Greene Finney Cauley, LLP
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Independent Accountant's Report on Applying Agreed-Upon Procedures

Department of Education
State of South Carolina
Columbia, South Carolina

We have performed the procedures enumerated below related to the Richland County School District One, South Carolina's (the "District") financial and operating activities for the years ended June 30, 2020 through 2024. Management is responsible for the District's compliance with requirements.

The South Carolina Department of Education has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in assessing the District's financial and operating activities. 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 not engaged to, and do not, provide an opinion or conclusion with respect to the procedures performed. However, we have communicated certain observations and recommendations for management's consideration in a separate letter dated November 17, 2025.

Our procedures and the associated findings are as follows:

1. Perform analysis as follows to identify unusual items and obtain management's explanations as needed:
   - Benford's Law using the detailed general ledger
   - Year-to-year comparison using audited financial statements
   - Budget to actual comparison using audited financial statements

   Finding: There were no findings as a result of our procedures.

2. Obtain detailed miscellaneous expenditure account activity and identify unusual items using analysis techniques and inquiry of management as necessary.

   Finding: We had no findings as a result of our procedures.

3. Obtain a listing of vendors and underlying ownership as well as a listing of board members, relatives of board members and District management. Identify potential related party vendor relationships by comparing vendor ownership to board members, relatives of board members and District management.

   Finding: We had no findings as a result of our procedures.

4. Obtain a listing of vendors for which the only address in District records is a post office box. For a sample of 50, compare the address on file to vendor invoice, website, South Carolina Secretary of State or other records to confirm that the entity is a valid vendor.

   Finding: The District was unable to provide support for the address listed on the Vendor Detail in MUNIS for one vendor (51608).

5. Obtain a listing of significant one-time cash receipts and trace of twenty-five receipts (five per fiscal year) to proper recording in the general ledger.

   Finding: (a) The District did not retain support for two rebate checks. One check was received in fiscal year 2020 for $23,909 and the other was received in fiscal year 2021 for $25,507.

   (b) The District recorded a $24,090 reimbursement received from a school PTO against an expenditure account. Generally accepted accounting principles generally require reimbursements of this nature to be recorded to a revenue account.

6. Obtain credit card limits and transaction history by user and card and identify unusual or suspicious transactions, vendors and amounts, users exceeding their limits and cards with no activity.

   Finding: Per District management, the District does not use credit cards.

7. Obtain bank statements and identify unusual activity such as the use of debit cards.

   Finding: We had no findings as a result of our procedures.

8. Obtain a listing of wire transfers out per District bank statements, along with documentation supporting the propriety of the transaction.

   Finding: We had no findings as a result of our procedures.

9. Obtain a detailed listing of fund transfers along with an explanation of how the transaction complies with generally accepted accounting principles (GAAP) and applicable laws and regulations.

   Finding: We had no findings as a result of our procedures.

10. Obtain detailed payroll records of payroll personnel, supervisors and Finance Department staff and compare them to underlying personnel records.

    Finding: (a) The District compensates employees for sick time earned in excess of 90 days as of June 30 annually, to be paid in the following fiscal year, depending on the availability of funding. We initially noted employees were compensated for 1.25 days more than their sick leave balance over 90 days at June 30, 2024, but upon inquiry we were provided documentation to show that the District recorded the June sick leave accrual in July after balances were rolled forward to the new fiscal year. The June accrual of 1.25 days recorded in July reconciled the difference.

    (b) While we obtained documentation to support various components of total compensation, the documentation was not in a central location and was assembled from various sources including prior year employee handbooks and staff hard drives.

11. Obtain a listing of individuals and entities paid as 1099 contractors and compare them to supporting documentation such as contracts, agreements, corporate legal documents, etc.

Finding: We noted one vendor (45477) that was reimbursed for mileage. Upon further inquiry we determined that the vendor was an employee of the District and should not have received a 1099 for mileage reimbursement.

12. Obtain monthly expense reimbursements of board and cabinet members and trace them to supporting documentation for reimbursement. Identify potential related party relationships.

Finding: (a) In sixteen instances, the reimbursement was elaborate or exorbitant relative to the average of other comparable reimbursements paid by the District in the same time period.

(b) In one instance, the check was written before the reimbursement request was approved.

(c) In three instances, the reimbursement was an expense outside the normal scope of other reimbursements paid out by the District. Reimbursement policies provided by District management did not specifically support the allowability of the reimbursements.

(d) In eight instances, supporting documentation was not completed or retained to substantiate a majority of the amount reimbursed.

(e) In two instances, the reimbursement was not paid within 30 days of the reimbursement request.

(f) In five instances, the timeliness of the reimbursement payment could not be determined due to a lack of support validating the completion/approval of the request.

13. Obtain current internal control documentation and perform walk-throughs for all select internal control processes to confirm controls are operating as designed.

Finding: (a) The District does not maintain documentation of compliance with the requirement that certain checks must have a second signature.

(b) One accounts payable employee can process invoices in MUNIS, the District's financial software, review invoice batches, post invoice batches and print vendor checks. These incompatible duties increase the risk that a misappropriation of District funds may occur and be undetected.

(c) While we obtained documentation of operating procedures, including internal controls, it was assembled from various areas of responsibility within Financial Services. The form varied but generally lacked version control and documentation of approval.

14. Obtain internal financial reports and inspect for accuracy and timeliness.

Finding: The financial report for February 2023 was not approved by the Board.

15. Obtain vendor and employee payments and select a sample to inspect for timeliness.

Finding: Based on invoice date and check date, vendor payments were made as follows:

Payment	2024	2023	2022	2021	2020
Before invoice date	0.00%	0.01%	0.10%	0.03%	0.04%
Within 30 days	54.07%	67.24%	72.05%	76.15%	70.66%
31 to 60 days	24.62%	17.58%	17.88%	12.95%	15.92%
61 to 90 days	8.73%	8.32%	6.41%	4.83%	7.07%
91 to 120 days	5.22%	3.66%	1.74%	2.78%	2.10%
121 to 150 days	2.63%	1.61%	1.01%	1.89%	2.34%
Over 150 days	4.73%	1.57%	0.81%	1.36%	1.88%
Grand Total	100.00%	100.00%	100.00%	100.00%	100.00%

16. Obtain the District's responses to findings and recommendations included in the July 2024 report of the South Carolina Office of the Inspector General titled *Review of Richland County School District One's Funding, Procurement, and Construction of the Vince Ford Early Learning Center* (SIG Report) and identify findings not addressed or recommendations not implemented.

Finding: (a) The District's Board of Commissioners voted on March 11, 2025 to cancel all contracts related to the Vince Ford Early Learning Center VFELC). Finding Sec. III-1 and Recommendation Sec. III-1 regarding assessing financial requirements associated with the VFELC are, therefore, no longer applicable.

(b) In response to Finding Sec. VI-1 and Recommendations Sec. VI-1 regarding compliance with the Freedom of Information Act (FOIA), District executive staff informed us that legal counsel (internal and/or external as appropriate) will work with the Board prior to and during executive sessions to ensure the District follows State laws and District policies. No written copy of the procedure, however, was provided by the time we completed our work.

17. Obtain a listing of District contracts and inspect underlying documentation for compliance with the District's procurement code.

Finding: (a) For solicitation 2020-002 (tree services), there was no documentation of public opening.

(b) For the solicitation resulting in purchase order 20223090 (the first year of a five-year award for food, equipment and related services), there was no documentation of public opening or evaluation.

(c) For the solicitation resulting in purchase order 20224076 (public works, park equipment and construction), an award notice was issued for Phase 1, however this project was awarded as a whole and not in phases.

(d) For purchase order 20224992 (trades: electrical, engineering, HVAC, plumbing), documentation provided was not adequate to allow recalculation of the total project cost using the contract and change orders. Upon inquiry, we learned a former employee failed to submit several contractor invoices for payment. When the contractor inquired about payment, the District was unable to validate the amount owed and worked with the project architect to evaluate work performed and paid for and work performed and not paid to determine the amount owed the contractor.

(e) Several issues were noted for the solicitation resulting in purchase order 23241833 (Vince Ford Early Learning Center). These issues are documented in Section IV of the July 2024 report of the South Carolina Office of the Inspector General.

(f) The published copy of the District's most recently adopted procurement code states that purchases up to $10,000 can be made without competition, however the District has administratively set the limit at $5,000.

18. For the following major federal grant programs, inspect for compliance with significant grant requirements for the years the program was not a major program for purposes of the single audit:
    - Student Nutrition Cluster - Fiscal years 2021, 2022 and 2024
    - Individuals With Disabilities Act (IDEA) – Fiscal years 2020, 2021, 2023 and 2024
    - Title 1 – Fiscal years 2020, 2022 and 2023
    - Magnet School Assistance Program – Fiscal years 2020, 2021, 2023 and 2024

    Finding: (a) We noted that Individualized Education Plans (IEP) required for Individuals with Disabilities Act (IDEA) were electronically signed by parents without controls to verify the parent actually signed the form.

    (b) In three instances (FY 2020 IDEA invoices 18875, 18880 and 19241), support was pulled from Triptracker and no supervisor signatures were noted.

    (c) In seven instances (FY 2021 IDEA journal entries 2229, 2370 and 1141; FY 2023 IDEA journal entry 2020; FY 2024 IDEA journal entries 818, 446 and 1230), no signature was noted on the support provided by the District.

    (d) We noted that there were numerous journal entries to accrue, reverse, or reclassify expenditures related to the magnet school program. In many cases, journal entries lacked sufficient detail to determine their purpose without additional inquiry.

19. For 5 selected vendors (vendor numbers 25401, 36638, 38454, 42408 and 50704), inspect invoices for services provided and approval by District personnel. For a sample of 8 invoices, inspect related procurement for compliance with the District's procurement code.

    Finding: (a) One vendor (38454) was awarded landscape stump grinding services under solicitation 2020-002 but was also paid in excess of $100,000 for tree trimming and removal, a landscape service that was not awarded to this vendor.

    (b) One vendor (25401) invoice for $25,132 for erosion control lacked documentation of approval prior to payment.

    (c) Four vendor (36638) invoices totaling $24,660 for tree and landscape maintenance at Hand, A.C. Moore and Gadsden schools were paid against purchase order 22230301, however purchase order 2230301 was for playground mulch removal and replacement at Logan, Sandel, Pine Grove and Forest Heights schools.

    (d) There was no supporting documentation of public opening, bid tabulation or award notice for solicitation 77000028 for general construction and maintenance services awarded to vendor 42408.

    (e) Per District staff, the purchases from vendor 50704 met requirements of Exemption 12, *One of a kind and proprietary items,* of the District's procurement code, and were not subject to procurement requirements.

20. Obtain reports of the Internal Auditor and inspect for volume and frequency.

Finding: The internal auditor has primary responsibility for the District's compliance and ethics hotline. Hotline matters often take priority over other responsibilities, straining the ability of the internal auditor to complete the annual audit plan on a timely basis.

21. Obtain a list of capital and maintenance projects as of May 2025 and perform the following procedures:
    - Compare the May 2025 project budget to the project budget at the end of fiscal year 2024 as reported in the board report.
    - Inquire regarding project budgets that changed between fiscal years 2024 and 2025 by $100,000 or more.
    - Inquire regarding the status of any project approved prior to May 2024 with a budget of $10,000 or more and no expenditures project to-date.
    - Inquire regarding the status of any project approved prior to May 2024 with an unspent balance of $20,000 or more.
    - Compare approval dates per the report and inquire regarding dates that changed between the original approval date and the end of FY 2024.

Finding: (a) The budgets for nine projects changed by more than $100,000 between fiscal years 2024 and 2025. Per management:

- Six budgets are associated with ongoing projects (15736, 35208, 45905, 45944, 45995, 46042), including building needs, technology, musical instruments and E-Rate, and budgets changed as new funding was available.
- Three project budgets (15740, 35206, 55913) increased or decreased based on revised or updated cost estimates.

(b) Fifteen projects approved prior to May 31, 2024 ,with a budget of $10,000 or more had no expenditures or encumbrances as of May 2025. Per management:

- Three projects (05851, 05860, 85583) will be completed in 6 months
- One project (25123) will be completed in 6 - 12 months
- One project (15778) is in the feasibility study evaluation stage
- One project (25128) is in the design phase
- Three projects (35178, 35185, 35198) are in the needs evaluation phase
- One project (15743) is delayed due to flooding
- One project (46058) is delayed due to changes in school personnel
- Three projects (05870, 95698, 95703) will be closed and funding reallocated because the scope is unknown
- One project (35190) is delayed because the scope is unknown, but a third party is evaluating needs

(c) Thirty-nine projects approved prior to May 31, 2024 had a remaining budget of $20,000 or more as of May 2025. Per management:

- Four projects (15725, 15746, 55911, 65466) will be completed within 3 months
- Seven projects (15717, 15719, 15739, 25126, 35180, 35194, 85631) will be completed within 6 month
- Four project budgets (35167, 35170, 35182, 35203) will be used as needed and completed within 6 months
- Four project budgets (25130, 25153, 35192, 46050) will be used as needed within 12 months
- Eleven projects (15768, 25139, 35191, 35193, 35200, 35206, 46051, 55913, 85607, 85625, 85630) will be completed in 2026
- Three projects (15735, 35197, 75169) are in the needs assessment stage
- One project (25158) is in the feasibility study phase
- One project (25138) is being scheduled with the vendor

- Two projects (25145, 46055) have completed solicitation, and the architect is obtaining permits
- One project 925142) feasibility study is being reviewed
- One project (460520) is ongoing

(d) The approved date for seven projects (05854, 15735, 15740, 45905, 45944, 45995, 46037) changed between May 2024 and May 2025. All date changes were due to changes in the project budget.

(e) Five projects approved in fiscal year 2023 and prior (05870, 35190, 85583, 95698, 95703) have not been started because management lacked a clear understanding of the project scope due to staff turnover.

(f) A capital projects report is provided to the board monthly with the financial report. The report details budget, expenditures, encumbrances, and remaining balance by funding source for active projects.

- The report presents a financial status of projects, but does not address the status of the construction or maintenance being funded.
- Some projects may have more than one project number associated with it due to different sources of funding. Because the report only reflects projects by funding source, the financial status of the project as a whole is not reported.
- The detail of cumulative spending by funding source excludes closed projects. Cumulative spending by funding source, including both active and closed projects, is not presented.
- When a project budget is changed, the approved date is also updated. This may be misleading if a user does not understand the approved date applies to project funding and not approval of the construction or maintenance project.

We were engaged by the South Carolina Department of Education 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 compliance with specified requirements. 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.

We are required to be independent of the District and to meet our 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 South Carolina Department of Education and their designees and is not intended to be, and should not be, used by anyone other than the specified parties.

Greene Finney Cauley, LLP

Greene Finney Cauley, LLP
Mauldin, South Carolina
November 17, 2025