

**South Carolina  
Commission for Minority Affairs**

**Columbia, South Carolina**

**State Auditor's Report**

**For the Fiscal Year Ended June 30, 2021**

**And**

**Selected Procedures**

**For the Fiscal Year Ending June 30, 2022**



Independent Accountant's Report on Applying Agreed Upon Procedures

May 24, 2022

Dr. Delores Dacosta, Executive Director  
and  
Members of the Commission  
South Carolina Commission for Minority Affairs  
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 Commission for Minority Affairs (the Commission), for the fiscal years. The Commission's management is responsible for the systems, processes and behaviors related to financial activity.

The Commission'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 Commission 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 Commission for the fiscal years. 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 Commission's management. Management of the Commission has agreed that the following deficiencies will not be included in the State Auditor's Report on Applying Agreed-Up On 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 Commission 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 Commission for Minority Affairs, 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 - South Carolina Commission for Minority Affairs (L46)**

The following procedures were performed for the fiscal year ended June 30, 2021:

**Cash Disbursements/Non-Payroll Expenditures**

1. Haphazardly select fifteen non-payroll disbursements and inspect supporting documentation to determine:
  - The transaction is properly completed as required by Commission 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 Commission.
  - 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 selected, inspect supporting documentation to determine:

- Charges are in accordance with the requirements of the program and incurred during the approved grant period.

We found no exceptions as a result of the procedures.

**Procurement**

2. Haphazardly select five purchasing card transactions from the Office of the State Comptroller General's (CG) listing of purchasing card transactions for fiscal year 2021 and inspect supporting documentation to determine:
  - The cardholder is an authorized user and individual credit limits have been properly approved in accordance with Commission 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**

3. Haphazardly select three employees who terminated employment during the fiscal year to determine if they were removed from the payroll in accordance with the Commission's policies and procedures, and that their last paycheck, including any leave payout, was properly calculated in accordance with applicable State law.
4. Haphazardly select three employees hired during the fiscal year to determine if they were added to the payroll in accordance with the Commission'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 the procedures.

## Journal Entries and Transfers

5. Haphazardly select two journal entries and one transfer 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 procedures.

## Reporting Packages

6. 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, South Carolina Enterprise Information System (SCEIS) and Commission prepared records. Additionally, compare the dates submitted to the due dates established by the CG's Reporting Policies and Procedures Manual.

7. In addition to the procedure above, perform the following:

- Grants and Contributions Revenue Reporting Package

Haphazardly select two grants and agree the reported beginning and ending fund balances, receipts, qualified expenditures, fund, grant number, and CFDA number to the SCEIS general ledger and SCEIS Display Grant Master. In addition, recalculate the reported total receivables and deferred revenue.

- Subsequent Events Questionnaire

Compare responses and any required supplemental information to the SCEIS general ledger and Commission prepared records. In addition, haphazardly two payables from the Subsequent Events Accounts Payable Worksheet 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

8. Through inquiry of management and inspection of supporting documentation, determine that an inventory of Commission 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.

## Status of Prior Findings

9. Through inquiry of management and inspection of supporting documentation, determine if the Commission has taken appropriate corrective action on the findings reported in the Agreed Upon Procedures report dated June 22, 2020.

We found no exceptions as a result of the procedures.

The following procedure was performed for the fiscal year ending June 30, 2022:

**Lease Reporting**

10. Obtain the Lease Reporting Package due on March 31, 2022 and agree leased asset values in SCEIS to Commission supporting documentation. In addition, agree lease principal and interest expense account balances in SCEIS to Commission supporting documentation.

We found no exceptions as a result of the procedures. A leased asset value was properly corrected during the March 31, 2022 Reporting Package process. However, the corresponding amortization periods had not yet been corrected in SCEIS.