

**South Carolina
Office of the State Inspector General**

Columbia, South Carolina

State Auditor's Report

**Selected Procedures
For the Fiscal Year Ended June 30, 2023**

and

For the Period July 1, 2023, through March 31, 2024



Independent Accountant's Report on Applying Agreed Upon Procedures

April 10, 2024

Mr. Brian D. Lamkin, Inspector General
South Carolina Office of the State Inspector General
Columbia, South Carolina

We have performed the procedures described in Attachment 1 on the systems, processes and behaviors related to financial activity of the South Carolina Office of the State Inspector General (the Office) for the fiscal year ended June 30, 2023, and for the period July 1, 2023, through March 31, 2024. The Office's management is responsible for the systems, processes and behaviors related to financial activity.

The Office's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of understanding the systems, processes and behaviors related to financial activity. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We were engaged by the Office to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the systems, processes and behaviors related to financial activity of the Office for the engagement periods. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The concept of materiality does not apply to findings to be reported in an agreed-upon procedures engagement. Therefore, all findings from the application of the agreed-upon procedures must be reported unless the definition of materiality is agreed to by the Office's management. Management of the Office has agreed that the following deficiencies will not be included in the State Auditor's Report on Applying Agreed-Upon Procedures:

- Errors of less than \$1,000 related to non-payroll procedures.

We are required to be independent of the Office and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Office, and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

George L. Kennedy, III, CPA
State Auditor

**South Carolina Office of the State Auditor
Agreed - Upon Procedures Related to the South Carolina Office of the State Inspector General (D25)**

The following procedures were performed for the fiscal year ended June 30, 2023:

Lease Reporting

1. Obtain the Lease Reporting Package to determine:
 - The payment schedule for each leased asset agrees to the lease provided by the Office.
 - The principal amount for each leased asset agrees to the asset's value on the South Carolina Enterprise Information System (SCEIS) asset history sheet.
 - The lease principal and interest general ledger account balances in SCEIS agree to the payment schedule on the package for payments made during the fiscal year.

We found no exceptions as a result of the procedure.

Assets and Personal Property

2. Inspect the inventory of personal property, excluding expendables, provided by the Office to determine that it was completed during the fiscal year as required by South Carolina Code of Laws Section 10-1-140.

We found no exceptions as a result of the procedure.

The following procedures were performed for the period July 1, 2023, through March 31, 2024:

Cash Disbursements/Non-Payroll Expenditures

3. Haphazardly select ten non-payroll disbursements and inspect invoices to determine:
 - Disbursement is properly completed as required by the Office's procedures and invoice agrees with general ledger as to vendor, amount, date, and account classification.
 - Disbursement approval was performed by an individual, with proper authority, other than the preparer.
 - Disbursement is a valid expenditure of the Office.
 - Disbursement is recorded in the proper fiscal year.

We found no exceptions as a result of the procedure.

Payroll

4. Haphazardly select five employee payments during the fiscal year to:
 - Inspect the employee's payroll and personnel file for various forms, communications, etc., to determine that the person is a true employee of the Office.
 - Confirm the payment was properly calculated using the approved salary for the employee.

We found no exceptions as a result of the procedure.