

**South Carolina
Administrative Law Court
Columbia, South Carolina**

State Auditor's Report

For the Fiscal Year Ended June 30, 2022

and

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



Independent Accountant's Report on Applying Agreed Upon Procedures

July 21, 2022

The Honorable Ralph K. Anderson, III
South Carolina Administrative Law Court
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 Administrative Law Court (the Court) for fiscal years 2021 and 2022. The Court's management is responsible for the systems, processes and behaviors related to financial activity.

The Court'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 Court 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 Court for fiscal years 2021 and 2022. 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 Court's management. Management of the Court 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 non-payroll cash disbursements transactions.
- Errors of less than \$1,000 related to reporting packages.

We are required to be independent of the Court 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 Court, 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 Administrative Law Court (C05)**

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

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 Court prepared records. 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:
 - Subsequent Events Questionnaire

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

We found no exceptions as a result of these procedures.

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

Cash Disbursements/Non-Payroll Expenditures

3. Haphazardly select ten non-payroll disbursements and inspect supporting documentation to determine:
 - The transaction is properly completed as required by the Court 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 Court.
 - The transaction is properly classified in the general ledger.
 - Disbursement is recorded in the proper fiscal year.
 - Clerical accuracy.
4. Haphazardly select five purchasing card transactions from the CG's listing of purchasing card transactions and inspect supporting documentation to determine:
 - The cardholder is an authorized user and individual credit limits have been properly approved in accordance with Court 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 these procedures.

Lease Reporting

5. Obtain the lease reporting package due on March 31, 2022, and agree the Court's leased asset values to their lease documentation. In addition, agree leased principal and interest general ledger account balances in SCEIS as of February 28, 2022 to lease documentation.

We found no exceptions as a result of this procedure.

Personal Property

6. Through inquiry of management and inspection of supporting documentation, determine that an inventory of the Court 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 this procedure.

Status of Prior Findings

7. Through inquiry of management and inspection of supporting documentation, determine the Court has taken appropriate corrective action on the findings reported during the engagement for the fiscal year ended June 30, 2020.

We determined the Court took appropriate corrective action on prior year findings.