ -</u>	<u>\$ 162,784</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction	\$ 772,532
Supporting Services	70,859
Unallocated	<u>6,511</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 849,902</u>

Business-Type Activities:

Food Service	<u>\$ 22,647</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 22,647</u>

NOTE 6 - LONG-TERM DEBT

General Obligation Bonds

General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations. The bonds have been issued to provide funds for the acquisition and construction of major facilities and improvements. General obligation bonds issued for governmental activities and currently outstanding at June 30, 2014, are as follows:

<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2014</u>
2005	3.00 - 3.50%	March 1, 2014	\$ 2,955,000	\$ -
2009	3.00 - 4.00%	March 1, 2022	7,000,000	4,660,000
2010	3.00%	March 1, 2016	1,425,000	490,000
2011	1.00 - 2.00%	March 1, 2018	<u>2,850,000</u>	<u>1,385,000</u>
Totals			<u>\$ 14,230,000</u>	<u>\$ 6,535,000</u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 6 - LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2015	\$ 940,000	\$ 222,400	\$ 1,162,400
2016	985,000	194,900	1,179,900
2017	1,030,000	164,800	1,194,800
2018	575,000	123,000	698,000
2019	590,000	100,000	690,000
2020-2022	<u>2,415,000</u>	<u>165,100</u>	<u>2,580,100</u>
Totals	<u>\$ 6,535,000</u>	<u>\$ 970,200</u>	<u>\$ 7,505,200</u>

SCAGO Equipment Acquisition Lease Program

The South Carolina Association of Governmental Organizations (SCAGO) has established a leasing program (the SCAGO Equipment Acquisition Lease Program) to facilitate the issuance of leases by South Carolina School Districts. The purpose of the leasing program is to reduce the cost and improve the ease of entering into leases for School Districts in South Carolina. Eligible project expenditures for the leasing program include energy savings, debt refinancing, computers and office equipment, and activity buses. SCAGO leases issued for governmental activities and currently outstanding at June 30, 2014, are as follows:

Date of Issue	Interest Rate	Maturity	Original Issue	Outstanding June 30, 2014
2009	4.63%	December 1, 2017	\$ <u>2,342,000</u>	\$ <u>1,049,000</u>
Totals			<u>\$ 2,342,000</u>	<u>\$ 1,049,000</u>

Annual debt service requirements to maturity for the SCAGO Equipment Lease are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2015	\$ 245,000	\$ 48,569	\$ 293,569
2016	256,000	37,225	293,225
2017	268,000	25,372	293,372
2018	<u>280,000</u>	<u>12,964</u>	<u>292,964</u>
Totals	<u>\$ 1,049,000</u>	<u>\$ 124,130</u>	<u>\$ 1,173,130</u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 6 - LONG-TERM DEBT (continued)

Advance Refunding

On June 29, 2005, the District issued \$2,955,000 of general obligation refunding bonds to provide resources to purchase government securities that were placed in an irrevocable trust for the purpose of generating revenues for all future debt service payments of \$2,800,000 of the general obligation bonds of 1997. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the carrying value of the old debt by \$117,107. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$144,273 and resulted in an economic gain of \$120,141. At June 30, 2014, none of the defeased debt is outstanding.

Capital Leases

The District has entered into lease agreements as lessee for financing the acquisition of various copiers and computer equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the net present value of their future minimum lease payments as of the inception date. The gross amount of assets (machinery and equipment) recorded under capital leases at June 30, 2014 for governmental activities is \$131,292 with corresponding accumulated depreciation of \$63,240.

Future lease payments due at June 30, 2014 are as follows:

Year Ending June 30	Total
2015	\$ 43,583
2016	36,059
2017	21,414
2018	4,352
Total Minimum Lease Payments	\$ 105,408
Amount Representing Interest	(27,967)
Present Value of Future Minimum Lease Payments	\$ 77,441

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DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 6 - LONG-TERM DEBT (continued)

The following is a summary of changes in long-term obligations and balances for June 30, 2014:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 7,715,000	\$ -	\$ (1,180,000)	\$ 6,535,000	\$ 940,000
Plus Issuance Premiums	<u>110,873</u>	<u>-</u>	<u>(19,980)</u>	<u>90,893</u>	<u>-</u>
Total Bonds Payable	\$ 7,825,873	\$ -	\$ (1,199,980)	\$ 6,625,893	\$ 940,000
SCAGO Equipment Lease	1,154,000	-	(105,000)	1,049,000	245,000
Capital Leases	105,035	-	(27,594)	77,441	28,083
Compensated Absences	<u>344,242</u>	<u>104,180</u>	<u>(97,804)</u>	<u>350,618</u>	<u>127,460</u>
Totals	<u>\$ 9,429,150</u>	<u>\$ 104,180</u>	<u>\$ (1,430,378)</u>	<u>\$ 8,102,952</u>	<u>\$ 1,340,543</u>

The general fund typically liquidates other long-term liabilities such as compensated absences.

NOTE 7 - SHORT-TERM DEBT

On September 19, 2013 the District issued a short-term general obligation bond in the amount of \$402,000 to finance technology expenditures. The maturity date was March 3, 2014 and it carried an interest rate of 1.00%. The debt was retired on February 28, 2014.

	<u>Outstanding June 30, 2013</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding June 30, 2014</u>
General Obligation Bond	\$ -	\$ 402,000	\$ (402,000)	\$ -

NOTE 8 - OPERATING LEASES

The District leases office equipment under noncancelable operating leases. Total costs for such leases were \$39,933 for the year ended June 30, 2014. The future minimum lease payments for these leases are as follows:

Year Ending June 30	<u>Amount</u>
2015	\$ 31,183
2016	29,578
2017	14,835
2018	9,773
2019	<u>2,654</u>
Total	<u>\$ 88,023</u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Outstanding balances between funds result mainly from the time lag between the dates the (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. At June 30, 2014, interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>
General Fund	\$ 1,176,775	\$ -	\$ 384,760	\$ -
Special Projects	-	626,550	-	-
EIA	-	25,651	-	-
Debt Service Fund	-	190,482	-	-
School Building Fund	-	30,659	-	-
Food Service Fund	-	303,433	-	384,760
Total	<u>\$ 1,176,775</u>	<u>\$ 1,176,775</u>	<u>\$ 384,760</u>	<u>\$ 384,760</u>

Transfers are used to move certain revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including indirect cost allocations. A schedule of operating transfers is as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund	\$ 970,919	\$ -
Special Projects	-	91,716
EIA	-	479,092
Debt Service Fund	-	403,536
School Building Fund	403,536	400,111
Total	<u>\$ 1,374,455</u>	<u>\$ 1,374,455</u>

During the current fiscal year, the District made a non-routine transfer of \$400,111 financed from short-term bond proceeds from the Building Fund to the General Fund to cover the cost of technology expenditures recorded in the General Fund.

NOTE 10 - POSTEMPLOYMENT BENEFITS

Plan Description

In accordance with the South Carolina Code of Laws and the Annual Appropriations Act, the State of South Carolina provides certain health care, dental, life insurance, and long-term disability (OPEB) benefits to certain retired State and school district employees and their covered dependents. All permanent full-time and certain permanent part-time employees of the District are eligible to receive these benefits.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 10 - POSTEMPLOYMENT BENEFITS (continued)

The State created two postemployment benefit trust funds, the South Carolina Retiree Health Insurance Trust (SCRHITF) and the Long Term Disability Insurance Trust (LTDITF), to account for postemployment benefits. The State issues a publically available financial report that includes financial statements and required supplementary information for these trusts. That report may be obtained by writing to Employee Insurance Program, 1201 Main Street, Suite 360, Columbia, South Carolina 29201.

Funding Policy

Sections 1-11-705 and 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment healthcare and long-term disability benefits be funded through annual appropriations by the General Assembly for active employees to the EIP and participating retirees to the SBCB except the portion funded through the pension surcharge and provided from other applicable sources of the EIP for its active employees who are not funded by State General Fund appropriations. Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget, 4.92% of annual covered payroll for fiscal year 2013-2014. The EIP sets the employer contribution rate based on a pay-as-you-go basis.

The District recorded fringe benefit expenses for insurance benefits for active employees in the amount of \$1,758,696 for the year ended June 30, 2014. The District also paid \$787,263 applicable to the 4.92% surcharge included with the employer contributions for retirement benefits. (The District paid \$715,330 and \$647,887 in 2013 and 2012, respectively.) These amounts were remitted to the South Carolina Retirement Systems for distribution to the Division of Insurance Services for retiree health and dental insurance benefits.

Information regarding the cost of insurance benefits applicable to the District's retirees is not available. By State law, the District has no liability for retirement benefits. Accordingly, the cost of providing these benefits for retirees is not included in the accompanying financial statements.

NOTE 11 - RETIREMENT PLAN

South Carolina Retirement System

Plan Description

District employees participate in a plan administered by the South Carolina Retirement Systems (SCRS) which is classified as a cost-sharing multiple-employer public employee retirement system (PERS). The plan provides retirement, disability and death benefits to plan members and beneficiaries. Benefit provisions are established under authority of Title 9 of the South Carolina Code of Laws.

The South Carolina Retirement Systems issues a Comprehensive Annual Financial Report which discloses detailed information regarding benefit provisions and actuarial information. That report is available to the public and may be obtained by writing to South Carolina Retirement Systems, Post Office Box 11960, Capital Station, Columbia, South Carolina 29211-1960 or by accessing their website at www.retirement.sc.gov.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 11 - RETIREMENT PLAN (continued)

Funding Policy

Members of the SCRS are required to contribute at the rate of 7.50% of their covered wages. The District is required to contribute at actuarially determined rates, currently 10.60% of SCRS member wages, which includes a .15% group life contribution. The contribution requirements of plan members and the District are established by the South Carolina Retirement Systems under authority of Title 9 of the South Carolina Code of Laws. The District's contributions to the SCRS for the plan years ending June 30, 2014, 2013, and 2012 were \$1,660,776, \$1,633,534, and \$1,418,611, respectively. Actual contributions were equal to the required contributions each year.

Optional Retirement Program

Plan Description

Certain employees may elect to participate in the Optional Retirement Program (ORP), a defined contribution plan. The ORP was established in 1987 under Title 9, Chapter 17, of the South Carolina Code of Laws. The ORP provides retirement and death benefits through the purchase of individual fixed or variable annuity contracts which are issued to, and become the property of, the participants. The state assumes no liability for this plan other than for payment of contributions to designated insurance companies. ORP participation is limited to personnel who meet all eligibility requirements for membership in the SCRS. To elect participation in the ORP, eligible employees must irrevocably waive SCRS membership within the first ninety days of employment.

Funding Policy

Under state law, contributions to the ORP are required at the same rates as for the SCRS. A direct remittance is required from the employer to the investment provider for the employee contribution and a portion of the employer contribution (5.00%). Also, a direct remittance is required to the SCRS for a portion of the employer contribution (5.60%, which includes a .15% group life contribution), that must be retained by the SCRS. The District's contributions to the ORP for the year ended June 30, 2014 were \$18,680, excluding the 4.92% health surcharge.

Teacher and Employee Retention Incentive Program

Plan Description

The Teacher and Employee Retention Incentive Program (TERI), is a deferred retirement option program offered under the SCRS. Upon reaching normal retirement eligibility, a member can elect to retire and continue working under the TERI program for a maximum of five years, after which employment will cease. During the TERI period, retirement annuity is not paid to retirees, but monthly benefits are accumulated in TERI accounts and distributed to members upon termination of employment.

Funding Policy - Teacher and Employee Retention Incentive Program

TERI participants who entered the program after June 30, 2005, must continue to contribute at the same rate as active plan members of the SCRS. Those participants who entered the TERI program prior to July 1, 2005, make no employee contributions while participating in the program. The District is required to contribute at the current actuarially determined rates of the SCRS for all TERI participants.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 12 - DEFERRED COMPENSATION PLAN

The District offers a deferred compensation plan to all its employees under a plan administered by the South Carolina Deferred Compensation Commission, and established in accordance with Internal Revenue Code Section 457. Employees are permitted to defer portions of their salaries until future years. Only upon termination, retirement, disability, death or an approved hardship is the deferred compensation available to an employee. In 1996, Congress passed new legislation to govern IRC section 457 plans. Specifically, the new legislation concludes that a plan shall not be treated as an eligible deferred compensation plan unless all assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. During the year ended June 30, 1999, the South Carolina Deferred Compensation Commission modified their plan to comply with the new legislative requirements.

GASB Statement No. 32 was issued to address the financial reporting ramifications of the new federal legislation and states that a fiduciary relationship must exist for a governmental entity to report the balances and transactions related to the plan in its financial statements. According to the provisions of the statement, it was determined that a fiduciary relationship did not exist for the District's IRC section 457 plan.

NOTE 13 - RISK MANAGEMENT

The 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 pays an annual premium to the South Carolina School Board Insurance Trust for its general insurance. The South Carolina School Board Insurance Trust reinsures through commercial companies for certain claims. There were no significant reductions in insurance coverage from the previous year and no settlements have exceeded insurance coverage for the past three fiscal years ended June 30, 2014, 2013, and 2012.

The District also acquires insurance from the South Carolina School Board Insurance Trust for job related injury and illness (workers' compensation) for its employees. Workers' compensation is insured under a retrospectively rated policy where premiums paid are estimated throughout the year and adjusted subsequent to the policy period based on actual experience.

NOTE 14 - CONTINGENCIES

The District participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE 15 - RELATED ORGANIZATIONS

GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, requires certain legally separate tax-exempt organizations for which the primary government is not financially accountable to be included in the financial reporting entity if certain criteria are met. The standard is directed principally toward fund-raising organizations, such as foundations, parent teacher organizations, and booster clubs. The District reviewed its relationship with its related organizations and determined they should not be included in the reporting entity because their economic resources are not significant to the District.

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 16 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND STATEMENTS

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental fund* and *net position - governmental activities* as reported in the government-wide statement of net position. The following explains certain elements of that reconciliation:

Long-Term Assets Not Available to Pay Current Expenditures:	
Property Taxes	\$ <u>278,877</u>
Total	\$ <u><u>278,877</u></u>
Long-Term Liabilities Not Reported in the Funds:	
Bonds Payable	\$ (7,584,000)
Plus: Premium on Bonds Payable (to be amortized as interest expense)	(90,893)
Plus: Deferred Gain on Refunding (to be amortized as interest expense)	(6,365)
Capital Lease Payable	(77,441)
Accrued Interest Payable	(102,306)
Compensated Absences Payable	<u>(323,753)</u>
Total	\$ <u><u>(8,184,758)</u></u>

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. The following explains certain elements of that reconciliation:

Capital Outlays:	
Depreciation Expense	\$ (849,902)
Capital Outlays	<u>70,625</u>
Total	\$ <u><u>(779,277)</u></u>
Revenues and Other Items Not Recognized in the Funds:	
Property Taxes	\$ <u>19,022</u>
Total	\$ <u><u>19,022</u></u>
Issuance and Repayment of Long-Term Debt:	
Principal Repayments on General Obligation Debt	\$ 1,180,000
Principal Repayments on SCAGO Leases	105,000
Principal Repayments on Capital Leases	<u>27,594</u>
Total	\$ <u><u>1,312,594</u></u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 16 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND STATEMENTS
(continued)

Reduction of Liabilities and Other Expenses Not Recognized in the Funds:	
Compensated Absences	\$ 12,753
Accrued Interest on Long-Term Debt	15,396
Amortization of Bond Premiums	19,980
Amortization of Net Deferred (Charge)/Gain on Refunding	<u>(11,442)</u>
Total	<u>\$ 36,687</u>

NOTE 17 - NET POSITION AND FUND BALANCE RESTATEMENT

The implementation of GASB 65 resulted in the reclassification of beginning net position of governmental activities for debt issuance costs that were previously reported as deferred charges.

During the current year, it was discovered that a food service receivable was not recorded in the prior year. This resulted in an understatement of business-type net position for the year ended June 30, 2013.

The table below shows the restatement of beginning net position:

	<u>Governmental</u> <u>Net Position</u>	<u>Business-Type</u> <u>Net Position</u>
As Originally Reported	\$ 20,542,318	\$ 56,341
Change in Reporting for Debt Issuance Costs	(137,066)	-
Unrecorded Food Service Receivable	<u>-</u>	<u>23,898</u>
As Restated	<u>\$ 20,405,252</u>	<u>\$ 80,239</u>

During the current year, it was also discovered that homestead taxes of the Debt Service Fund were recognized as revenues of the General Fund as a result of a correction made by the County Treasurer. This was corrected by restating beginning fund balance as follows:

	<u>General Fund</u> <u>Fund Balance</u>	<u>Debt Service</u> <u>Fund Balance</u>
As Originally Reported	\$ 5,666,031	\$ 2,043,829
Homestead Taxes Recorded Incorrectly	<u>(52,384)</u>	<u>52,384</u>
As Restated	<u>\$ 5,613,647</u>	<u>\$ 2,096,213</u>

DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 18 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

GASB has issued Statement No. 68 *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27* and Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment to GASB Statement No. 68*. The primary objectives of these statements are to improve accounting and financial reporting by state and local governments for pensions. These statements will become effective for the District in the 2015 fiscal year and are required to be implemented simultaneously. The District has not yet determined the impact of these statements on the financial statements.

NOTE 19 – SUBSEQUENT EVENTS

In June of 2014, the District authorized the issuance of SCAGO Tax Anticipation Notes not to exceed \$1,350,000. The maximum amount approved by SCAGO was \$1,322,000. As of the date of this report, the notes have not been issued.

In July of 2014, the District authorized the issuance of short-term General Obligation Bonds not to exceed \$340,000 to finance technology expenditures. The bonds were issued in September 2014.

In November of 2014, the voters of Dorchester County approved a referendum authorizing the issuance of General Obligation Bonds not to exceed \$10,000,000. As of the date of this report, the bonds have not been issued. The bonds will be used to finance facilities improvement projects. In connection with this project, the District has entered into a contract commitment with architects for design services. The negotiated contract price is based on a percentage of total project costs.

REQUIRED SUPPLEMENTARY INFORMATION

**REQUIRED SUPPLEMENTARY INFORMATION
DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local	\$ 8,787,591	\$ 8,787,591	\$ 9,914,539	\$ 1,126,948
State	10,102,804	10,102,804	10,756,254	653,450
Intergovernmental	60,000	60,000	59,899	(101)
TOTAL REVENUES	<u>\$ 18,950,395</u>	<u>\$ 18,950,395</u>	<u>\$ 20,730,692</u>	<u>\$ 1,780,297</u>
EXPENDITURES				
Current				
Instructional Services	\$ 11,626,168	\$ 11,626,168	\$ 11,600,949	\$ 25,219
Supporting Services	9,924,388	9,924,388	10,355,867	(431,479)
Community Services	-	-	1,929	(1,929)
Intergovernmental Expenditures	25,000	25,000	26,309	(1,309)
Capital Outlay	21,500	21,500	143,748	(122,248)
TOTAL EXPENDITURES	<u>\$ 21,597,056</u>	<u>\$ 21,597,056</u>	<u>\$ 22,128,802</u>	<u>\$ (531,746)</u>
Excess Revenues Over (Under) Expenditures	<u>\$ (2,646,661)</u>	<u>\$ (2,646,661)</u>	<u>\$ (1,398,110)</u>	<u>\$ 1,248,551</u>
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds	\$ 750,782	\$ 750,782	\$ 970,919	\$ 220,137
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 750,782</u>	<u>\$ 750,782</u>	<u>\$ 970,919</u>	<u>\$ 220,137</u>
Net Change in Fund Balance	\$ (1,895,879)	\$ (1,895,879)	\$ (427,191)	\$ 1,468,688
FUND BALANCE BEGINNING OF YEAR	5,666,031	5,666,031	5,666,031	-
Adjustment to Fund Balance	-	-	(52,384)	(52,384)
FUND BALANCE END OF YEAR	<u>\$ 3,770,152</u>	<u>\$ 3,770,152</u>	<u>\$ 5,186,456</u>	<u>\$ 1,416,304</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are prepared and legally adopted on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governments for the general fund. Amounts presented in the “*Original*” budget column in the budgetary comparison schedule reflect amounts originally adopted. Amounts presented in the “*Final*” budget column include any amendments or supplemental appropriations formally authorized by the District’s Board of Education. All annual appropriations lapse at fiscal year-end.

The annual budget is prepared by the District and approved by the Board of Education. Prior to July 1, the budget is legally enacted through the passage of a resolution by the Board. The budget is prepared by function, object, and location as dictated by the S.C. State Department of Education. District administration has discretionary authority to make transfers of appropriations between and within functions; however, the total budget cannot be increased without approval by the Board. The legal level of control is at the fund level.

Formal budgetary accounting is employed as a management control for the District. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of money are recorded in order to reserve that portion of the applicable appropriations, is not utilized by the District.

NOTE 2 - PRESENTATION

The budgetary comparison schedule presents the general fund and each major individual special revenue fund for which an annual budget is legally adopted. Budgets are not legally adopted for the *Special Projects and Education Improvement Act* special revenue funds. As such, they have been excluded from the budgetary comparison presentation.

NOTE 3 - EXPENDITURES IN EXCESS OF BUDGET

For the fiscal year ended June 30, 2014, actual expenditures in the general fund exceeded budgeted appropriations by \$531,746.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent Taxes	\$ 7,668,227	8,513,072	\$ 844,845
1200 Revenue From Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	1,101,864	1,348,153	246,289
1500 Earnings on Investments			
1510 Interest on Investments	17,500	6,593	(10,907)
1900 Other Revenue from Local Sources			
1910 Rentals	-	3,599	3,599
1930 Medicaid	-	165	165
1990 Miscellaneous Local Revenue			
1993 Receipt of Insurance Proceeds	-	1,287	1,287
1999 Revenue from Other Local Sources	-	41,670	41,670
Total Local Sources	\$ 8,787,591	\$ 9,914,539	\$ 1,126,948
2000 Intergovernmental Revenue			
2100 Payments from Other Governments	\$ 60,000	\$ 59,899	\$ (101)
Total Intergovernmental Revenue	\$ 60,000	\$ 59,899	\$ (101)
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	\$ -	\$ 699	\$ 699
3160 School Bus Driver's Salary	-	235,080	235,080
3161 EAA Bus Driver Salary and Fringe	-	1,415	1,415
3162 Transportation Workers' Compensation	-	19,218	19,218
3180 Fringe Benefits Employer Contributions	1,714,932	1,806,728	91,796
3181 Retiree Insurance	570,154	647,247	77,093
3199 Other Restricted State Revenue	-	175	175
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	342,702	301,127	(41,575)
3312 Primary	758,688	837,647	78,959
3313 Elementary	995,215	1,024,955	29,740
3314 High School	454,106	679,076	224,970
3315 Trainable Mentally Handicapped	37,193	33,278	(3,915)
3316 Speech Handicapped (Part-Time Program)	174,935	210,512	35,577
3317 Homebound	6,732	18,461	11,729

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES (continued)			
3000 Revenue from State Sources (continued)			
3300 Education Finance Act (continued)			
3320 Part-time Programs			
3321 Emotionally Handicapped	15,497	12,475	(3,022)
3322 Educable Mentally Handicapped	107,093	99,890	(7,203)
3323 Learning Disabilities	483,253	533,369	50,116
3324 Hearing Handicapped	19,523	15,717	(3,806)
3325 Visually Handicapped	14,213	19,646	5,433
3326 Orthopedically Handicapped	3,099	3,119	20
3327 Vocational	561,675	315,140	(246,535)
3330 Other EFA Programs			
3331 Autism	53,103	53,083	(20)
3800 State Revenue in Lieu of Taxes			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	875,501	902,962	27,461
3820 Homestead Exemption (Tier 2)	456,576	548,207	91,631
3825 Reimbursement for Property Tax Relief (Tier 3)	2,112,801	2,027,893	(84,908)
3830 Merchant's Inventory Tax	50,036	50,037	1
3890 Other State Property Tax Revenues	295,777	359,098	63,321
Total State Sources	\$ 10,102,804	\$ 10,756,254	\$ 653,450
TOTAL REVENUE ALL SOURCES	\$ 18,950,395	\$ 20,730,692	\$ 1,780,297
EXPENDITURES			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 477,460	\$ 507,619	\$ (30,159)
200 Employee Benefits	181,759	188,383	(6,624)
300 Purchased Services	5,250	4,452	798
400 Supplies and Materials	12,890	12,637	253
112 Primary Programs			
100 Salaries	1,843,676	1,786,189	57,487
200 Employee Benefits	635,571	627,043	8,528
300 Purchased Services	17,200	15,569	1,631
400 Supplies and Materials	29,154	27,144	2,010
500 Capital Outlay	-	2,233	(2,233)

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
100 Instruction (continued)			
110 General Instruction (continued)			
113 Elementary Programs			
100 Salaries	2,639,614	2,678,646	(39,032)
200 Employee Benefits	893,493	915,385	(21,892)
300 Purchased Services	179,550	169,457	10,093
400 Supplies and Materials	48,201	78,637	(30,436)
500 Capital Outlay	-	72,784	(72,784)
114 High School Programs			
100 Salaries	1,510,724	1,481,755	28,969
200 Employee Benefits	507,213	443,364	63,849
300 Purchased Services	118,000	128,656	(10,656)
400 Supplies and Materials	33,124	28,984	4,140
500 Capital Outlay	-	1,598	(1,598)
115 Career and Technology Education Programs			
100 Salaries	119,847	119,752	95
200 Employee Benefits	44,754	45,522	(768)
400 Supplies and Materials	12,341	6,989	5,352
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	383,134	406,913	(23,779)
200 Employee Benefits	129,163	122,995	6,168
300 Purchased Services	-	456	(456)
400 Supplies and Materials	1,763	1,426	337
122 Trainable Mentally Handicapped			
100 Salaries	206,944	205,994	950
200 Employee Benefits	86,796	83,905	2,891
400 Supplies and Materials	516	227	289
123 Orthopedically Handicapped			
100 Salaries	53,935	51,270	2,665
200 Employee Benefits	20,207	21,917	(1,710)
300 Purchased Services	23,500	55,550	(32,050)
400 Supplies and Materials	43	-	43
124 Visually Handicapped			
300 Purchased Services	21,000	26,882	(5,882)
400 Supplies and Materials	172	172	-
125 Hearing Handicapped			
400 Supplies and Materials	172	76	96

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
100 Instruction (continued)			
120 Exceptional Programs (continued)			
126 Speech Handicapped			
100 Salaries	42,482	35,599	6,883
200 Employee Benefits	13,931	12,762	1,169
300 Purchased Services	130,000	151,809	(21,809)
400 Supplies and Materials	3,311	2,803	508
127 Learning Disabilities			
100 Salaries	186,829	263,015	(76,186)
200 Employee Benefits	60,913	94,228	(33,315)
300 Purchased Services	35,640	30,227	5,413
400 Supplies and Materials	7,525	5,434	2,091
128 Emotionally Handicapped			
400 Supplies and Materials	215	-	215
130 Pre-School Programs			
133 Pre-School Handicapped -Self-Contained (5-yr. olds)			
100 Salaries	95,904	64,254	31,650
200 Employee Benefits	34,721	25,409	9,312
137 Pre-School Handicapped - Self-Contained (3 & 4 yr.-olds)			
100 Salaries	26,714	25,230	1,484
200 Employee Benefits	8,613	8,423	190
139 Early Childhood Programs			
100 Salaries	266,750	2,575	264,175
200 Employee Benefits	92,642	-	92,642
140 Special Programs			
145 Homebound			
100 Salaries	20,000	27,263	(7,263)
200 Employee Benefits	4,770	6,524	(1,754)
300 Purchased Services	14,500	329	14,171
147 CDEPP			
100 Salaries	-	173,831	(173,831)
200 Employee Benefits	-	43,117	(43,117)
149 Other Special Programs			
100 Salaries	235,903	251,757	(15,854)
200 Employee Benefits	69,556	70,274	(718)
300 Purchased Services	-	2,704	(2,704)
400 Supplies and Materials	3,332	15,025	(11,693)

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES (continued)			
100 Instruction (continued)			
160 Other Exceptional Programs			
161 Autism			
100 Salaries	-	7,027	(7,027)
200 Employee Benefits	-	3,254	(3,254)
400 Supplies and Materials	602	344	258
180 Adult/Continuing Education Programs			
188 Parenting/Family Literacy			
200 Employee Benefits	6,990	4,460	2,530
190 Instructional Pupil Activity			
100 Salaries	-	2,560	(2,560)
200 Employee Benefits	-	609	(609)
400 Supplies and Materials	11,750	10,728	1,022
600 Other Objects	15,409	15,409	-
Total Instruction	\$ 11,626,168	\$ 11,677,564	\$ (51,396)
200 Supporting Services			
210 Pupil Services			
211 Attendance and Social Work Services			
100 Salaries	\$ 60,639	60,638	\$ 1
200 Employee Benefits	18,261	18,587	(326)
212 Guidance Services			
100 Salaries	327,339	415,426	(88,087)
200 Employee Benefits	111,381	132,599	(21,218)
300 Purchased Services	1,000	1,613	(613)
400 Supplies and Materials	4,500	6,170	(1,670)
213 Health Services			
100 Salaries	158,512	126,954	31,558
200 Employee Benefits	56,768	76,988	(20,220)
300 Purchased Services	23,000	21,794	1,206
400 Supplies and Materials	5,000	3,352	1,648
600 Other Objects	250	-	250
214 Psychological Services			
100 Salaries	56,164	71,382	(15,218)
200 Employee Benefits	19,092	24,937	(5,845)

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
200 Supporting Services (continued)			
210 Pupil Services (continued)			
217 Career Specialist Services			
100 Salaries	36,010	4,135	31,875
200 Employee Benefits	10,678	3,427	7,251
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	85,681	102,436	(16,755)
200 Employee Benefits	24,319	24,901	(582)
300 Purchased Services	8,500	14,233	(5,733)
400 Supplies and Materials	9,000	3,937	5,063
600 Other Objects	550	201	349
222 Library and Media Services			
100 Salaries	314,094	315,214	(1,120)
200 Employee Benefits	105,299	106,105	(806)
400 Supplies and Materials	38,318	35,785	2,533
223 Supervision of Special Programs			
100 Salaries	155,437	155,436	1
200 Employee Benefits	46,966	42,571	4,395
300 Purchased Services	4,150	8,858	(4,708)
400 Supplies and Materials	3,500	3,422	78
600 Other Objects	1,350	876	474
224 Improvement of Instruction - Inservice Training			
100 Salaries	144,956	254,350	(109,394)
200 Employee Benefits	38,371	52,961	(14,590)
300 Purchased Services	3,500	5,209	(1,709)
400 Supplies and Materials	3,500	3,094	406
600 Other Objects	500	275	225
230 General Administration Services			
231 Board of Education			
100 Salaries	5,000	5,144	(144)
140 Terminal Leave	65,000	46,982	18,018
200 Employee Benefits	16,695	6,387	10,308
300 Purchased Services	62,000	99,492	(37,492)
318 Audit Services	24,000	23,475	525
400 Supplies and Materials	20,000	19,689	311
600 Other Objects	9,000	8,985	15

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
200 Supporting Services (continued)			
230 General Administration Services (continued)			
232 Office of the Superintendent			
100 Salaries	140,876	150,872	(9,996)
200 Employee Benefits	42,531	43,609	(1,078)
300 Purchased Services	7,500	4,306	3,194
400 Supplies and Materials	14,500	19,165	(4,665)
600 Other Objects	2,800	2,500	300
233 School Administration			
100 Salaries	1,402,110	1,392,843	9,267
200 Employee Benefits	457,042	458,269	(1,227)
300 Purchased Services	14,000	13,239	761
400 Supplies and Materials	16,058	14,730	1,328
600 Other Objects	10,250	7,001	3,249
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated)			
100 Salaries	-	761	(761)
200 Employee Benefits	-	186	(186)
300 Purchased Services	-	1,565	(1,565)
252 Fiscal Services			
100 Salaries	306,393	307,854	(1,461)
200 Employee Benefits	97,096	99,008	(1,912)
300 Purchased Services	35,000	38,191	(3,191)
400 Supplies and Materials	7,500	6,916	584
500 Capital Outlay	2,500	-	2,500
600 Other Objects	1,000	2,751	(1,751)
254 Operation and Maintenance of Plant			
100 Salaries	572,271	578,449	(6,178)
200 Employee Benefits	225,596	239,767	(14,171)
300 Purchased Services	1,054,550	1,092,570	(38,020)
321 Public Utilities	57,850	46,125	11,725
400 Supplies and Materials	140,500	131,027	9,473
470 Energy	636,320	613,276	23,044
500 Capital Outlay	19,000	40,969	(21,969)
255 Student Transportation			
100 Salaries	918,068	860,170	57,898
200 Employee Benefits	295,241	303,863	(8,622)
300 Purchased Services	50,050	32,462	17,588
400 Supplies and Materials	3,500	10,477	(6,977)

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
200 Supporting Services (continued)			
250 Finance and Operations Services (continued)			
256 Food Services			
200 Employee Benefits	197,856	203,181	(5,325)
257 Internal Services			
300 Purchased Services	42,000	37,244	4,756
258 Security			
100 Salaries	20,000	20,188	(188)
200 Employee Benefits	1,710	1,726	(16)
300 Purchased Services	122,700	131,585	(8,885)
260 Central Support Services			
263 Information Services			
100 Salaries	2,500	-	2,500
200 Employee Benefits	596	-	596
300 Purchased Services	5,000	-	5,000
264 Staff Services			
100 Salaries	160,067	161,460	(1,393)
200 Employee Benefits	54,836	55,553	(717)
300 Purchased Services	26,500	26,425	75
400 Supplies and Materials	7,500	6,646	854
600 Other Objects	300	206	94
266 Technology and Data Processing Services			
100 Salaries	249,366	255,077	(5,711)
200 Employee Benefits	91,173	90,691	482
300 Purchased Services	41,500	74,391	(32,891)
400 Supplies and Materials	20,000	42,673	(22,673)
500 Capital Outlay	-	26,164	(26,164)
600 Other Objects	200	176	24
270 Supporting Services Pupil Activity			
271 Pupil Services Activities			
100 Salaries	192,869	312,768	(119,899)
200 Employee Benefits	45,999	67,316	(21,317)
300 Purchased Services	6,000	15,254	(9,254)
400 Supplies and Materials	30,000	55,519	(25,519)
600 Other Objects	18,834	17,816	1,018
Total Supporting Services	\$ 9,945,888	\$ 10,423,000	\$ (477,112)

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (continued)			
300 Community Services			
390 Other Community Services			
100 Salaries	\$ -	\$ 1,558	\$ (1,558)
200 Employee Benefits	-	371	(371)
	-	1,929	(1,929)
Total Community Service	\$ -	\$ 1,929	\$ (1,929)
400 Other Charges			
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units			
720 Transits	\$ 25,000	\$ 26,309	\$ (1,309)
	25,000	26,309	(1,309)
Total Intergovernmental Expenditures	\$ 25,000	\$ 26,309	\$ (1,309)
TOTAL EXPENDITURES	\$ 21,597,056	\$ 22,128,802	\$ (531,746)
Excess Revenues Over (Under) Expenditures	\$ (2,646,661)	\$ (1,398,110)	\$ 1,248,551
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds			
5230 Transfer from Special Revenue EIA Fund	610,782	479,092	(131,690)
5250 Transfer from School Building Fund	-	400,111	400,111
5260 Transfer from Food Service Fund	65,000	-	(65,000)
5280 Transfer from Other Funds Indirect Costs	75,000	91,716	16,716
	750,782	970,919	220,137
TOTAL OTHER FINANCING SOURCES (USES)	\$ 750,782	\$ 970,919	\$ 220,137
Excess (Deficiency) of Revenues and Expenditures Over Other Financing Source (Uses)	\$ (1,895,879)	\$ (427,191)	\$ 1,468,688
FUND BALANCE JULY 1, 2013		5,666,031	
Adjustment to Fund Balance		(52,384)	
FUND BALANCE JUNE 30, 2014		\$ 5,186,456	

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)
REVENUES			
1000 Revenue From Local Sources			
1900 Other Revenue From Local Sources			
1930 Medicaid	\$ -	\$ -	\$ -
1950 Refund of Prior Year's Expenditures	-	-	-
1999 Revenue from Other Local Sources	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Local Sources	\$ -	\$ -	\$ -
2000 Intergovernmental Revenue			
2100 Payments from Other Governmental Units	\$ -	\$ -	\$ -
2300 Payments from Non-Profit Entities (for First Steps)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Intergovernmental Revenue	\$ -	\$ -	\$ -
3000 Revenue From State Sources			
3100 Restricted State Funding			
3110 Occupational Education			
3118 EEDA Career Specialist	\$ -	\$ -	\$ -
3120 General Education			
3127 Student Health and Fitness - PE Teachers	-	-	-
3130 Special Programs			
3134 CDEP Expansion	-	-	-
3136 Student Health and Fitness - Nurses	-	-	-
3190 Miscellaneous Restricted State Grants			
3193 Education License Plates	-	-	-
3199 Other Restricted State Grants	-	-	-
	<u> </u>	<u> </u>	<u> </u>
3600 Education Lottery Act Revenue			
3607 6-8 Enhancement	-	-	-
3610 K-5 Enhancement	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total State Sources	\$ -	\$ -	\$ -
4000 Revenue From Federal Sources			
4200 Occupational Education			
4210 Vocational Aid, Title I	\$ -	\$ -	\$ -
4300 Elementary and Secondary Education Act of 1965 (ESEA)			
4310 Title I	820,618	-	-
4312 Rural and Low-Income School Program, Title VI	-	-	-
4342 Title II Teacher Advancement Program (TAP)	-	-	-
4348 Teacher Incentive Fund	-	-	-
4351 Improving Teacher Quality	-	-	-

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
\$ -	\$ -	\$ 199,869	\$ 199,869
-	-	88,864	88,864
-	-	62,115	62,115
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,848</u>	<u>\$ 350,848</u>
\$ -	\$ -	\$ 28,843	\$ 28,843
-	27,989	-	27,989
<u>\$ -</u>	<u>\$ 27,989</u>	<u>\$ 28,843</u>	<u>\$ 56,832</u>
\$ -	\$ 81,496	\$ -	\$ 81,496
-	16,278	-	16,278
-	417,491	-	417,491
-	92,780	-	92,780
-	572	-	572
-	-	4,513	4,513
-	9,551	-	9,551
-	127,242	-	127,242
<u>\$ -</u>	<u>\$ 745,410</u>	<u>\$ 4,513</u>	<u>\$ 749,923</u>
\$ 32,777	\$ -	\$ -	\$ 32,777
-	-	62,733	883,351
-	-	39,811	39,811
-	-	23,880	23,880
-	-	318,573	318,573
-	-	198,277	198,277

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>TITLE I (BA Projects) (201/202)</u>	<u>IDEA (CA Projects) (203/204)</u>	<u>PRESCHOOL HANDICAPPED (CG Projects) (205/206)</u>
REVENUES (continued)			
4000 Revenue From Federal Sources (continued)			
4500 Programs for Children with Disabilities			
4510 IDEA	-	643,045	-
4520 Pre-School Grants	-	-	33,580
4900 Other Federal Sources			
4924 21st Century Community Learning Centers Grants	-	-	-
4940 South Carolina School Climate Initiative	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Federal Sources	\$ 820,618	\$ 643,045	\$ 33,580
TOTAL REVENUE ALL SOURCES	\$ 820,618	\$ 643,045	\$ 33,580
EXPENDITURES			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 44,035	\$ -	\$ -
200 Employee Benefits	15,517	-	-
400 Supplies and Materials	1,300	-	-
112 Primary Programs			
100 Salaries	127,227	-	-
200 Employee Benefits	45,107	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	4,560	-	-
113 Elementary Programs			
100 Salaries	152,646	-	-
200 Employee Benefits	55,955	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	9,546	-	-
500 Capital Outlay	-	-	-
114 High School Programs			
100 Salaries	130,758	-	-
200 Employee Benefits	47,501	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
-	-	6,015	649,060
-	-	-	33,580
-	-	137,923	137,923
-	-	59,602	59,602
-	-	94,771	94,771
<u>\$ 32,777</u>	<u>\$ -</u>	<u>\$ 941,585</u>	<u>\$ 2,471,605</u>
<u>\$ 32,777</u>	<u>\$ 773,399</u>	<u>\$ 1,325,789</u>	<u>\$ 3,629,208</u>
\$ -	\$ 1,500	\$ 9,479	\$ 55,014
-	356	789	16,662
-	-	-	1,300
-	8,242	69,237	204,706
-	1,127	8,585	54,819
-	1,000	-	1,000
-	18,613	-	23,173
-	3,950	71,298	227,894
-	928	6,691	63,574
-	-	2,324	2,324
-	11,704	70,204	91,454
-	572	-	572
-	-	63,394	194,152
-	-	19,523	67,024
-	-	3,464	3,464
-	-	13,033	13,033

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>TITLE I</u> <u>(BA Projects)</u> <u>(201/202)</u>	<u>IDEA</u> <u>(CA Projects)</u> <u>(203/204)</u>	<u>PRESCHOOL</u> <u>HANDICAPPED</u> <u>(CG Projects)</u> <u>(205/206)</u>
EXPENDITURES (continued)			
100 Instruction (continued)			
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	-	78,200	-
200 Employee Benefits	-	32,863	-
400 Supplies and Materials	-	15,328	-
122 Trainable Mentally Handicapped			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	683	-
400 Supplies and Materials	-	2,300	-
124 Visually Handicapped			
400 Supplies and Materials	-	395	-
125 Hearing Handicapped			
300 Purchased Services	-	592	-
126 Speech			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	9,711	-
127 Learning Disabilities			
100 Salaries	-	113,367	-
200 Employee Benefits	-	40,542	-
300 Purchased Services	-	1,824	-
400 Supplies and Materials	-	15,571	-
128 Emotionally Handicapped			
300 Purchased Services	-	822	-
130 Pre-School Programs			
133 Pre-School Handicapped Self-Contained (5 Yr. Olds)			
100 Salaries	-	-	17,418
200 Employee Benefits	-	-	5,843
400 Supplies and Materials	-	-	7,620
139 Early Childhood Programs			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
-	-	2,250	80,450
-	-	172	33,035
-	-	-	15,328
-	-	675	675
-	-	58	58
-	-	-	683
-	-	200	2,500
-	-	-	395
-	-	-	592
-	-	60,981	60,981
-	-	20,184	20,184
-	-	1,406	1,406
-	-	-	9,711
-	-	6,575	119,942
-	-	537	41,079
-	-	-	1,824
-	-	-	15,571
-	-	-	822
-	-	4,500	21,918
-	-	385	6,228
-	-	-	7,620
-	-	7,750	7,750
-	-	663	663

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)
EXPENDITURES (continued)			
100 Instruction (continued)			
140 Special Programs			
147 CDEPP			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
149 Other Special Programs			
100 Salaries	-	6,177	600
200 Employee Benefits	-	1,422	111
160 Other Exceptional Programs			
161 Autism			
100 Salaries	-	28,851	-
200 Employee Benefits	-	17,335	-
300 Purchased Services	-	7,823	-
170 Summer School Programs			
171 Primary Summer School			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
172 Elementary Summer School			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
173 High School Summer School			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
175 Instructional Programs Beyond Regular School Day			
100 Salaries	750	-	-
200 Employee Benefits	177	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	18,676	-	-
200 Employee Benefits	6,012	-	-
300 Purchased Services	11,161	-	-
400 Supplies and Materials	11,410	-	-
600 Other Objects	300	-	-

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
-	266,931	-	266,931
-	121,123	-	121,123
-	24,277	-	24,277
-	-	-	6,777
-	-	-	1,533
-	-	-	28,851
-	-	-	17,335
-	-	-	7,823
-	3,488	-	3,488
-	846	-	846
-	2,800	2,544	5,344
-	685	215	900
-	-	388	388
-	-	95	95
-	12,455	82,892	96,097
-	2,959	17,098	20,234
-	61	1,906	1,967
-	4,593	25,012	29,605
-	26,000	-	44,676
-	1,989	-	8,001
-	-	-	11,161
-	-	1,863	13,273
-	-	-	300

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>TITLE I</u> <u>(BA Projects)</u> <u>(201/202)</u>	<u>IDEA</u> <u>(CA Projects)</u> <u>(203/204)</u>	<u>PRESCHOOL</u> <u>HANDICAPPED</u> <u>(CG Projects)</u> <u>(205/206)</u>
EXPENDITURES (continued)			
100 Instruction (continued)			
190 Instructional Pupil Activity			
300 Purchased Services	-	-	-
400 Supplies and Materials	1,423	-	-
	<u>1,423</u>	<u>-</u>	<u>-</u>
Total Instruction	\$ 684,061	\$ 373,806	\$ 31,592
200 Supporting Services			
210 Pupil Services			
211 Attendance and Social Work Services			
300 Purchased Services	\$ -	\$ -	\$ -
212 Guidance Services			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
213 Health Services			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	3,010	-
214 Psychological Services			
100 Salaries	-	7,307	-
200 Employee Benefits	-	1,738	-
300 Purchased Services	-	6,608	-
400 Supplies and Materials	-	4,467	-
600 Other Objects	-	1,090	-
217 Career Specialist Services			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	9,082	-
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
223 Supervision of Special Programs			
100 Salaries	47,864	107,104	-
200 Employee Benefits	12,580	36,690	-
300 Purchased Services	9,832	22,822	-
400 Supplies and Materials	7,311	19,295	-
600 Other Objects	275	719	-

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
21,380	343	-	21,723
-	6,802	9,110	17,335
<u>\$ 21,380</u>	<u>\$ 523,344</u>	<u>\$ 585,480</u>	<u>\$ 2,219,663</u>

\$ - \$ - \$ 250 \$ 250

6,000 38,684 - 44,684
459 9,612 - 10,071

- 83,142 - 83,142
- 9,638 - 9,638
- - - 3,010

- - 41,973 49,280
- - 18,210 19,948
- - - 6,608
- - - 4,467
- - - 1,090

- 25,421 - 25,421
- 7,779 - 7,779
- - - 9,082

- 1,500 65,143 66,643
- 359 23,721 24,080
- - 65,275 65,275
- 3,931 12,541 16,472

- - 26,000 180,968
- - 6,244 55,514
1,408 - 110 34,172
- - - 26,606
- - - 994

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>TITLE I</u> <u>(BA Projects)</u> <u>(201/202)</u>	<u>IDEA</u> <u>(CA Projects)</u> <u>(203/204)</u>	<u>PRESCHOOL</u> <u>HANDICAPPED</u> <u>(CG Projects)</u> <u>(205/206)</u>
EXPENDITURES (continued)			
200 Supporting (continued)			
220 Instructional Staff Services (continued)			
224 Improvement of Instruction - Inservice Training			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	9,642	7,510	-
400 Supplies and Materials	477	1,000	-
600 Other Objects	-	197	-
230 General Administration Services			
233 School Administration			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
250 Finance and Operations Services			
251 Student Transportation			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	1,944	-
254 Operation and Maintenance of Plant			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	8,692	-	-
400 Supplies and Materials	92	-	-
470 Energy	2,791	-	-
258 Security			
300 Purchased Services	661	-	-
260 Central Support Services			
264 Staff Services			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
270 Support Services - Pupil Activity			
271 Pupil Service Activities			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	627	-	-
Total Supporting Services	<u>\$ 100,844</u>	<u>\$ 230,583</u>	<u>\$ -</u>

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
-	-	214,116	214,116
-	-	61,198	61,198
3,530	26,111	20,650	67,443
-	940	2,330	4,747
-	-	-	197
-	-	17,877	17,877
-	-	1,528	1,528
-	-	1,811	1,811
-	-	371	371
-	-	2,582	4,526
-	-	247	247
-	-	60	60
-	-	-	8,692
-	-	-	92
-	-	-	2,791
-	-	-	661
-	-	17,416	17,416
-	-	1,487	1,487
-	13,617	12,144	25,761
-	3,204	2,825	6,029
-	26,117	31,069	57,813
<u>\$ 11,397</u>	<u>\$ 250,055</u>	<u>\$ 647,178</u>	<u>\$ 1,240,057</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	<u>TITLE I (BA Projects) (201/202)</u>	<u>IDEA (CA Projects) (203/204)</u>	<u>PRESCHOOL HANDICAPPED (CG Projects) (205/206)</u>
EXPENDITURES (continued)			
400 Other Charges			
410 Intergovernmental Expenditures			
411 Payments to SDE			
720 Transits	\$ -	\$ -	\$ -
414 Medicaid Payments to SDE			
720 Transits	<u>-</u>	<u>-</u>	<u>-</u>
Total Intergovernmental Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u>\$ 784,905</u>	<u>\$ 604,389</u>	<u>\$ 31,592</u>
Excess Revenues Over (Under) Expenditures	<u>\$ 35,713</u>	<u>\$ 38,656</u>	<u>\$ 1,988</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers From (To) Other Funds			
431-791 Special Revenue Fund Indirect Costs	<u>\$ (35,713)</u>	<u>\$ (38,656)</u>	<u>\$ (1,988)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (35,713)</u>	<u>\$ (38,656)</u>	<u>\$ (1,988)</u>
Excess Revenues and Expenditures Over (Under) Other Financing Sources (Uses)	\$ -	\$ -	\$ -
FUND BALANCE JULY 1, 2013	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE JUNE 30, 2014	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OCCUPATIONAL EDUCATION (VA Projects) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
\$ -	\$ -	\$ 23,822	\$ 23,822
<u>-</u>	<u>-</u>	<u>53,950</u>	<u>53,950</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>77,772</u>	\$ <u>77,772</u>
\$ <u>32,777</u>	\$ <u>773,399</u>	\$ <u>1,310,430</u>	\$ <u>3,537,492</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>15,359</u>	\$ <u>91,716</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>(15,359)</u>	\$ <u>(91,716)</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>(15,359)</u>	\$ <u>(91,716)</u>
\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

<u>SUBFUND CODE</u>	<u>REVENUE CODE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>
919	3193	Education License Plates	\$ 572
924	3134	CDEP Expansion	417,491
926	3177	Summer Reading Camp	-
928	3118	EEDA Career Specialist	81,496
936	3136	Student Health and Fitness - Nurses	92,780
937	3127	Student Health and Fitness - PE Teachers	16,278
960	3610	K-5 Enhancement	127,242
965	3620	Digital Instructional Materials	-
967	3607	6-8 Enhancement	9,551
982	2300	First Steps/Parenting	<u>27,989</u>
TOTALS			\$ <u><u>773,399</u></u>

<u>EXPENDITURES</u>	<u>SPECIAL PROJECTS INTERFUND TRANSFERS IN/(OUT)</u>	<u>OTHER FUND TRANSFERS IN/(OUT)</u>	<u>UNEARNED REVENUE</u>
\$ 572	\$ -	\$ -	-
417,491	-	-	34,783
-	-	-	1,210
81,496	-	-	-
92,780	-	-	-
16,278	-	-	16,910
127,242	-	-	10,000
-	-	-	11,859
9,551	-	-	-
27,989	-	-	-
<u>\$ 773,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>74,762</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL PROGRAMS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
REVENUES	
3000 Revenue from State Sources	
3500 Education Improvement Act	
3502 ADEPT	\$ 9,803
3505 Technology Support	4,772
3511 Professional Development	12,773
3518 Formative Assessment	5,036
3525 Career and Technology Education Equipment	41,065
3526 Refurbishment of K-8 Science Kits	5,722
3532 National Board Certification (NBC) Salary Supplement	169,359
3533 Teacher of the Year Awards	1,077
3538 Students At Risk of School Failure	496,751
3544 High Achieving Students	20,602
3550 Teacher Salary Increase	422,867
3555 School Employer Contributions	56,225
3558 Reading	9,735
3577 Teacher Supplies	50,875
3578 High Schools That Work/Making Middle Grades Work	22,284
3585 Aid to Districts - Special Education	109,297
3592 Work-Based Learning	1,384
3597 Aid to Districts	105,263
Total State Sources	\$ 1,544,890
TOTAL REVENUE ALL SOURCES	\$ 1,544,890
EXPENDITURES	
100 Instruction	
110 General Instruction	
111 Kindergarten Programs	
100 Salaries	\$ 7,500
200 Employee Benefits	1,795
400 Supplies and Materials	2,200
112 Primary Programs	
100 Salaries	81,633
200 Employee Benefits	26,836
400 Supplies and Materials	22,492
113 Elementary Programs	
100 Salaries	54,617
200 Employee Benefits	12,661
400 Supplies and Materials	28,501
114 High School Programs	
100 Salaries	69,111
200 Employee Benefits	20,542
400 Supplies and Materials	22,790

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL PROGRAMS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	<u>ACTUAL</u>
100 Instruction (continued)	
110 General Instruction (continued)	
115 Career and Technology Education Programs	
300 Purchased Services	7,792
400 Supplies and Materials	550
500 Capital Outlay	41,065
120 Exceptional Programs	
121 Educable Mentally Handicapped	
100 Salaries	22,535
200 Employee Benefits	2,047
400 Supplies and Materials	3,025
122 Trainable Mentally Handicapped	
100 Salaries	23,345
200 Employee Benefits	1,995
400 Supplies and Materials	550
125 Hearing Handicapped	
400 Supplies and Materials	50
126 Speech Handicapped	
400 Supplies and Materials	550
127 Learning Disabilities	
300 Purchased Services	237
400 Supplies and Materials	33,987
130 Pre-School Programs	
133 Pre-School Handicapped Self-Contained (5 Yr. Olds)	
100 Salaries	7,500
200 Employee Benefits	1,796
137 Pre-School Handicapped Self-Contained (3&4 Yr. Olds)	
100 Salaries	12,195
200 Employee Benefits	2,794
400 Supplies and Materials	275
139 Early Childhood Programs	
400 Supplies and Materials	1,650
140 Special Programs	
141 Gifted and Talented - Academic	
100 Salaries	7,525
200 Employee Benefits	1,744
400 Supplies and Materials	4,919

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL PROGRAMS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

EXPENDITURES (continued)	<u>ACTUAL</u>
100 Instruction (continued)	
140 Special Programs	
147 CDEPP	
100 Salaries	21,947
200 Employee Benefits	5,268
149 Other Special Programs	
100 Salaries	192,975
200 Employee Benefits	64,272
400 Supplies and Materials	4,774
160 Other Exceptional Programs	
161 Autism	
100 Salaries	84,853
200 Employee Benefits	7,306
300 Purchased Services	910
180 Adult/Continuing Educational Programs	
188 Parenting/Family Literacy	
100 Salaries	48,289
200 Employee Benefits	23,509
Total Instruction	\$ 982,907
200 Supporting Services	
210 Pupil Services	
212 Guidance Services	
400 Supplies and Materials	\$ 1,650
220 Instructional Staff Services	
221 Improvement of Instruction - Curriculum Development	
100 Salaries	11,500
200 Employee Benefits	2,701
300 Purchased Services	5,162
400 Supplies and Materials	3,169
222 Library and Media	
100 Salaries	7,500
200 Employee Benefits	1,809
400 Supplies and Materials	1,375

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL PROGRAMS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
EXPENDITURES (continued)	
200 Supporting Services (continued)	
220 Instructional Staff Services (continued)	
224 Improvement of Instruction - Inservice and Staff Training	
100 Salaries	5,355
200 Employee Benefits	1,102
300 Purchased Services	15,762
400 Supplies and Materials	6,104
230 General Administration Services	
233 School Administration	
100 Salaries	4,716
200 Employee Benefits	403
250 Finance and Operations Services	
251 Student Transportation (Federal/District Mandated)	
100 Salaries	7,936
200 Employee Benefits	1,875
260 Central Support Services	
266 Technology and Data Processing Services	
300 Purchased Services	4,178
400 Supplies and Materials	594
Total Supporting Services	\$ 82,891
TOTAL EXPENDITURES	\$ 1,065,798
Excess Revenues Over (Under) Expenditures	\$ 479,092
OTHER FINANCING SOURCES (USES)	
Interfund Transfers From (To) Other Funds	
420-710 Transfer to General Fund (Excludes Indirect Costs)	\$ (479,092)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (479,092)
Excess Revenues and Expenditures Over (Under) Other Financing Sources (Uses)	\$ -
FUND BALANCE JULY 1, 2013	-
FUND BALANCE JUNE 30, 2014	\$ -

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR FISCAL YEAR ENDED JUNE 30, 2014**

PROGRAM	<u>REVENUES</u>
3500 Education Improvement Act:	
3502 ADEPT	\$ 9,803
3505 Technology Support	4,772
3511 Professional Development	12,773
3518 Formative Assessment	5,036
3525 Career and Technology Education Equipment	41,065
3526 Refurbishment of K-8 Science Kits	5,722
3532 National Board Certification (NBC) Salary Supplement	169,359
3533 Teacher of the Year Awards	1,077
3538 Students At Risk of School Failure	496,751
3544 High Achieving Students	20,602
3550 Teacher Salary Increase	422,867
3555 School Employer Contributions	56,225
3558 Reading	9,735
3577 Teacher Supplies	50,875
3578 High Schools That Work/Making Middle Grades Work	22,284
3585 Aid to Districts - Special Education	109,297
3592 Work-Based Learning	1,384
3594 EEDA At Risk Supplemental Programs	-
3597 Aid to Districts	<u>105,263</u>
TOTALS	\$ <u><u>1,544,890</u></u>

<u>EXPENDITURES</u>	<u>EIA INTERFUND TRANSFERS IN/(OUT)</u>	<u>OTHER FUND TRANSFERS IN/(OUT)</u>	<u>UNEARNED REVENUE</u>
\$ 9,803	\$ -	\$ -	\$ 2,456
4,772	-	-	-
12,773	-	-	9,604
5,036	-	-	-
41,065	-	-	28,078
5,722	-	-	8,571
169,359	-	-	-
1,077	-	-	-
496,751	-	-	-
20,602	-	-	22,019
-	-	(422,867)	-
-	-	(56,225)	-
9,735	-	-	19,916
50,875	-	-	-
22,284	-	-	10,437
109,297	-	-	-
1,384	-	-	6,155
-	-	-	2,858
105,263	-	-	-
<u>\$ 1,065,798</u>	<u>\$ -</u>	<u>\$ (479,092)</u>	<u>\$ 110,094</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
REVENUES	
1000 Revenue From Local Sources	
1100 Taxes	
1110 Ad Valorem Taxes - Including Delinquent Taxes	\$ 1,460,136
1200 Revenue from Local Governmental Units Other than LEAs	
1280 Revenue in Lieu of Taxes	171,391
1500 Earnings on Investments	
1510 Interest on Investments	3,557
Total Local Sources	\$ 1,635,084
3000 Revenue From State Sources	
3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption	\$ 77,700
3830 Merchant's Inventory Tax	4,765
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	45,703
Total State Sources	\$ 128,168
TOTAL REVENUE ALL SOURCES	\$ 1,763,252
EXPENDITURES	
500 Debt Service	
610 Redemption of Principal	\$ 1,285,000
620 Interest	321,069
690 Other Objects (Includes Fees for Servicing Bonds)	1,037
TOTAL EXPENDITURES	\$ 1,607,106
Excess Revenues Over (Under) Expenditures	\$ 156,146
OTHER FINANCING SOURCES (USES)	
Interfund Transfers From (To) Other Funds	
424-710 Transfer to School Building Fund	\$ (403,536)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (403,536)
Excess Revenues Over (Under) Expenditures Over Other Financing Sources (Uses)	\$ (247,390)
FUND BALANCE JULY 1, 2013	2,043,829
Adjustment to Fund Balance	52,384
FUND BALANCE JUNE 30, 2014	\$ 1,848,823

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
REVENUES	
1000 Revenue From Local Sources	
1500 Earnings on Investments	
1510 Interest on Investments	\$ 1,431
Total Local Sources	\$ 1,431
TOTAL REVENUE ALL SOURCES	\$ 1,431
EXPENDITURES	
200 Supporting Services	
250 Finance and Operations	
253 Facilities Acquisition & Construction	
300 Purchased Services	\$ 155,140
400 Supplies and Materials	130,113
500 Capital Outlay	
520 Construction Services	80,253
525 Buildings	23,305
540 Equipment	64,176
Total Supporting Services	\$ 452,987
500 Debt Service	
690 Other Objects	\$ 3,424
Total Debt Service	\$ 3,424
TOTAL EXPENDITURES	\$ 456,411
Excess Revenues Over (Under) Expenditures	\$ (454,980)
OTHER FINANCING SOURCES (USES)	
Interfund Transfers From (To) Other Funds	
5240 Transfer from Debt Service Fund	\$ 403,536
420-710 Transfer to General Fund (Excludes Indirect Costs)	(400,111)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 3,425
Excess (Deficiency) of Revenues and Expenditures Over Other Financing Sources (Uses)	\$ (451,555)
FUND BALANCE JULY 1, 2013	789,071
FUND BALANCE JUNE 30, 2014	\$ 337,516

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2014**

REVENUES	<u>ACTUAL</u>
1000 Revenue From Local Sources	
1500 Earnings on Investments	
1510 Interest on Investments	\$ 35
1600 Food Service	
1610 Lunch Sales to Pupils	69,154
1630 Special Sales to Pupils	53,954
1640 Lunch Sales to Adults	43,014
1650 Breakfast Sales to Adults	6,991
1660 Special Sales to Adults	4,693
1900 Other Revenue From Local Sources	
1999 Revenue from Other Local Sources	<u>6,000</u>
Total Local Sources	<u>\$ 183,841</u>
3000 Revenue From State Sources	
3900 Other State Sources	
3999 Revenue from Other State Sources	<u>\$ 186</u>
Total State Sources	<u>\$ 186</u>
4000 Revenue From Federal Sources	
4800 USDA Reimbursement	
4810 School Lunch Program	\$ 760,555
4830 School Breakfast Program	326,569
4860 Fresh Fruits & Vegetables Program	6,258
4900 Other Federal Sources	
4991 USDA Commodities	73,516
4999 Revenue from Other Federal Sources	<u>278,936</u>
Total Federal Sources	<u>\$ 1,445,834</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 1,629,861</u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
EXPENSES	
250 Finance and Operations	
256 Food Service	
100 Salaries	\$ 586,679
300 Purchased Services	92,451
400 Supplies and Materials	878,562
500 Capital Outlay	29,648
600 Other Objects	4,094
	1,591,434
TOTAL EXPENSES	\$ 1,591,434
Change in Net Position	\$ 38,427
NET POSITION JULY 1, 2013	56,341
Adjustment to Net Position	23,898
NET POSITION JUNE 30, 2014	\$ 118,666

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
PUPIL ACTIVITY FUND
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN AMOUNTS DUE TO THIRD PARTIES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	ACTUAL
RECEIPTS	
1000 Receipts From Local Sources	
1500 Earnings on Investments	
1510 Interest on Investments	\$ 53
1700 Pupil Activities	
1740 Student Fees	16,308
1790 Other	477,260
	493,621
Total Receipts from Local Sources	\$ 493,621
TOTAL RECEIPTS ALL SOURCES	\$ 493,621
DISBURSEMENTS	
190 Instructional Pupil Activity	
660 Pupil Activity	\$ 23,119
270 Supporting Services Pupil Activity	
271 Pupil Service Activities	
660 Pupil Activity	405,222
272 Enterprise Activities	
660 Pupil Activity	47,219
273 Trust and Agency Activities	
660 Pupil Activity	2,894
	478,454
TOTAL DISBURSEMENTS	\$ 478,454
Excess Receipts Over (Under) Disbursements	\$ 15,167
DUE TO THIRD PARTIES JULY 1, 2013	110,429
DUE TO THIRD PARTIES JUNE 30, 2014	\$ 125,596

Note: This schedule is presented as prescribed by the S.C. State Department of Education.

**SUPPLEMENTAL SCHEDULES
REQUIRED BY
THE S.C. STATE DEPARTMENT OF EDUCATION**

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 FOR FISCAL YEAR ENDED JUNE 30, 2014**

PROGRAM	PROJECT/GRANT NUMBER	REVENUE & SUBFUND CODE	DESCRIPTION	AMOUNT DUE TO SDE/FED GOV'T
School Climate Initiative	14CP031	4940/240	Overclaimed Funds	\$ 23,822
Medicaid	N/A	1930/801	Local Match	<u>8,991</u>
TOTALS				\$ <u><u>32,813</u></u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
LOCATION RECONCILIATION SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

<u>LOCATION</u>	<u>LOCATION DESCRIPTION</u>	<u>EDUCATION LEVEL</u>	<u>COST TYPE</u>	<u>TOTAL EXPENDITURES</u>
10	District Office	Non-Schools	Central	\$ 6,135,393
15	Office of Curriculum/OPEC	Non-Schools	Central	6,924
20	Harleyville-Ridgeville	Elementary Schools	School	3,024,934
30	Williams Memorial	Elementary Schools	School	6,245,436
40	St. George	Middle Schools	School	3,431,244
50	Woodland	High Schools	School	6,169,653
70	Odyssey Education Center	Other Schools	School	822,686
71	Clay Hill	Elementary Schools	School	2,474,117
72	Harleyville-Ridgeville	Middle Schools	School	2,495,784
80	Dorchester Academy	Other Schools	School	9,020
91	Family Literacy/Parenting	Non-Schools	Central	9,787
92	Adult Education	Other Schools	School	40,519
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ <u><u>30,865,497</u></u>

The above expenditures are reconciled to the district's financial statements as follows:

General Fund (Subfunds 100s)	\$ 22,128,802
Special Revenue Fund (Subfunds 200s, 800s, 900s)	3,537,492
Special Revenue EIA Fund (Subfunds 300s)	1,065,798
Debt Service Fund (Subfunds 400s)	1,607,106
Capital Projects Fund (School Building) (Subfunds 500s)	456,411
Proprietary Fund (Food Service) (Subfunds 600s)	1,591,434
Trust and Agency Fund (Pupil Activity) (Subfunds 700s)	478,454
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ <u><u>30,865,497</u></u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SPECIAL PROJECTS FUND
SUBFUND CODE LIST
FOR FISCAL YEAR ENDED JUNE 30, 2014**

OTHER RESTRICTED STATE GRANTS

919	Education License Plates
924	CDEP Expansion
928	EEDA Career Specialist
936	Student Health and Fitness - Nurses
937	Student Health and Fitness - PE Teachers
960	K-5 Enhancement
967	6-8 Enhancement
982	First Steps - Parenting

OTHER SPECIAL REVENUE GRANTS

212	IDEA Extended School Year
224	21st Century Community Learning Centers Program
237	Title I School Improvement
240	South Carolina School Climate Initiative
245	Title II Teacher Advancement Program (TAP)
251	Rural and Low-Income School Program, Title VI
267	Improving Teacher Quality
268	Teacher Incentive Grant
801	Medicaid - OPEC
803	Gear Up
814	E-Rate
816	Character Education
818	Camp Friendship - Extended School Year
834	Sprint-Lights of Character
840	Trident United Way
847	Williams Memorial Elementary Homework Center
848	Project Lead the Way
849	ESOL Program
850	Profoundly Mentally Disabled

SINGLE AUDIT SECTION



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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**

To the Board of Trustees
Dorchester County School District Number Four
St. George, South Carolina

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, the business-type activities, each major fund, and the aggregate remaining fund information of Dorchester County School District Number Four as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 20, 2014.

Internal Control Over Financial Reporting

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

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

Our consideration of 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. This deficiency is listed as item 2014-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the District in a separate letter dated November 20, 2014.

Auditee's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of the 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.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Pawleys Island, South Carolina
November 20, 2014



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**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Trustees
Dorchester County School District Number Four
St. George, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Dorchester County School District Number Four's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the 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, 2014.

Report on Internal Control Over Compliance

Management of the 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, we considered the 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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Pawleys Island, South Carolina
November 20, 2014

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the basic financial statements.
2. One significant deficiency was disclosed during the audit of the basic financial statements. This deficiency is not reported as a material weakness.
3. No instances of noncompliance were disclosed during the audit of the basic financial statements.
4. No control deficiencies were disclosed during the audit of major federal award programs.
5. The auditor's report on compliance for major federal award programs expresses an unmodified opinion.
6. There are no audit findings relative to major federal award programs reported in Part C.
7. The following programs were tested as major programs:

<u>Program Title</u>	<u>CFDA No.</u>
Title I, Part A Cluster:	
Title I	84.010
Title I School Improvement	84.010
After School Learning Center	84.287

8. The threshold for distinguishing types A and B programs was \$300,000.
9. The District was determined to be a low risk auditee.

B. Findings - Financial Statement Audit

2014-001 Segregation of Duties

Significant Deficiency: The District does not maintain overall adequate segregation of duties.

Criteria: Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with management's assertions and that assets are safeguarded against loss or theft.

Cause: Limited staff with overlapping duties.

Effect: Errors may occur and may not be detected by management.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

B. Findings - Financial Statement Audit (continued)

2014-001 Segregation of Duties (continued)

Recommendation: Different personnel, to the extent feasible, should be given the responsibility of authorizing transactions, recording transactions, and maintaining custody of assets.

Management's Response: There are certain responsibilities which overlap because of the District's size. Management will continue to make improvements in controls when possible.

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

None.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

LEA SUBFUND CODE	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	TOTAL EXPENDITURES
U.S. DEPARTMENT OF EDUCATION				
Passed Through State Department of Education:				
Title I, Part A Cluster:				
201	Title I Grants to LEA's	84.010	14BA031	\$ 820,618 *
237	Title I - School Improvement	84.010	12BJ031	62,733 *
Special Education Cluster:				
203	IDEA	84.027	12CA031	72,954
203	IDEA	84.027	13CA031	155,522
203	IDEA	84.027	14CA031	414,569
205	Preschool Grant	84.173	12CG031	7,573
205	Preschool Grant	84.173	13CG031	743
205	Preschool Grant	84.173	14CG031	25,264
212	IDEA - Extended School Year	84.027	N/A	6,015
Vocational Education (CATE):				
207	Subprogram 01	84.048	14VA031	1,000
207	Subprogram 03	84.048	14VA031	1,068
207	Subprogram 04	84.048	14VA031	1,462
207	Subprogram 09	84.048	14VA031	6,459
207	Subprogram 10	84.048	14VA031	21,380
207	Subprogram 15	84.048	14VA031	1,408
224	After School Learning Center	84.287	14CL031	137,923 *
240	School Climate Initiative	84.184Y	13CP031	23,822
240	School Climate Initiative	84.184Y	14CP031	35,780
251	Rural and Low-Income Schools, Title VI	84.358	13BS031	5,738
251	Rural and Low-Income Schools, Title VI	84.358	14BS031	34,073
245	Title II - TAP	84.367	14TP031	23,880
267	Title II - Improving Teacher Quality	84.367	13TQ031	74,581
267	Title II - Improving Teacher Quality	84.367	14TQ031	123,696
268	Teacher Incentive	84.374	13TT031	16,196
268	Teacher Incentive	84.374	14TT031	302,377
Passed Through SC Commission on Higher Ed:				
803	Gear Up	84.334	P334S110019	<u>94,771</u>
Total U.S. Department of Education				\$ <u>2,471,605</u>
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through State Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
600	School Lunch Program	10.555	N/A	\$ 73,516
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	326,569
600	School Lunch Program	10.555	N/A	760,555
602	Fresh Fruits and Vegetables	10.582	N/A	6,258
Passed Through SC Department of Social Services:				
Child Nutrition Cluster:				
603	Summer Food Service for Children	10.559	SF-263	<u>278,936</u>
Total U.S. Department of Agriculture				(See Disclosure) \$ <u>1,445,834</u> **

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

<u>LEA SUBFUND CODE</u>	<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>TOTAL EXPENDITURES</u>
U.S. DEPARTMENT OF DEFENSE				
100	Direct Program: ROTC	N/A	N/A	\$ <u>59,899</u>
TOTAL FEDERAL AWARDS EXPENDED				\$ <u><u>3,977,338</u></u>

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

Notes to Schedule of Expenditures of Federal Awards:

* Denotes a major program

** The accounting system used by South Carolina LEAs does not allow for the segregation of expenditures by fund source in the Food Service Fund. The total amount displayed under “Total USDA” excludes \$184,027 of expenditures from state and local revenue sources. A detailed schedule of the Food Service Fund is included in this audit report.

1. The Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting and includes the federal grant activity of Dorchester County School District Number Four. The information in this schedule is presented in conformity with the requirements of OMB Circular A-133, “*Audits of States, Local Governments, and Non-Profit Organizations.*” Because the Schedule presents only a selected portion of the operations of Dorchester County School District Number Four, it is not intended to and does not present financial position or changes in net position.
2. Non-monetary assistance provided by the U.S. Department of Agriculture is reported in the schedule at the fair value of commodities received. Dorchester County School District Number Four received \$73,516 in the form of federal non-cash USDA commodities for the year ended June 30, 2014. The School Breakfast Program, unlike the School Lunch Program, does not generate separate commodity entitlements; therefore, commodities used in the School Breakfast Program are deemed to be awarded under the School Lunch Program and reported as such in the Schedule of Expenditures of Federal Awards.
3. The District receives ROTC funding through a direct program with the U.S. Department of Defense. Amounts received for ROTC, as reported in the accompanying Schedule of Expenditures of Federal Awards, have been recorded as intergovernmental revenue sources in the District’s financial statements.

**DORCHESTER COUNTY SCHOOL DISTRICT NUMBER FOUR
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

There are no prior year audit findings relating to federal award programs that are required by Circular A-133 to be reported in the Summary Schedule of Prior Audit Findings for the year ended June 30, 2014.