

**South Carolina
Confederate Relic Room and Military Museum**

Columbia, South Carolina

State Auditor's Report

June 30, 2020



Independent Accountant's Report On Applying Agreed-Up Procedures

August 23, 2021

Mr. W. Allen Roberson, Executive Director
and
Members of the Commission
South Carolina Confederate Relic Room and Military Museum
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 Confederate Relic Room and Military Museum (the Museum) for the fiscal year ended June 30, 2020. The Museum's management is responsible for the systems, processes and behaviors related to financial activity.

The Museum'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 Museum 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 Museum 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 Museum's management. Management of the Museum has agreed that the following deficiencies will not be included in the State Auditor's Report on Applying Agreed-Up 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 Museum 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 Commission and management of the South Carolina Confederate Relic Room and Military Museum, 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 South Carolina Confederate Relic Room and Military Museum (H96)****Cash Receipts/Revenues**

1. Haphazardly select ten cash receipts transactions and inspect supporting documentation to determine:
 - Supporting documentation for the 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.
 - Receipts are recorded in the proper fiscal year.

We found no exceptions as a result of the procedure.

Cash Disbursements/Non-payroll Expenditures

2. Haphazardly select five non-payroll disbursements and inspect supporting documentation to determine:
 - The transaction is properly completed as required by Museum 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 Museum.
 - The transaction is properly classified in the general ledger.
 - Disbursement is recorded in the proper fiscal year.
 - Clerical accuracy.

3. Haphazardly select five purchasing card transactions from the Office of the State Comptroller General's (CG) listing of purchasing card transactions for fiscal year 2020 and inspect supporting documentation to determine:
 - The cardholder is an authorized user and individual credit limits have been properly approved in accordance with Museum policies.
 - The purchase is authorized based on the cardholder's job title/position.
 - The monthly purchase summary was submitted along with applicable receipts and signed by both the supervisor and cardholder.
 - The purchase did not exceed the single transaction limit or the individual credit limit and there was no indication of transaction splitting.

We found no exceptions as a result of the procedures.

Payroll

4. Haphazardly select three employee payments during the fiscal year to:
 - Inspect the employee's payroll and/or personnel file for various forms, communications, etc., to determine that the person is a true employee of the Museum.

For Salaried Employees:

- Agree gross pay to supporting documentation of gross salary for the fiscal year. Inspect any changes for proper approval.

For Hourly Employees:

- Agree the hourly rate to supporting documentation. Inspect time sheets for proper approval and recalculate gross pay.

Payroll (Continued)

5. Inspect the sole full-time equivalent employee who terminated employment during the fiscal year to determine if the employee was removed from the payroll in accordance with the Museum's policies and procedures, and that the employee's last paycheck, including any leave payout, was properly calculated in accordance with applicable State law.

We found no exceptions as a result of the procedures.

Journal Entries and Transfers

6. Haphazardly select three journal entries and two 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 the procedure.

Reporting Packages

7. Inspect fiscal year end reporting packages submitted to the CG. Compare responses in the Master Reporting Package Checklist and any required supplemental information to year end reporting packages submitted to the CG, the South Carolina Enterprise Information System (SCEIS) and Museum prepared records. Additionally, compare the dates submitted to the due dates established by the CG's Reporting Policies and Procedures Manual.
8. 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 Museum's reconciliation of physical inventory to the SCEIS general ledger and Museum prepared records.

- Subsequent Events Questionnaire

Compare responses and any required supplemental information to the SCEIS general ledger and Museum prepared records. In addition, haphazardly select two payables subsequently reported and determine if the amounts were properly classified, calculated, reported, and excluded from the original Accounts Payable Reporting Package submission.

We found no exceptions as a result of the procedures.

Assets and Personal Property

9. Inspect all (three) capital asset retirements and supporting documentation to determine that the asset was approved for removal and removed from the general ledger in accordance with the CG's Reporting Policies and Procedures Manual.
10. Through inquiry of management and inspection of supporting documentation, determine that an inventory of Museum 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 the procedures.

Collection Items

11. Haphazardly select five items from the Museum's inventoried list of collection items and observe their existence.

Collection Items (Continued)

12. Haphazardly select five items observed on display and agree them to the Museum's inventoried list of collection items.

We found no exceptions as a result of the procedures.

Non-Recurring Revenue Proviso 118.16

13. Through inquiry of management and inspection of supporting documentation, determine that the Museum complied with Proviso 118.16 of the fiscal year 2020 Appropriation Act regarding nonrecurring revenue received during the fiscal year.

We found no exceptions as a result of the procedure.

Status of Prior Finding

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

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