

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

Columbia, South Carolina

State Auditor's Report

For the Fiscal Year Ended June 30, 2022



Independent Accountant's Report on Applying Agreed Upon Procedures

May 11, 2023

Mr. W. Allen Roberson, Executive Director
and
Members of the Commission
South Carolina Confederate Relic Room and Military Museum
Columbia, South Carolina 29201

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 2022. 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 fiscal year ended 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 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 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 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 the South Carolina Confederate Relic Room and Military Museum (H96)

Cash Receipts/Revenues

1. Haphazardly select ten deposits from the Detail G/L Transaction Report and inspect cash receipt forms and deposit slips to determine:
 - Deposit 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 2022 Appropriation Act.
 - Both revenue collections and amounts charged are properly authorized by South Carolina Code of Laws Section 60-17-20.
 - 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 fifteen non-payroll disbursements from the Detail G/L Transaction Report and inspect invoices and approvals to determine:
 - Invoices agree with the general ledger as to vendor, amount, and date.
 - The disbursement approval was performed by an individual, other than the preparer, with proper authority.
 - The disbursement is a valid expenditure of the Museum.
 - The disbursement is properly classified in the general ledger.
 - The disbursement is recorded in the proper fiscal year.
3. Haphazardly select ten purchasing card transactions from the reports of the banking institution and inspect monthly purchase summaries and applicable receipts to determine:
 - The cardholder is an authorized user and individual credit limits have been properly approved in accordance with Museum policies and procedures.
 - The purchase is a valid expenditure.
 - 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.
 - The purchase did not exceed the South Carolina 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

4. Select all (four) employees who terminated employment during the fiscal year to determine if they were removed from the payroll in accordance with the Museum's policies and procedures, and that their last paycheck, including any leave payout, was properly calculated.

Payroll (Continued)

5. Select all (four) employees hired during the fiscal year to determine if they were added to the payroll in accordance with the Museum's policies and procedures and that their first paycheck was properly calculated.

We found no exceptions as a result of the procedures.

Journal Entries and Transfers

6. Haphazardly select three journal entries and three transfers and inspect the journal entry form and original document number to determine that the journal entries and transfers are valid and approved by someone with proper authority and different than the preparer.

We found no exceptions as a result of the procedure.

Reporting Packages

7. 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 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:

- Capital Assets Reporting Package

Compare responses and agree reported amounts to the SCEIS general ledger, the SCEIS Asset History Sheet and Museum prepared records.

- Accounts Payable Reporting Package

Agree amounts to the SCEIS general ledger, SCEIS *Yearend Reporting - Prior Year Payables with Vendor* report or SCEIS *Yearend Reporting - Interagency Prior Year Payables with Vendor* report. Additionally, select all (four) payables to determine if reported amounts were properly identified, classified, and reported on the Accounts Payable Summary Form.

- Subsequent Events Questionnaire

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

We found no exceptions as a result of the procedures.

Assets and Personal Property

9. Inspect the inventory of personal property, excluding expendables, provided by the Museum 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.

Collection Items

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

Museum-Specific Proviso

12. Determine compliance with Museum-specific state proviso 30.1 (Southern Maritime Collection) by inquiring with management and observing the general ledger.

We found no exceptions as a result of the procedure.