

**South Carolina
Commission on Indigent Defense**

Columbia, South Carolina

State Auditor's Report

Selected Procedures

For the Fiscal Year Ended June 30, 2022

and

For the Period July 1, 2022, through March 31, 2023



Independent Accountant's Report on Applying Agreed Upon Procedures

June 21, 2023

Mr. J. Hugh Ryan, III, Executive Director
South Carolina Commission on Indigent Defense
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 on Indigent Defense (the Commission) for the fiscal year ended June 30, 2022, and for the period July 1, 2022, through March 31, 2023. 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 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 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 management of the Commission, 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 Commission on Indigent Defense (E23)**

The following procedures were performed for the fiscal year ended June 30, 2022:

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, and the South Carolina Enterprise Information System (SCEIS). Additionally, compare the dates submitted to the due dates established by the CG's Reporting Policies and Procedures Manual.
2. In addition to the procedure above, perform the following:
 - Accounts Payable Reporting Package

Agree amounts to the Commission prepared records. Haphazardly select ten payables from the accounts payable summary form and determine if the amounts were properly classified, calculated, and reported.
 - Subsequent Events Questionnaire

Compare responses and any required supplemental information to the Commission prepared records.

We found no exceptions as a result of the procedures.

Personal Property

3. Inspect the inventory of personal property, excluding expendables, provided by the Commission 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.

Commission-Specific Provisos

4. Determine compliance with Commission-specific state provisos 61.1 (Defense of Indigents Formula), 61.3 (Appellate Conflict Fund), 61.4 (SC Appellate Court Rule 608 Appointments), 61.6 (Public Defender Fee), and 61.7 (Defense of Indigent Civil Action Application Fee) by inquiring with management, inspection, and observing the *Disbursement Distribution Sheets*.

We found no exceptions as a result of the procedure.

The following procedures were performed for the period July 1, 2022, through March 31, 2023:

Cash Receipts/Revenues

5. Haphazardly select ten receipts and inspect supporting documentation to determine:
 - Receipt agrees 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 2023 Appropriations Act.
 - Both revenue collections and amounts charged are properly authorized by SC Code of Laws Sections 14-1-204 and/or 14-1-211.
 - Receipts are recorded in the proper fiscal year.

We found no exceptions as a result of the procedure.

Cash Disbursements/Non-Payroll Expenditures

6. Haphazardly select fifteen non-payroll disbursements and inspect invoices and approvals to determine:
 - Invoices agree with general ledger as to vendor, amount, and date. For distributions of state aid to counties within the state for the Defense of Indigents Program, distributions were properly completed as required by Proviso 61.1.
 - Disbursement approval was performed by an individual, with proper authority, other than the preparer.
 - Disbursement is a valid expenditure of the Commission.
 - Disbursement is properly classified in the general ledger.
 - Disbursement is recorded in the proper fiscal year.

7. Haphazardly select ten purchasing card transactions and inspect monthly purchase summaries and receipts to determine:
 - The cardholder is an authorized user and individual credit limits have been properly approved in accordance with the South Carolina Division of Procurement Services Materials Management Office Purchasing Card Policy and Procedures.
 - The monthly purchase summary was submitted 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 the procedures.

Payroll

8. Haphazardly select five employees who terminated employment during the fiscal year to determine if they were removed from the payroll in accordance with the Commission 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 Commission's policies and procedures and that their first paycheck was properly calculated.

We found no exceptions as a result of the procedures.

Journal Entries

10. Haphazardly select ten journal entries and inspect the journal entry form to determine that the journal entries are valid and approved by someone with proper authority and different from the preparer.

We found no exceptions as a result of the procedure.

Assets

11. Select all capital asset acquisitions and inspect lease calculators and agreements 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.

We found no exceptions as a result of the procedure.

Litigation Expenditures

12. Haphazardly select ten transactions from the *SCEIS Yearend Reporting – Litigation* report to determine that charges were properly approved, and amounts charged were within the approved limits and service date range.

We found no exceptions as a result of the procedure.