

**South Carolina Criminal Justice Academy**

**Columbia, South Carolina**

**State Auditor's Report**

**June 30, 2020**



Independent Accountant's Report on Applying Agreed Upon Procedures

July 27, 2021

Mr. Lewis J. Swindler, Director  
and  
Members of the Law Enforcement Training Council  
South Carolina Criminal Justice Academy  
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 Criminal Justice Academy (the Academy) for the fiscal year ended June 30, 2020. The Academy's management is responsible for the systems, processes and behaviors related to financial activity.

The Academy'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 Academy 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 Academy for the year ended June 30, 2020. 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 Committee's management. Management of the Academy 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 cash receipts and non-payroll cash disbursements transactions.
- Errors of less than \$1,000 related to reporting packages.

We are required to be independent of the Academy 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 governing body and management of the South Carolina Criminal Justice Academy, 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

**SC Office of the State Auditor  
Agreed Upon Procedures Related to the South Carolina Criminal Justice Academy (N20)**

**Cash Receipts/Revenues**

1. Haphazardly select four cash receipts transactions and inspect supporting documentation to determine:
  - Supporting documentation for transaction agrees with the general ledger as to amount, date, payor, and account classification.
  - Revenues/receipts were deposited in a timely manner, in accordance with Proviso 117.1 of the fiscal year 2020 Appropriation Act.
  - Both revenue collections and amounts charged are properly authorized by law and that any fee increases are in accordance with Proviso 117.7 of the fiscal year 2020 Appropriation Act.
  - Receipts are recorded in the proper fiscal year.

We found no exceptions as a result of this procedure.

**Cash Disbursements/Non-payroll Expenditures**

2. Haphazardly select eight non-payroll disbursements and inspect supporting documentation to determine:
  - The transaction is properly completed as required by Academy procedures and invoice(s) agree(s) with general ledger as to vendor, amount, and date.
  - All supporting documents and approvals are present and agree with the invoice.
  - The transaction is an actual expenditure of the Academy.
  - The transaction is properly classified in the general ledger.
  - Disbursement is recorded in the proper fiscal year.
  - Clerical accuracy.

For federally funded cash disbursements/non-payroll expenditures, inspect supporting documentation to determine:

- Charges are in accordance with the requirements of the program, incurred during the approved grant period, and applied uniformly to both federally assisted and other activities of the recipient.

**Finding**

A \$65,014 disbursement with a service date range of July 1, 2020 through June 30, 2021 (fiscal year 2021) was paid in fiscal year 2020. The Academy did not identify the prepaid expense in the South Carolina Enterprise Information System (SCEIS) or submit a fiscal year 2020 Prepaid Expenses Reporting Package recognizing this transaction.

**Management Response**

The Academy will require that anyone creating a shopping cart enter the time frame covered for this shopping cart in SCEIS. Also, a log will be created to post all prepaid items. This will be used to confirm when a Prepaid Expenses Reporting Package is required.

**Payroll**

3. Haphazardly select three employees hired during the fiscal year to determine if they were added to the payroll in accordance with the Academy's policies and procedures and that their first paycheck was properly calculated in accordance with applicable State law.

We found no exceptions as a result of this procedure.

## Journal Entries and Transfers

4. Haphazardly select six journal entries and transfers and inspect supporting documentation to determine:
  - Postings in the general ledger agree to supporting documentation.
  - Transaction is properly approved.
  - The purpose of the transaction.

We found no exceptions as a result of this procedure.

## Reporting Packages

5. Inspect fiscal year end reporting packages submitted to the Office of the State Comptroller General (CG). Compare responses in the Master Reporting Package Checklist and any required supplemental information to year end reporting packages submitted to the CG, SCEIS and Academy prepared records. Additionally, compare the dates submitted to the due dates established by the CG's Reporting Policies and Procedures Manual.
6. In addition to the procedure above, perform the following:
  - Inventory Reporting Package

Agree amounts to the *SCEIS Yearend Reporting - Inventory* report. In addition, agree the Academy's reconciliation of physical inventory to the SCEIS general ledger and Academy prepared records.
  - Subsequent Events Questionnaire

Compare responses and any required supplemental information to the SCEIS general ledger and Academy prepared records.

We found no exceptions as a result of these procedures.

## Assets and Personal Property

7. Haphazardly select two capital asset acquisitions and inspect supporting documentation to determine that each asset was properly capitalized and posted to the general ledger in accordance with the CG's Reporting Policies and Procedures Manual.
8. Haphazardly select two capital asset retirements and inspect supporting documentation to determine that each asset was approved for removal and removed from the general ledger in accordance with the CG's Reporting Policies and Procedures Manual.
9. Through inquiry of management and inspection of supporting documentation, determine that an inventory of Academy property, excluding expendables, 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 these procedures.

## Status of Prior Finding

10. Through inquiry of management and inspection of supporting documentation, determine the Academy has taken appropriate corrective action on the finding reported during the engagement for the prior fiscal year.

We determined that the Academy has taken adequate corrective action on the finding reported during the engagement for the prior fiscal year.