

**South Carolina  
Department of Archives and History**

**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 February 29, 2024**



Independent Accountant's Report on Applying Agreed Upon Procedures

April 1, 2024

Dr. W. Eric Emerson, Director  
and  
Members of the South Carolina Commission of Archives and History  
South Carolina Department of Archives and History  
Columbia, South Carolina 29233

We have performed the procedures described in Attachment 1 on the systems, processes and behaviors related to financial activity of the South Carolina Department of Archives and History (the Department) for the fiscal year ended June 30, 2023, and for the period of July 1, 2023, through February 29, 2024. The Department's management is responsible for the systems, processes and behaviors related to financial activity.

The Department'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 Department 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 Department 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 Department's management. Management of the Department 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 Department 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 Department, 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 Department of Archives and History (H79)**

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

**Reporting Packages**

1. 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, the South Carolina Enterprise Information System (SCEIS) and Department prepared records.
2. In addition to the procedure above, perform the following:
  - Grants and Contributions Revenue Reporting Package
 

Haphazardly select three grants and agree the reported beginning and ending fund balances, receipts, qualified expenditures, fund, grant number, and CFDA number to the SCEIS general ledger or 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 Department prepared records.

We found no exceptions as a result of these procedures.

**Assets and Personal Property**

3. Select the one capital asset acquisition and inspect supporting documentation to determine that it was properly capitalized and posted to the general ledger in accordance with the CG's Reporting Policies and Procedures Manual.
4. Inspect the inventory of personal property, excluding expendables, provided by the Department 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 these procedures.

**The following procedures were performed for the period July 1, 2023, through February 29, 2024:**

**Cash Receipts/Revenues**

5. Haphazardly select ten cash receipts and inspect deposit slips, copies of checks, invoices, and check logs to determine:
  - Receipts agree with the general ledger as to amount, date, payor, and account classification.
  - Receipts were deposited in a timely manner, in accordance with Proviso 117.1 of the fiscal year 2024 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 these procedures.

## Cash Disbursements/Non-Payroll Expenditures

6. Haphazardly select fifteen non-payroll disbursements and inspect invoices, SCEIS workflow, and email attachments to determine:
- Invoices agree with the general ledger and the Department's requirements to follow the processing procedures set forth by the Comptroller General's guidelines.
  - The transaction approval was performed by an individual, with proper authority, other than the preparer.
  - The disbursement is a valid expenditure of the Department.
  - The disbursement is properly classified in the general ledger.
  - The disbursement is recorded in the proper fiscal year.

For federally funded cash disbursements/non-payroll expenditures, inspect invoices and approvals to determine:

- Disbursements 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.

We found no exceptions as a result of these procedures.

7. Haphazardly select five purchasing card transactions from the CG listing of purchasing card transactions for the period and inspect invoices, listing of cardholders and their limits, monthly bank statements and applicable receipts to determine:
- The cardholder is an authorized user and individual credit limits have been properly approved in accordance with Department accounts payable procedures.
  - The purchase is a valid expenditure of the Department.
  - The monthly purchase summary was submitted along with applicable receipts and signed by the cardholder and approved by the supervisor.
  - The purchase did not exceed the single transaction limit or the individual credit limit and there was no indication of transaction splitting.
  - The purchase did not exceed the procurement code's small purchase, no competition limit set forth in Section 11-35-1550(2)(a).

We found no exceptions as a result of these procedures.

## Payroll

8. Haphazardly select five employees who terminated employment during the period to determine if they were removed from the payroll in accordance with the Department policies and procedures, and that their last paycheck, including any leave payout, was properly calculated.
9. Haphazardly select five employees hired during the fiscal year to determine if they were added to the payroll in accordance with the Department policies and procedures and that their first paycheck was properly calculated.

We found no exceptions as a result of these procedures.

## Journal Entries

10. Haphazardly select four journal entries and one transfer and inspect SCEIS Journal Entry Justification forms, receipts, and invoices to determine that the journal entries and transfers are valid and approved by someone with proper authority and different from the preparer.

We found no exceptions as a result of these procedures.

### **Status of Prior Finding**

11. Through inquiry of management and inspection of the Department's Asset History Sheet, determine the Department has taken appropriate corrective action on the finding reported during the engagement for the prior fiscal year.

We determined that the Department had taken adequate corrective action on the prior year finding.