State of South Carolina
Statewide Single Audit

For the year ended June 30, 2022



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Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

March 24, 2023

The Honorable Henry D. McMaster, Governor
and
Members of the State Fiscal Accountability Authority
State of South Carolina
Columbia, South Carolina

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of South Carolina's (the State) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2022. The State's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Qualified Opinion on the Medicaid Cluster and Child Health Insurance Program (CHIP)

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Medicaid Cluster and CHIP for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the Medicaid Cluster and CHIP

As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding the Medicaid Cluster and CHIP as described in finding number 2022-004 for Eligibility.

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the State's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an

opinion on the effectiveness of the State's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2022-005, 2022-006, and 2022-009 through 2022-018. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-004 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2022-005 through 2022-018 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State's

response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated November 29, 2022, which contained unmodified opinions on the basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

George L Kennedy, III

Columbia, South Carolina
March 24, 2023

Schedule of Expenditures of Federal Awards by Federal Grantor and Assistance Listing

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Department of Agriculture			
SNAP Cluster			
10.551 Supplemental Nutrition Assistance Program			
Direct		1,775,980,429	-
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			
Direct		35,009,417	5,900,565
10.561 COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			
Direct		2,302,508	-
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Total		37,311,925	5,900,565
SNAP Cluster Total		**1,813,292,354**	**5,900,565**
Child Nutrition Cluster			
10.555 National School Lunch Program			
Direct		561,957,173	525,482,881
10.555 COVID-19 National School Lunch Program			
Direct		16,201,282	16,201,282
10.555 National School Lunch Program Total		578,158,455	541,684,163
10.582 Fresh Fruit and Vegetable Program			
Direct		3,893,286	3,893,286
Child Nutrition Cluster Total		**582,051,741**	**545,577,449**
Food Distribution Cluster			
10.565 Commodity Supplemental Food Program			
Direct		590,365	557,099
10.568 Emergency Food Assistance Program (Administrative Costs)			
Direct		1,521,672	1,432,970
10.568 COVID-19 Emergency Food Assistance Program (Administrative Costs)			
Direct		687,123	672,194
10.568 Emergency Food Assistance Program (Administrative Costs) Total		2,208,795	2,105,164
Food Distribution Cluster Total		**2,799,160**	**2,662,263**
Department of Commerce			
Economic Development Cluster			
11.307 Economic Adjustment Assistance			
Direct		2,481,957	-
Economic Development Cluster Total		**2,481,957**	**-**
Department of Housing and Urban Development			
CDBG - Entitlement Grants Cluster			
14.218 Community Development Block Grants/Entitlement Grants			
Direct		4,785,218	-
CDBG - Entitlement Grants Cluster Total		**4,785,218**	**-**
Department of the Interior			
Fish and Wildlife Cluster			
15.605 Sport Fish Restoration			
Direct		2,425,776	1,783,894
15.611 Wildlife Restoration and Basic Hunter Education			
Direct		4,405,384	56,568
15.626 Enhanced Hunter Education and Safety			
Direct		173,880	-
Fish and Wildlife Cluster Total		**7,005,040**	**1,840,462**

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Department of Transportation			
FMCSA Cluster			
20.218 Motor Carrier Safety Assistance			
Direct		4,925,398	-
FMCSA Cluster Total		**4,925,398**	**-**
Highway Planning and Construction Cluster			
20.205 Highway Planning and Construction			
Passed through South Carolina Department of Transportation			
	SCDNR-1-20	173,497	-
	SCDNR-1-18	46,748	-
20.205 Highway Planning and Construction Total		220,245	-
20.219 Recreational Trails Program			
Direct		991,345	910,897
Highway Planning and Construction Cluster Total		**1,211,590**	**910,897**
Highway Safety Cluster			
20.600 State and Community Highway Safety			
Direct		3,851,063	1,892,336
20.616 National Priority Safety Programs			
Direct		2,256,879	408,313
Highway Safety Cluster Total		**6,107,942**	**2,300,649**
Transit Services Programs Cluster			
20.513 Enhanced Mobility of Seniors and Individuals with Disabilities			
Passed through The Berkeley-Charleston-Dorchester Council of Governments			
	SC-2022-006-00	13,443	-
Transit Services Programs Cluster Total		**13,443**	**-**
Environmental Protection Agency			
Clean Water State Revolving Fund (CWSRF) Cluster			
66.458 Capitalization Grants for Clean Water State Revolving Funds			
Direct		18,048,466	17,444,243
Clean Water State Revolving Fund (CWSRF) Cluster Total		**18,048,466**	**17,444,243**
Drinking Water State Revolving Fund (DWSRF) Cluster			
66.468 Capitalization Grants for Drinking Water State Revolving Funds			
Direct		21,433,942	18,806,341
Drinking Water State Revolving Fund (DWSRF) Cluster Total		**21,433,942**	**18,806,341**
Department of Education			
Special Education Cluster (IDEA)			
84.027 Special Education Grants to States			
Direct		188,684,849	174,154,521
84.027 COVID-19 Special Education Grants to States			
Direct		7,900,302	7,900,302
84.027 Special Education Grants to States Total		196,585,151	182,054,823
84.173 Special Education Preschool Grants			
Direct		7,348,025	7,348,025
84.173 COVID-19 Special Education Preschool Grants			
Direct		768,791	768,791
84.173 Special Education Preschool Grants Total		8,116,816	8,116,816
Special Education Cluster (IDEA) Total		**204,701,967**	**190,171,639**

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Department of Health and Human Services			
Aging Cluster			
93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			
Direct		10,498,373	9,698,679
93.044 COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			
Direct		1,102,655	1,079,145
93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Total		11,601,028	10,777,824
93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services			
Direct		11,970,758	11,717,073
93.045 COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services			
Direct		1,881,917	1,881,917
93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services Total		13,852,675	13,598,990
93.053 Nutrition Services Incentive Program			
Direct		1,846,050	1,846,050
Aging Cluster Total		**27,299,753**	**26,222,864**
CCDF Cluster			
93.575 Child Care and Development Block Grant			
Direct		125,167,552	-
93.575 COVID-19 Child Care and Development Block Grant			
Direct		324,937,942	-
93.575 Child Care and Development Block Grant Total		450,105,494	-
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund			
Direct		46,593,943	-
CCDF Cluster Total		**496,699,437**	**-**
Head Start Cluster			
93.600 Head Start			
Direct		153,283	-
Head Start Cluster Total		**153,283**	**-**
Medicaid Cluster			
93.775 State Medicaid Fraud Control Units			
Direct		1,355,101	-
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare			
Direct		4,346,559	-
93.777 COVID-19 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare			
Direct		208,316	-
93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare Total		4,554,875	-
93.778 Medical Assistance Program			
Direct		5,687,900,154	-
93.778 COVID-19 Medical Assistance Program			
Direct		562,589,241	-
93.778 Medical Assistance Program Total		6,250,489,395	-
Medicaid Cluster Total		**6,256,399,371**	**-**
Social Security Administration			
Disability Insurance/SSI Cluster			
96.001 Social Security Disability Insurance			
Direct		34,079,235	-
Disability Insurance/SSI Cluster Total		**34,079,235**	**-**

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Research and Development Cluster			
Department of Agriculture			
10.200 Grants for Agricultural Research, Special Research Grants			
Passed through Mississippi State University			
	321673.05.18.FR21-3	67	-
	321673.05.06.FR20-4	13,444	-
10.200 Grants for Agricultural Research, Special Research Grants Total		13,511	-
10.771 Rural Cooperative Development Grants			
Passed through Clemson University			
	46-039-576000254	44,234	-
Department of Commerce			
11.012 Integrated Ocean Observing System (IOOS)			
Passed through Southeast Coastal Ocean Observing Regional Association			
	IOOS.16(028)SCDNR.TS.OTT	11,500	-
	IOOS.16(028)SCDNR.DS.OBS	16,204	-
11.012 Integrated Ocean Observing System (IOOS) Total		27,704	
11.407 Interjurisdictional Fisheries Act of 1986			
Direct		11,859	-
11.417 Sea Grant Support			
Direct		2,393,790	1,060,101
Passed through Mississippi State University			
	NA21OAR4170268	2,877	-
Passed through North Carolina State University			
	NA18OAR4170069	3,538	-
Passed through University of Georgia			
	NA18OAR4170084	5,831	-
11.417 Sea Grant Support Total		2,406,036	1,060,101
11.419 Coastal Zone Management Administration Awards			
Passed through North Carolina Department of Environmental Quality			
	CW18257	19,583	-
Passed through University of Michigan			
	SUBK00014473	24,123	5,039
	SUBK00016376	3,280	-
	SUBK00015356	6,660	-
	SUBK00014181	68,698	-
Passed through University of South Carolina			
	224709	2,455	-
11.419 Coastal Zone Management Administration Awards Total		124,799	5,039
11.420 Coastal Zone Management Estuarine Research Reserves			
Direct		669,294	-
11.431 Climate and Atmospheric Research			
Direct		694	694
Passed through University of South Carolina			
	NA16OAR4310163	17,574	-
11.431 Climate and Atmospheric Research Total		18,268	694
11.433 Marine Fisheries Initiative			
Direct		532,750	-
11.434 Cooperative Fishery Statistics			
Direct		166,810	-
11.435 Southeast Area Monitoring and Assessment Program			
Direct		1,478,364	28,444

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
11.454 Unallied Management Projects			
Direct		916,101	-
Passed through New England Aquarium			
	2716	1,609	-
Passed through Texas A&M University			
	M1900115	3,632	-
11.454 Unallied Management Projects Total		921,342	-
11.463 Habitat Conservation			
Direct		108,460	18,433
11.472 Unallied Science Program			
Direct		1,067,901	235,242
Passed through Atlantic States Marine Fisheries Commission			
	19-0902	19,927	-
11.472 Unallied Science Program Total		1,087,828	235,242
11.473 Office for Coastal Management			
Passed through National Audubon Society, Inc.			
	0318.18.062359	900	-
Passed through University of Georgia			
	AWD-001742-G2	11,375	-
11.473 Office for Coastal Management Total		12,275	-
11.474 Atlantic Coastal Fisheries Cooperative Management Act			
Direct		255,018	-
11.999 Marine Debris Program			
Direct		5,857	-
Department of Defense			
12.100 Aquatic Plant Control			
Direct		104,264	-
12.107 Navigation Projects			
Direct		33,029	-
Department of the Interior			
15.605 Sport Fish Restoration			
Direct		4,195,950	-
15.608 Fish and Wildlife Management Assistance			
Direct		55,984	-
15.611 Wildlife Restoration and Basic Hunter Education			
Direct		6,249,581	39,000
15.615 Cooperative Endangered Species Conservation Fund			
Direct		202,269	-
15.622 Sportfishing and Boating Safety Act			
Direct		23,100	-
15.630 Coastal			
Direct		54,753	-
15.634 State Wildlife Grants			
Direct		865,636	322,951
15.657 Endangered Species Recovery Implementation			
Direct		9,507	-
15.684 White-nose Syndrome National Response Implementation			
Direct		29,618	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
15.808 U.S. Geological Survey Research and Data Collection			
Direct		68,944	-
15.810 National Cooperative Geologic Mapping			
Direct		191,235	-
15.980 National Ground-Water Monitoring Network			
Direct		7,023	-
Department of Justice			
16.550 State Justice Statistics Program for Statistical Analysis Centers			
Direct		3,754	-
National Foundation on the Arts and the Humanities			
45.169 Promotion of the Humanities Office of Digital Humanities			
Direct		107,354	91,677
National Science Foundation			
47.070 Computer and Information Science and Engineering			
Passed through Missouri University of Science and Technology			
	CNS-2044013	5,000	5,000
Environmental Protection Agency			
66.461 Regional Wetland Program Development Grants			
Direct		150,394	-
Department of Energy			
81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis			
Direct		130,555	-
Department of Health and Human Services			
93.103 Food and Drug Administration Research			
Direct		199,341	-
93.211 Telehealth Programs			
Passed through Medical University of South Carolina			
	4 U66RH31458-03-06;A00-3403-S002	71,792	-
93.242 Mental Health Research Grants			
Passed through The Feinstein Institutes for Medical Research			
	AWD00001140-SCDMH	37,855	-
93.315 Rare Disorders: Research, Surveillance, Health Promotion, and Education			
Direct		412,113	10,000
93.367 Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs			
Direct		420,755	36,645
93.876 Antimicrobial Resistance Surveillance in Retail Food Specimens			
Direct		125,213	-
93.946 Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs			
Direct		124,473	-
Research and Development Cluster Total		**21,763,901**	**1,853,226**
Total Clusters		**9,505,253,198**	**813,690,598**

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Department of Agriculture			
10.093 Voluntary Public Access and Habitat Incentive Program			
Direct		129,800	129,800
10.153 Market News			
Direct		2,088	-
10.162 Inspection Grading and Standardization			
Direct		2,133,951	218,095
10.170 Specialty Crop Block Grant Program - Farm Bill			
Direct		562,877	472,266
10.170 COVID-19 Specialty Crop Block Grant Program - Farm Bill			
Direct		33,551	32,343
10.170 Specialty Crop Block Grant Program - Farm Bill Total		596,428	504,609
10.171 Organic Certification Cost Share Programs			
Direct		8,876	6,308
10.351 Rural Business Development Grant			
Direct		116,147	36,645
10.525 COVID-19 Farm and Ranch Stress Assistance Network Competitive Grants Program			
Direct		136,220	103,475
10.534 CACFP Meal Service Training Grants			
Direct		23,082	-
10.535 SNAP Fraud Framework Implementation Grant			
Direct		136,000	-
10.541 Child Nutrition-Technology Innovation Grant			
Direct		64,220	-
10.542 COVID-19 Pandemic EBT Food Benefits			
Direct		315,364,757	-
10.545 Farmers' Market Supplemental Nutrition Assistance Program Support Grants			
Direct		3,837	-
10.557 WIC Special Supplemental Nutrition Program for Women, Infants, and Children			
Direct		64,328,478	756,538
10.557 COVID-19 WIC Special Supplemental Nutrition Program for Women, Infants, and Children			
Direct		3,089,409	-
10.557 WIC Special Supplemental Nutrition Program for Women, Infants, and Children Total		67,417,887	756,538
10.558 Child and Adult Care Food Program			
Direct		30,458,597	29,907,030
10.558 COVID-19 Child and Adult Care Food Program			
Direct		3,587,507	3,587,507
10.558 Child and Adult Care Food Program Total		34,046,104	33,494,537
10.560 State Administrative Expenses for Child Nutrition			
Direct		4,793,332	-
10.572 WIC Farmers' Market Nutrition Program (FMNP)			
Direct		59,766	-
10.575 Farm to School Grant Program			
Direct		42,839	-
10.576 Senior Farmers Market Nutrition Program			
Direct		788,714	-
10.579 Child Nutrition Discretionary Grants Limited Availability			
Direct		741,861	467,256
10.579 COVID-19 Child Nutrition Discretionary Grants Limited Availability			

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Direct		22,807	13,805
10.579 Child Nutrition Discretionary Grants Limited Availability Total		764,668	481,061
10.649 COVID-19 Pandemic EBT Administrative Costs			
Direct		7,399,757	183,576
10.652 Forestry Research			
Direct		385,580	-
10.664 Cooperative Forestry Assistance			
Direct		2,312,523	641,426
10.676 Forest Legacy Program			
Direct		1,960,944	-
10.678 Forest Stewardship Program			
Direct		171,532	-
10.680 Forest Health Protection			
Direct		414,774	293,394
10.691 Good Neighbor Authority			
Direct		38,191	-
10.697 State & Private Forestry Hazardous Fuel Reduction Program			
Direct		154,379	126,303
10.855 Distance Learning and Telemedicine Loans and Grants			
Direct		105,937	-
10.902 Soil and Water Conservation			
Direct		46,195	-
10.912 Environmental Quality Incentives Program			
Direct		297,999	-
10.931 Agricultural Conservation Easement Program			
Direct		77,057	-
10.934 Feral Swine Eradication and Control Pilot Program			
Direct		166,529	166,529
Department of Agriculture Total		**440,160,113**	**37,142,296**
Department of Commerce			
11.419 Coastal Zone Management Administration Awards			
Direct		2,807,061	13,976
11.420 Coastal Zone Management Estuarine Research Reserves			
Direct		85,018	-
Department of Commerce Total		**2,892,079**	**13,976**
Department of Defense			
12.113 State Memorandum of Agreement Program for the Reimbursement of Technical Services			
Direct		899,520	-
12.400 Military Construction, National Guard			
Direct		916,488	-
12.401 National Guard Military Operations and Maintenance (O&M) Projects			
Direct		34,961,069	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
12.404 National Guard ChalleNGe Program			
Direct		4,232,731	-
12.617 Economic Adjustment Assistance for State Governments			
Passed through South Carolina Department of Employment and Workforce			
	21SCCAP02	11,145	-
Department of Defense Total		**41,020,953**	**-**
Department of Housing and Urban Development			
14.228 Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			
Direct		30,094,690	14,485,023
14.228 COVID-19 Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			
Direct		12,374,839	11,362,287
14.228 Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Total		42,469,529	25,847,310
14.231 Emergency Solutions Grant Program			
Direct		2,661,422	2,483,595
14.231 COVID-19 Emergency Solutions Grant Program			
Direct		16,781,155	16,569,782
14.231 Emergency Solutions Grant Program Total		19,442,577	19,053,377
14.241 Housing Opportunities for Persons with AIDS			
Direct		2,225,954	2,120,021
14.241 COVID-19 Housing Opportunities for Persons with AIDS			
Direct		73,129	71,415
14.241 Housing Opportunities for Persons with AIDS Total		2,299,083	2,191,436
14.267 Continuum of Care Program			
Direct		395,970	395,970
14.401 Fair Housing Assistance Program State and Local			
Direct		390,694	-
14.921 Older Adults Home Modification Grant Program			
Direct		61,719	-
Department of Housing and Urban Development Total		**65,059,572**	**47,488,093**
Department of the Interior			
15.226 Payments in Lieu of Taxes			
Direct		1,549,601	1,549,601
15.438 National Forest Acquired Lands			
Direct		785	785
15.614 Coastal Wetlands Planning, Protection and Restoration			
Direct		2,686,100	686,100
15.616 Clean Vessel Act			
Direct		470,364	349,382
15.622 Sportfishing and Boating Safety Act			
Direct		1,447,638	1,420,581
15.630 Coastal			
Direct		17,320	-
15.634 State Wildlife Grants			
Direct		60,578	-
15.657 Endangered Species Recovery Implementation			
Direct		37,975	-
15.904 Historic Preservation Fund Grants-In-Aid			
Direct		908,961	908,961

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
15.916 Outdoor Recreation Acquisition, Development and Planning			
Direct		650,588	650,588
15.957 Emergency Supplemental Historic Preservation Fund			
Direct		565,466	565,466
Department of the Interior Total		**8,395,376**	**6,131,464**
Department of Justice			
16.017 Sexual Assault Services Formula Program			
Direct		402,261	381,000
16.034 COVID-19 Coronavirus Emergency Supplemental Funding Program			
Direct		2,722,267	2,380,254
16.540 Juvenile Justice and Delinquency Prevention			
Direct		316,537	226,512
16.543 Missing Children's Assistance			
Direct		405,584	-
16.554 National Criminal History Improvement Program (NCHIP)			
Direct		968,719	-
16.575 Crime Victim Assistance			
Direct		29,231,677	28,127,540
16.576 Crime Victim Compensation			
Direct		628,399	-
16.582 Crime Victim Assistance/Discretionary Grants			
Direct		4,999	-
16.588 Violence Against Women Formula Grants			
Direct		2,256,713	1,920,288
16.593 Residential Substance Abuse Treatment for State Prisoners			
Direct		255,788	240,487
16.607 Bulletproof Vest Partnership Program			
Direct		79,491	21,776
16.609 Project Safe Neighborhoods			
Direct		164,209	151,262
16.710 Public Safety Partnership and Community Policing Grants			
Direct		57,190	-
16.735 PREA Program: Strategic Support for PREA Implementation			
Direct		81,252	30,195
16.738 Edward Byrne Memorial Justice Assistance Grant Program			
Direct		3,269,864	2,944,708
16.741 DNA Backlog Reduction Program			
Direct		590,722	-
16.742 Paul Coverdell Forensic Sciences Improvement Grant Program			
Direct		292,504	277,346
16.745 Criminal and Juvenile Justice and Mental Health Collaboration Program			
Direct		1,306	-
16.750 Support for Adam Walsh Act Implementation Grant Program			
Direct		213,140	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
16.751 Edward Byrne Memorial Competitive Grant Program			
Direct		34,445	34,445
16.813 NICS Act Record Improvement Program			
Direct		374,970	-
16.816 John R. Justice Prosecutors and Defenders Incentive Act			
Direct		42,695	-
16.825 Smart Prosecution Initiative			
Direct		93,503	-
16.827 Justice Reinvestment Initiative			
Direct		248,928	-
16.836 Indigent Defense			
Direct		118,714	-
16.838 Comprehensive Opioid, Stimulant, and Substance Abuse Program			
Direct		206,940	163,224
16.844 Combatting Contraband Cell Phone Use in Prisons			
Direct		3,186	-
16.922 Equitable Sharing Program			
Direct		31,015	-
16.U01 Drug Free Communities Support Program Grants			
Direct		135,480	-
Department of Justice Total		**43,232,498**	**36,899,037**
Department of Labor			
17.005 Compensation and Working Conditions			
Direct		95,860	-
17.235 Senior Community Service Employment Program			
Direct		1,120,262	1,002,028
17.285 Apprenticeship USA Grants			
Direct		3,216,650	-
17.503 Occupational Safety and Health State Program			
Direct		2,446,679	-
17.504 Consultation Agreements			
Direct		965,606	-
Department of Labor Total		**7,845,057**	**1,002,028**
Department of Transportation			
20.106 Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs			
Direct		252,715	-
20.111 Aircraft Pilots Workforce Development Grant Program			
Direct		2,500	-
20.232 Commercial Driver's License Program Implementation Grant			
Direct		105,882	-
20.240 Fuel Tax Evasion-Intergovernmental Enforcement Effort			
Direct		68,195	-
20.301 Railroad Safety			
Direct		4,414	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
20.608 Minimum Penalties for Repeat Offenders for Driving While Intoxicated			
Direct		994,117	550,043
20.614 National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements			
Direct		244,371	-
20.615 E-911 Grant Program			
Direct		1,113,931	-
20.703 Interagency Hazardous Materials Public Sector Training and Planning Grants			
Direct		270,304	270,304
Department of Transportation Total		**3,056,429**	**820,347**
Department of the Treasury			
21.016 Equitable Sharing			
Direct		216,854	-
21.019 COVID-19 Coronavirus Relief Fund			
Direct		160,583,044	160,564,748
21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds			
Direct		61,300,000	-
Department of Treasury Total		**222,099,898**	**160,564,748**
Appalachian Regional Commission			
23.002 Appalachian Area Development			
Direct		1,473,960	1,473,960
23.011 Appalachian Research, Technical Assistance, and Demonstration Projects			
Direct		153,858	-
Appalachian Regional Commission Total		**1,627,818**	**1,473,960**
General Services Administration			
39.003 Donation of Federal Surplus Personal Property			
Direct		6,833,835	-
General Services Administration Total		**6,833,835**	**-**
National Foundation on the Arts and the Humanities			
45.025 Promotion of the Arts Partnership Agreements			
Direct		892,443	96,583
45.025 COVID-19 Promotion of the Arts Partnership Agreements			
Direct		787,450	768,700
45.025 Promotion of the Arts Partnership Agreements Total		1,679,893	865,283
45.129 Promotion of the Humanities Federal/State Partnership			
Passed through National Endowment For Humanities			
	ZSO 21-43-7	5,394	5,394
45.310 Grants to States			
Direct		1,914,456	134,740
45.310 COVID-19 Grants to States			
Direct		1,493,807	712,022
45.310 Grants to States Total		3,408,263	846,762
National Foundation on the Arts and the Humanities Total		**5,093,550**	**1,717,439**

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
Small Business Administration			
59.061 State Trade Expansion			
Direct		335,021	301,954
59.075 COVID-19 Shuttered Venue Operators Grant Program			
Direct		1,312,925	-
Small Business Administration Total		**1,647,946**	**301,954**
Department of Veterans Affairs			
64.005 Grants to States for Construction of State Home Facilities			
Direct		4,020,620	-
64.005 COVID-19 Grants to States for Construction of State Home Facilities			
Direct		1,954,884	-
64.005 Grants to States for Construction of State Home Facilities Total		5,975,504	-
64.124 All-Volunteer Force Educational Assistance			
Direct		332,401	-
Department of Veterans Affairs Total		**6,307,905**	**-**
Environmental Protection Agency			
66.034 Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act			
Direct		665,251	-
66.039 Diesel Emission Reduction Act (DERA) National Grants			
Direct		753,950	689,359
66.040 Diesel Emissions Reduction Act (DERA) State Grants			
Direct		231,792	197,283
66.312 State Environmental Justice Cooperative Agreement Program			
Direct		64,013	48,888
66.419 Water Pollution Control State, Interstate, and Tribal Program Support			
Direct		349,962	128,330
66.444 Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))			
Direct		110,480	-
66.454 Water Quality Management Planning			
Direct		165,991	112,938
66.460 Nonpoint Source Implementation Grants			
Direct		3,271,904	2,148,238
66.461 Regional Wetland Program Development Grants			
Direct		173,202	-
66.605 Performance Partnership Grants			
Direct		7,262,708	-
66.802 Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements			
Direct		822,364	-
66.804 Underground Storage Tank (UST) Prevention, Detection, and Compliance Program			
Direct		468,899	-
66.805 Leaking Underground Storage Tank Trust Fund Corrective Action Program			
Direct		1,091,901	-
66.809 Superfund State and Indian Tribe Core Program Cooperative Agreements			
Direct		155,065	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
66.817 State and Tribal Response Program Grants			
Direct		574,342	-
66.818 Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements			
Direct		17,643	-
Environmental Protection Agency Total		**16,179,467**	**3,325,036**
Department of Energy			
81.041 State Energy Program			
Direct		894,458	-
81.042 Weatherization Assistance for Low-Income Persons			
Direct		1,124,869	835,971
81.086 Conservation Research and Development			
Direct		72,603	-
81.104 Environmental Remediation and Waste Processing and Disposal			
Direct		139,784	-
81.106 Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions			
Direct		59,149	-
Passed through Southern States Energy Board			
	SSEB-920WIPP-SCEMD-2021	107,973	-
	DE-EM0005215;SSEB-WIPP-920-SCDHEC-2021-004amd	119,706	-
81.106 Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions Total		286,828	-
81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis			
Direct		3,942,607	172,717
81.U01 State Energy Conservation			
Direct		1,422,880	1,233,289
81.U02 Power Commission Fees			
Direct		5,114	-
Department of Energy Total		**7,889,143**	**2,241,977**
Department of Education			
84.002 Adult Education - Basic Grants to States			
Direct		9,361,247	8,295,154
84.010 Title I Grants to Local Educational Agencies			
Direct		267,742,469	264,708,570
84.011 Migrant Education State Grant Program			
Direct		839,378	165,269
84.013 Title I State Agency Program for Neglected and Delinquent Children and Youth			
Direct		1,170,917	1,170,917
84.048 Career and Technical Education -- Basic Grants to States			
Direct		21,530,858	18,836,329
84.126 Rehabilitation Services Vocational Rehabilitation Grants to States			
Direct		51,192,863	-
84.144 Migrant Education Coordination Program			
Direct		86,235	-
84.177 Rehabilitation Services Independent Living Services for Older Individuals Who are Blind			
Direct		821,104	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
84.181 Special Education-Grants for Infants and Families			
Direct		8,269,198	-
84.184 School Safely National Activities			
Direct		310,958	-
84.187 Supported Employment Services for Individuals with the Most Significant Disabilities			
Direct		373,892	-
84.196 Education for Homeless Children and Youth			
Direct		1,376,852	1,153,610
84.282 Charter Schools			
Direct		4,476,289	4,349,507
84.287 Twenty-First Century Community Learning Centers			
Direct		17,871,460	16,997,112
84.305 Education Research, Development and Dissemination			
Direct		74,471	-
84.326 Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities			
Direct		201,690	-
84.334 Gaining Early Awareness and Readiness for Undergraduate Programs			
Direct		3,167	-
84.358 Rural Education			
Direct		2,333,114	2,228,989
84.365 English Language Acquisition State Grants			
Direct		5,248,543	4,983,608
84.367 Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)			
Direct		29,610,754	27,823,671
84.369 Grants for State Assessments and Related Activities			
Direct		5,678,128	-
84.372 Statewide Longitudinal Data Systems			
Direct		400,436	-
84.377 School Improvement Grants			
Direct		3,465,579	3,352,007
84.424 Student Support and Academic Enrichment Program			
Direct		20,524,269	19,023,214
84.425B COVID-19 Discretionary Grants: Rethink K-12 Education Models Grants			
Direct		4,762,009	-
84.425C COVID-19 Governor's Emergency Education Relief (GEER) Fund			
Direct		30,828,215	30,828,215
84.425D COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund			
Direct		531,947,309	487,807,737
84.425R COVID-19 Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance to Non-Public Schools (CRRSA EANS) Program			
Direct		17,070,510	-
84.425U COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)			
Direct		222,923,960	194,332,732
84.425V COVID-19 American Rescue Plan - Emergency Assistance to Non-Public Schools (ARP EANS) Program			
Direct		5,716,408	-
84.425W COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth			
Direct		111,480	111,480
84.425 COVID-19 Education Stabilization Fund Total		813,359,891	713,080,164

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
84.U01 American Printing House for the Blind (APH) - Non Cash			
Passed through American Printing House			
	None	196,598	
Department of Education Total		**1,266,520,360**	**1,086,168,121**
Election Assistance Commission			
90.404 2018 HAVA Election Security Grants			
Direct		1,399,314	-
Election Assistance Commission Total		**1,399,314**	**-**
Department of Health and Human Services			
93.041 Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation			
Direct		44,681	5,984
93.042 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals			
Direct		306,528	297,795
93.042 COVID-19 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals			
Direct		239,098	239,098
93.042 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals Total		545,626	536,893
93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			
Direct		441,795	413,882
93.043 COVID-19 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			
Direct		2,450	2,450
93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services Total		444,245	416,332
93.048 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			
Direct		317,064	237,285
93.048 COVID-19 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			
Direct		218,493	64,284
93.048 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects Total		535,557	301,569
93.052 National Family Caregiver Support, Title III, Part E			
Direct		3,492,271	3,378,689
93.052 COVID-19 National Family Caregiver Support, Title III, Part E			
Direct		552,992	552,992
93.052 National Family Caregiver Support, Title III, Part E Total		4,045,263	3,931,681
93.069 Public Health Emergency Preparedness			
Direct		9,322,810	-
93.071 Medicare Enrollment Assistance Program			
Direct		470,446	459,042
93.072 Lifespan Respite Care Program			
Direct		251,215	187,433
93.073 Birth Defects and Developmental Disabilities - Prevention and Surveillance			
Direct		508,544	-
93.079 Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance			
Direct		101,735	29,900
93.092 Affordable Care Act (ACA) Personal Responsibility Education Program			
Direct		699,750	506,761
93.093 Health Profession Opportunity Grants			
Direct		633,939	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.103 Food and Drug Administration Research			
Direct		1,349,499	14,379
Passed through Association of Food and Drug Officials			
	G-SP-2010-08858	1,655	-
	G-ME-2103-02881	10,437	-
	G-SE-2103-02882	39,185	-
	G-2010-02641	1,834	-
	G-MP-2108-09756	27,560	-
	G-T-2010-08859	2,384	-
	G-MP-2010-08854	612	-
Passed through National Association of County and City Health Officials			
	5U5OFD005933-05;2021-032203	6,446	-
Passed through National Environmental Health Association			
	G-OACB-202110-01161	9,200	-
93.103 Food and Drug Administration Research Total		1,448,812	14,379
93.104 Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)			
Direct		338,444	-
93.110 Maternal and Child Health Federal Consolidated Programs			
Direct		121,205	-
Passed through SC Infant Mental Health Association			
	5 U2DMC32394-03	84,709	-
Passed through The Association of Public Health Laboratories, Inc			
	UG8MC31893;56300-600-158-21-21	227,573	-
93.110 COVID-19 Maternal and Child Health Federal Consolidated Programs			
Direct		74,877	-
93.110 Maternal and Child Health Federal Consolidated Programs Total		508,364	-
93.116 Project Grants and Cooperative Agreements for Tuberculosis Control Programs			
Direct		729,920	-
93.127 Emergency Medical Services for Children			
Direct		138,484	-
93.130 Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices			
Direct		162,324	-
93.136 Injury Prevention and Control Research and State and Community Based Programs			
Direct		4,444,397	490,085
93.136 COVID-19 Injury Prevention and Control Research and State and Community Based Programs			
Direct		32,116	32,116
93.136 Injury Prevention and Control Research and State and Community Based Programs Total		4,476,513	522,201
93.150 Projects for Assistance in Transition from Homelessness (PATH)			
Direct		663,113	-
93.197 Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children			
Direct		518,194	9,085
93.217 Family Planning Services			
Direct		7,649,943	15,000
93.235 Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program			
Direct		969,316	786,931
93.236 Grants to States to Support Oral Health Workforce Activities			
Passed through Medical University of South Carolina			
	5 T12HP28882-06-03	34,573	-
	5 T12HP28882-07-01;A00-2147-S001	87,840	-
93.236 Grants to States to Support Oral Health Workforce Activities Total		122,413	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.243 Substance Abuse and Mental Health Services Projects of Regional and National Significance			
Direct		5,785,091	1,850,911
Passed through Vibrant Emotional Health			
	5H79SM080382-02	186,499	-
93.243 Substance Abuse and Mental Health Services Projects of Regional and National Significance Total		5,971,590	1,850,911
93.251 Early Hearing Detection and Intervention			
Direct		234,349	-
93.268 Immunization Cooperative Agreements			
Direct		74,821,604	-
93.268 COVID-19 Immunization Cooperative Agreements			
Direct		46,933,976	-
93.268 Immunization Cooperative Agreements Total		121,755,580	-
93.270 Viral Hepatitis Prevention and Control			
Direct		119,144	-
93.297 Teenage Pregnancy Prevention Program			
Passed through SC Center for Fathers and Families			
	1 TP1AH000214-01-00	115,740	-
Passed through Fact Forward Advancing Reproductive Health			
	1 TP1AH000133-01-00	1,919	-
Passed through Fact Forward Advancing Reproductive Health			
	1 TP2AH000064-01-00;ML-1-590	44,760	-
	1 TP2AH000064-01-00;LC-1-592	52,557	-
Passed through South Carolina Campaign To Prevent Teen Pregnancy			
	1 TP1AH000126-01-00:LC-6-527	2,970	-
93.297 Teenage Pregnancy Prevention Program Total		217,946	-
93.314 Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program			
Direct		106,869	-
93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			
Direct		1,767,995	-
93.323 COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			
Direct		157,331,734	4,504,526
93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Total		159,099,729	4,504,526
93.324 State Health Insurance Assistance Program			
Direct		766,063	612,710
93.334 The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels			
Direct		12,233	-
93.336 Behavioral Risk Factor Surveillance System			
Direct		403,841	-
93.354 COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response			
Direct		3,391,740	-
93.366 State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes			
Direct		640,578	104,861
93.369 ACL Independent Living State Grants			
Direct		397,817	-
93.387 National and State Tobacco Control Program			
Direct		1,761,504	267,787
93.391 COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises			
Direct		3,702,656	2,292,381

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.421 Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health			
Passed through National Association of County and City Health Officials			
	6NU38OT000306-04-01:2022-021101	9,072	-
Passed through National Association of County and City Health Officials			
	6NU38OT000306-03-06;UP-2-597	12,500	12,500
Passed through The Nemours Foundation			
	6 NU38OT000304-01-02;SCDHEC-8614151009	5,456	-
	5 NU38OT000304-03-00;SCDHEC-8614151011	11,915	-
93.421 COVID-19 Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health			
Passed through National Assoc. of Chronic Disease Directors			
	5-NU38OT000286-3;2842021	168,103	-
93.421 Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health Total		207,046	12,500
93.426 Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke			
Direct		2,270,472	708,821
93.434 Every Student Succeeds Act/Preschool Development Grants			
Direct		12,622,436	1,273,098
93.435 Innovative State and Local Public Health Strategies to Prevent and Manage Diabetes and Heart Disease and Stroke			
Direct		1,739,352	967,597
93.436 Well-Integrated Screening and Evaluation for Women Across the Nation (WISEWOMAN)			
Direct		305,862	19,864
93.470 Alzheimer's Disease Program Initiative (ADPI)			
Direct		165,000	44,742
93.471 COVID-19 Title IV-E Kinship Navigator Program			
Direct		3,885,681	-
93.497 COVID-19 Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports			
Direct		1,754,117	-
93.498 COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution			
Direct		3,166,635	-
93.499 COVID-19 Low Income Household Water Assistance Program			
Direct		5,489,103	5,489,103
93.556 MaryLee Allen Promoting Safe and Stable Families Program			
Direct		2,533,965	1,151,792
93.556 COVID-19 MaryLee Allen Promoting Safe and Stable Families Program			
Direct		1,069,346	-
93.556 MaryLee Allen Promoting Safe and Stable Families Program Total		3,603,311	1,151,792
93.558 Temporary Assistance for Needy Families			
Direct		86,572,364	1,729,139
93.558 COVID-19 Temporary Assistance for Needy Families			
Direct		9,759,666	-
93.558 Temporary Assistance for Needy Families Total		96,332,030	1,729,139
93.563 Child Support Enforcement			
Direct		36,268,514	17,482,227
93.566 Refugee and Entrant Assistance State/Replacement Designee Administered Programs			
Direct		930,564	300,041
93.568 Low-Income Home Energy Assistance			
Direct		43,048,096	41,963,695
93.568 COVID-19 Low-Income Home Energy Assistance			
Direct		37,024,737	37,019,422
93.568 Low-Income Home Energy Assistance Total		80,072,833	78,983,117

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.569 Community Services Block Grant			
Direct		10,592,894	10,225,175
93.569 COVID-19 Community Services Block Grant			
Direct		7,225,743	7,225,743
93.569 Community Services Block Grant Total		17,818,637	17,450,918
93.586 State Court Improvement Program			
Direct		435,461	-
93.597 Grants to States for Access and Visitation Programs			
Direct		95,039	-
93.599 Chafee Education and Training Vouchers Program (ETV)			
Direct		824,795	-
93.599 COVID-19 Chafee Education and Training Vouchers Program (ETV)			
Direct		393,823	-
93.599 Chafee Education and Training Vouchers Program (ETV) Total		1,218,618	-
93.603 Adoption and Legal Guardianship Incentive Payments			
Direct		851	-
93.630 Developmental Disabilities Basic Support and Advocacy Grants			
Direct		893,311	537,765
93.630 COVID-19 Developmental Disabilities Basic Support and Advocacy Grants			
Direct		48,936	48,936
93.630 Developmental Disabilities Basic Support and Advocacy Grants Total		942,247	586,701
93.634 Support for Ombudsman and Beneficiary Counseling Programs for States Participating in Financial Alignment Model Demonstrations for Dually Eligible Individuals			
Direct		304,328	9,067
93.643 Children's Justice Grants to States			
Direct		322,431	273,227
93.645 Stephanie Tubbs Jones Child Welfare Services Program			
Direct		1,085,857	-
93.645 COVID-19 Stephanie Tubbs Jones Child Welfare Services Program			
Direct		625,499	-
93.645 Stephanie Tubbs Jones Child Welfare Services Program Total		1,711,356	-
93.658 Foster Care Title IV-E			
Direct		43,679,497	-
93.658 COVID-19 Foster Care Title IV-E			
Direct		1,218,666	-
93.658 Foster Care Title IV-E Total		44,898,163	-
93.659 Adoption Assistance			
Direct		26,928,596	-
93.659 COVID-19 Adoption Assistance			
Direct		1,944,572	-
93.659 Adoption Assistance Total		28,873,168	-
93.665 COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19			
Direct		1,837,205	-
93.667 Social Services Block Grant			
Direct		20,285,902	-
93.669 Child Abuse and Neglect State Grants			
Direct		1,615,822	-
93.669 COVID-19 Child Abuse and Neglect State Grants			
Direct		9,600	-
93.669 Child Abuse and Neglect State Grants Total		1,625,422	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.671 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services			
Direct		1,626,294	1,402,524
93.671 COVID-19 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services			
Direct		1,009,018	72,215
93.671 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services Total		2,635,312	1,474,739
93.674 John H. Chafee Foster Care Program for Successful Transition to Adulthood			
Direct		1,686,305	210,869
93.674 COVID-19 John H. Chafee Foster Care Program for Successful Transition to Adulthood			
Direct		2,905,428	-
93.674 John H. Chafee Foster Care Program for Successful Transition to Adulthood Total		4,591,733	210,869
93.686 Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B			
Direct		1,041,533	658,380
93.747 COVID-19 Elder Abuse Prevention Interventions Program			
Direct		897,354	-
93.767 Children's Health Insurance Program			
Direct		179,663,531	-
93.788 Opioid STR			
Direct		21,438,643	15,797,673
93.791 Money Follows the Person Rebalancing Demonstration			
Direct		339,638	-
93.870 Maternal, Infant and Early Childhood Home Visiting Grant			
Passed through The Children's Trust of South Carolina			
	X10MC33608:S-MIEC-F-2019-5-1	44,749	-
93.889 National Bioterrorism Hospital Preparedness Program			
Direct		2,192,573	836,907
93.889 COVID-19 National Bioterrorism Hospital Preparedness Program			
Direct		493,099	131,161
Passed through South Carolina Hospital Association			
	U3REP200666	22,500	-
93.889 National Bioterrorism Hospital Preparedness Program Total		2,708,172	968,068
93.898 Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations			
Direct		5,398,074	637,982
93.917 HIV Care Formula Grants			
Direct		24,493,578	11,473,720
93.917 COVID-19 HIV Care Formula Grants			
Direct		219,862	207,610
93.917 HIV Care Formula Grants Total		24,713,440	11,681,330
93.940 HIV Prevention Activities Health Department Based			
Direct		8,215,666	1,879,883
93.941 HIV Demonstration, Research, Public and Professional Education Projects			
Direct		523,673	163,209
93.958 Block Grants for Community Mental Health Services			
Direct		10,141,858	-
93.958 COVID-19 Block Grants for Community Mental Health Services			
Direct		1,449,067	-
93.958 Block Grants for Community Mental Health Services Total		11,590,925	-
93.959 Block Grants for Prevention and Treatment of Substance Abuse			
Direct		30,822,039	28,184,771

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
93.977 Sexually Transmitted Diseases (STD) Prevention and Control Grants			
Direct		1,525,466	41,981
93.977 COVID-19 Sexually Transmitted Diseases (STD) Prevention and Control Grants			
Direct		250,747	-
93.977 Sexually Transmitted Diseases (STD) Prevention and Control Grants Total		1,776,213	41,981
93.982 Mental Health Disaster Assistance and Emergency Mental Health			
Direct		2,540,079	-
93.982 COVID-19 Mental Health Disaster Assistance and Emergency Mental Health			
Direct		32,083	-
93.982 Mental Health Disaster Assistance and Emergency Mental Health Total		2,572,162	-
93.991 Preventive Health and Health Services Block Grant			
Direct		1,971,094	51,198
93.994 Maternal and Child Health Services Block Grant to the States			
Direct		12,491,510	535,923
Department of Health and Human Services Total		**1,016,528,535**	**206,124,327**
Corporation for National and Community Service			
94.006 AmeriCorps State and National 94.006			
Direct		327,619	8,397
94.006 COVID-19 AmeriCorps State and National 94.006			
Direct		10,479,996	-
94.006 AmeriCorps State and National 94.006 Total		10,807,615	8,397
Corporation for National and Community Service Total		**10,807,615**	**8,397**
Executive Office of the President			
95.001 High Intensity Drug Trafficking Areas Program			
Direct		456,166	-
Executive Office of the President Total		**456,166**	**-**
Department of Homeland Security			
97.008 Non-Profit Security Program			
Direct		272,037	272,037
97.012 Boating Safety Financial Assistance			
Direct		2,747,929	-
97.023 Community Assistance Program State Support Services Element (CAP-SSSE)			
Direct		199,064	-
97.029 Flood Mitigation Assistance			
Direct		6,631	-
97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Direct		29,580,528	27,427,163
97.036 COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Direct		175,645,527	162,231,964
97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters) Total		205,226,055	189,659,127
97.039 Hazard Mitigation Grant			
Direct		6,742,292	5,830,358
97.041 National Dam Safety Program			
Direct		184,895	-
97.042 Emergency Management Performance Grants			
Direct		6,897,832	6,897,832
97.043 State Fire Training Systems Grants			
Direct		19,950	-

Grantor/Assistance Listing Number/Title	Pass-Through Grant Number	Federal Expenditures	Subrecipient Expenditures
97.044 Assistance to Firefighters Grant			
Direct		181,197	-
97.045 Cooperating Technical Partners			
Direct		1,148,487	-
97.046 COVID-19 Fire Management Assistance Grant			
Direct		4,926	-
97.047 BRIC: Building Resilient Infrastructure and Communities			
Direct		1,457,751	1,298,829
97.056 Port Security Grant Program			
Direct		835,227	-
97.067 Homeland Security Grant Program			
Direct		3,720,869	1,969,823
97.082 Earthquake Consortium			
Direct		59,576	11,250
97.083 Staffing for Adequate Fire and Emergency Response (SAFER)			
Direct		22,596	-
97.133 Preparing for Emerging Threats and Hazards			
Direct		481,777	-
Department of Homeland Security Total		**230,209,091**	**205,939,256**
Total NonCluster Programs		**3,405,262,720**	**1,797,362,456**
Total Federal Expenditures		**$ 12,910,515,918**	**$ 2,611,053,054**

Notes to the Schedule of Expenditures of Federal Awards

STATE OF SOUTH CAROLINA
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Entity

For purposes of complying with the Single Audit Act Amendments of 1996 and Uniform Guidance, the State of South Carolina (the State) is defined in a manner consistent with the entity defined in the basic financial statements as of and for the year ended June 30, 2022, except that certain agencies and component units included in the basic financial statements are excluded in the accompanying Schedule of Expenditures of Federal Awards because these agencies and component units engaged other auditors to perform an audit in accordance with the Single Audit Act and Uniform Guidance, as applicable. The excluded agencies and component units for the year ended June 30, 2022, are as follows:

Aiken Technical College	Northeastern Technical College
Central Carolina Technical College	Orangeburg-Calhoun Technical College
Clemson University	Piedmont Technical College
Coastal Carolina University	South Carolina State University
College of Charleston	Spartanburg Community College
Denmark Technical College	State Housing Finance and Development Authority
Department of Employment and Workforce	Technical College of the Lowcountry
Department of Transportation	The Citadel
Florence-Darlington Technical College	Tri-County Technical College
Francis Marion University	Trident Technical College
Greenville Technical College	University of South Carolina
Horry-Georgetown Technical College	Williamsburg Technical College
Lander University	Winthrop University
Medical University of South Carolina	York Technical College
Midlands Technical College	

Basis of Accounting

The expenditures presented in the accompanying Schedule of Expenditures of Federal Awards were developed from the South Carolina Enterprise Information System (SCEIS). SCEIS is the State's accounting system which serves as the primary source of information in the preparation of the State's financial statements.

The expenditures reported in the accompanying Schedule of Expenditures of Federal Awards and the related note disclosures are presented using the cash basis of accounting. Under the cash basis of accounting, expenditures are recognized when cash is disbursed rather than when the obligation is incurred. Federal revenues and expenditures are included primarily in the governmental funds in the State's financial statements.

Non-Cash Federal Programs

The State is the recipient of federal financial assistance programs that do not result in cash receipts or disbursements, termed "non-cash programs". The distributions under these programs are included in the accompanying Schedule of Expenditures of Federal Awards.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Cash Federal Programs (Continued)

As of June 30, 2022, there were non-cash expenditures that occurred within the State. The non-cash expenditures are listed below.

Program Title	Assistance Listing	Non-Cash Expenditures
National School Lunch Program	10.555	35,789,351
Donation of Federal Surplus Personal Property	39.003	6,833,835
American Printing House for the Blind (APH)	84.U01	196,598
Immunization Cooperative Agreements	93.268	71,026,307

Assistance Listings

The system for award management is a government-wide listing of individual federal programs. Each listed program is assigned a five-digit program assistance listing number (ALN) which is reflected in the accompanying Schedule of Expenditures of Federal Awards as assigned on the sam.gov website.

Federal financial assistance programs and contracts which have not been assigned an ALN or, where management has been unable to determine the ALN, are considered “Other Federal Assistance” and identified with the federal agency two-digit prefix and a State-assigned suffix in the accompanying Schedule of Expenditures of Federal Awards (State agencies traditionally use U0# as the suffix).

NOTE 2 - DE MINIMIS INDIRECT COST RATE

The State did not use the de minimis cost rate.

NOTE 3 - LOAN PROGRAMS

There were no outstanding federal loan balances and loan guarantees at the end of the year.

NOTE 4 - MATCHING COST

Matching costs, or the non-federal share of certain program costs, are included in the accompanying Schedule of Expenditures of Federal Awards when the federal and State portions of costs are combined and the State portion cannot be separately identified.

NOTE 5 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards are prepared on the basis explained in Note 1, and do not necessarily agree with amounts reported using regulations and guidelines of individual agencies or grants.

NOTE 6 - WIC REBATES

During the fiscal year ended June 30, 2022, the South Carolina Department of Health and Environmental Control received cash rebates from infant formula manufacturers in the amount of $22,433,669 on sales of formula to participants in the WIC program (ALN 10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs.

NOTE 7 - PASSTHROUGH OF EXPENDITURES WITHIN REPORTING ENTITIES

Some State agencies transfer federal assistance to other State agencies such as a pass-through of funds by the primary recipient State agency to a subrecipient State agency. In this case, the federal expenditures are only reported once in the accompanying Schedule of Expenditures of Federal Awards. This method avoids duplication and the overstatement of the aggregate level of federal financial assistance expended by the State.

NOTE 8 - UNAUDITED COVID-19 PERSONAL PROTECTIVE EQUIPMENT DONATED

As of June 30, 2022, there was COVID-19 personal protective equipment donated to the State. The unaudited fair market value of the donated personal protective equipment is listed below.

Program Title	Assistance Listing	State Administering Agency	Fair Market Value
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	SC Department of Health and Environmental Control	$14,577,086

Schedule of Findings and Questioned Costs

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	***Unmodified***	
Internal control over financial reporting:		
Material weaknesses identified?	X yes	__no
Significant deficiencies identified that are not considered to be material weaknesses?	__yes	_X none reported
Noncompliance material to financial statements noted?	__yes	X no

Federal Awards

Internal control over major programs:		
Material weaknesses identified?	X yes	__no
Significant deficiencies identified that are not considered to be material weaknesses?	X yes	__none reported
Type of auditor's report issued on compliance for major programs:	***Unmodified*** for all major programs except for the following programs which were ***qualified***:	
	93.767 and Medicaid Cluster	

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance? X yes __no

Identification of major programs:

ALN	Name of Federal Program or Cluster
10.542	Pandemic EBT Food Benefits
10.558	Child and Adult Care Food Program
12.401	National Guard Military Operations and Maintenance (O&M) Projects
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
14.231	Emergency Solutions Grant Program
21.019	Coronavirus Relief Fund
21.027	Coronavirus State and Local Fiscal Recovery Funds
84.002	Adult Education - Basic Grants to States
84.425	Education Stabilization Fund
93.268	Immunization Cooperative Agreements
93.569	Community Services Block Grant
93.659	Adoption Assistance
93.767	Children's Health Insurance Program
96.001	Disability Insurance/SSI Cluster
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
Various[1]	Child Care and Development Fund (CCDF) Cluster
Various[1]	Medicaid Cluster

[1] – See Schedule of Expenditures of Federal Awards for Assistance Listing Numbers

Dollar threshold used to distinguish between Type A and Type B programs: $ 30,000,000

Auditee qualified as low-risk auditee? __yes X no

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA COMPTROLLER GENERAL'S OFFICE (E12)

2022 – 001. Material Weakness in Financial Reporting – Preparation of Statewide Accounting Records and Annual Comprehensive Financial Report (ACFR) and Audit Adjustments – Comptroller General's Office

Criteria: Statements on Auditing Standards (AU-C 200.14) requires that management acknowledge and understand that they have responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Condition: Internal controls over financial reporting were inadequate to prevent or detect material misstatements during the preparation of the State's Annual Comprehensive Financial Report (ACFR) and in the supporting accounting records, requiring the Comptroller General's Office (CGO) to post audit adjustments to the State's ACFR and restate previously reported balances.

The CGO is responsible for compilation of the ACFR from reporting packages and audited financial statements submitted from State agencies. There were several misstatements to current year and prior year balances which were not detected or corrected by the CGO supervisory staff during the review process and as a result, audit adjustments were recorded.

Cause: These errors were not detected during CGO supervisory staff review.

Effect: Amounts, as well as disclosures, included in the financial statements were inaccurate and, as a result, audit adjustments and revisions to the ACFR were required. A prior period adjustment was required to correct an error to previously reported balances.

Recommendation: We recommend the CGO review its current processes and procedures over (1) identifying and recording adjustments related to reporting packages and other audited financial statements for inclusion in the statewide ACFR and (2) internal review of the ACFR in its entirety in order to strengthen its review procedures.

Repeat Finding: Yes, see finding 2021-001 in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA COMPTROLLER GENERAL'S OFFICE (E12) (CONTINUED)

2022 – 001. Material Weakness in Financial Reporting – Preparation of Statewide Accounting Records and Annual Comprehensive Financial Report (ACFR) and Audit Adjustments – Comptroller General's Office (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 99.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA COMPTROLLER GENERAL'S OFFICE (E12) (CONTINUED)

2022 – 002. Material Weakness in Reporting for Statewide Cash and Investment Balances and Prior Period Adjustments – Comptroller General's Office

Criteria: The CGO develops policies and procedures over financial reporting to ensure the accuracy of the ACFR. Among these is the use of SCEIS functionality to compile the State's financial statements, including evaluating the completeness of SCEIS information, and identifying and posting adjusting journal entries necessary for the information to comply with generally accepted accounting principles.

Condition: In connection with the State converting its legacy accounting system to the South Carolina Enterprise Information System (SCEIS), a series of related cash accounts in the new general ledger was not properly coded to the State's Annual Comprehensive Financial Report (ACFR) which is prepared annually. As a result, before the omission was discovered by the Comptroller General's Office (CGO) during the current year, material activity had been omitted from prior year ACFRs.

Additionally, a critical component of the financial reporting process is the submission by agencies of reporting packages to the CGO to support the amounts that are included within SCEIS. Section 1.0 of the Comptroller General's Reporting Policies and Procedures Manual states that all reporting package balances must be consistent with balances within SCEIS.

Cause: During the multi-year conversion of the State's legacy system to SCEIS, a series of general ledger accounts had been created but unwittingly not coded to be included within the ACFR. Subsequent post- conversion reviews and reconciliations of activity between SCEIS and the ACFR did not effectively detect the omission of certain activity in these accounts until the current year.

Effect: The cumulative activity in the general ledger accounts improperly omitted from the General Fund's cash and investment balances that were being reported in the ACFRs resulted in necessary material adjustments to the General Fund's beginning fund balance in the current year's ACFR.

Recommendation: We recommend that the State implement procedures to identify, research, and appropriately code all accounts within the State's reporting entity. Among the procedures and controls that should be instituted is a reconciliation of the State's pooled cash and investments to cash and investment ownership by individual fund. After seeking potential programming assistance from IT personnel, this reconciliation should be performed quarterly through a collaborative effort of the CGO and the State

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA COMPTROLLER GENERAL'S OFFICE (E12) (CONTINUED)

2022 – 002. Material Weakness in Reporting for Statewide Cash and Investment Balances and Prior Period Adjustments – Comptroller General's Office (Continued)

Treasurer's Office. Differences noted, if any, should be researched and corrected. We also recommend that the CGO update its cash and investment reporting package instructions to other agencies and coordinate with them to ensure the information they report in their reporting packages is complete and accurate. Agency reporting packages should include all information needed to be reconciled to SCEIS by fund and general ledger account.

Repeat Finding: Not Applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 99.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA COMPTROLLER GENERAL'S OFFICE (E12) (CONTINUED)

2022 – 003. Material Weakness in Financial Reporting – Accuracy of Agency Reporting Package – Department of Health and Human Services

Criteria: Section 1.7 of the Comptroller General's Reporting Policies and Procedures Manual states, "Each agency's executive director and finance director are responsible for submitting to the Comptroller General's Office reporting packages that are accurate and prepared in accordance with instructions, complete, and timely." This requirement acts as a control over financial reporting for the State's financial statements.

Condition: Internal controls over the financial close and reporting process related to grants receivable and deferred revenue reporting package were inadequate to ensure accurate submission of the reporting packages to the Comptroller General's Office (CGO). The Department of Health and Human Services' grant reporting package contained material misstatements that were subsequently corrected.

Cause: The agency reporting package that was submitted to the CGO contained errors that were not detected by agency supervisory staff review.

Effect: Errors in the reporting package resulted in audit adjustments.

Recommendation: We recommend that the agency review their procedures over reporting package preparation and submission to ensure reporting packages are submitted in accordance with CGO directives.

Repeat Finding: Not Applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 101.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)

2022 – 004. Eligibility

Federal Agency: Department of Health and Human Services
Federal Program Titles: Medicaid Cluster and Children's Health Insurance Program (CHIP)
Assistance Listings: 93.775, 93.777, 93.778, and 93.767
Federal Grant ID Numbers: 05-2105SC5MAP, 05-2205SC5MAP, 05-2105SC5ADM, 05-2205SC5ADM, 05-2105SC5021, and 05-2205SC5021
Pass-Through Entity: Not applicable
Award Period: October 01, 2020, through September 30, 2023
Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Section 2.1 of the Department's Title XIX (Medicaid) State Plan (Application, Determination of Eligibility and Furnishing Medicaid) affirms that it meets the requirements outlined in 42 CFR Part 435.916, which states in part, that the agency must promptly determine eligibility between regular renewals of eligibility. In addition, Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual states that the Department must complete an annual review for certain payment categories.

Furthermore, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program. Therefore, the aforementioned regulation and policies apply to both programs.

Condition: The Department did not consistently perform timely annual eligibility reviews for Medicaid and CHIP recipients in accordance with Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual.

Questioned Costs: Unknown

Context: We tested 120 individual recipients (60 each for Medicaid and CHIP) to ensure the Department complied with applicable eligibility requirements. We determined the Department did not comply with the annual review requirement for 42 Medicaid recipients and 58 CHIP recipients.

Cause: Department personnel stated they did not comply with the annual review requirement for these recipients due to a backlog in case processing.

Effect: In the absence of an annual review, Medicaid and CHIP recipients may continue to receive benefits without meeting eligibility requirements.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

2022 – 004. Eligibility (Continued)

Recommendation: We recommend eligibility reviews be performed annually in accordance with the South Carolina Medicaid Policies and Procedures Manual.

Prior Year Single Audit Finding Number: 2021-004

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 102.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

2022 – 005. Eligibility

Federal Agency: Department of Health and Human Services
Federal Program Titles: Medicaid Cluster and Children's Health Insurance Program (CHIP)
Assistance Listings: 93.775, 93.777, 93.778, and 93.767
Federal Grant ID Numbers: 05-2205SC5MAP, 05-2205SC5ADM, 05-2105SC5021, and 05-2205SC5021
Pass-Through Entity: Not applicable
Award Period: October 01, 2020, through September 30, 2023
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 42 CFR 435.914 (a), the agency must include in each applicant's case record facts to support the agency's decision on his or her application. In addition, Section 4.7 of the Department's Title XIX (Medicaid) State Plan (Maintenance of Records) affirms that it meets the requirements outlined in 42 CFR 431.17 (b), that a State plan must provide that the Medicaid agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan.

Furthermore, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program. Therefore, the aforementioned regulations apply to both programs.

Condition: Eligibility files did not contain adequate documentation to support the Medicaid and CHIP recipient eligibility status.

Questioned Costs: Unknown

Context: We tested 120 individual recipients (60 each for Medicaid and CHIP) to ensure the Department complied with applicable eligibility requirements. We determined the Department did not maintain adequate documentation of eligibility for 3 Medicaid recipients and 3 CHIP recipients.

Cause: According to Department personnel, some documentation was not scanned into the electronic case files and maintained in accordance with its State plan.

Effect: The Department could not support eligibility determinations in accordance with its State plan.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

2022 – 005. Eligibility (Continued)

Recommendation: We recommend the Department strengthen controls over eligibility determinations to ensure documentation is maintained and reviewed in accordance with its State plan and federal regulations.

Prior Year Single Audit Finding Number: 2021-005

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 103.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF THE ADJUTANT GENERAL (E24)

2022 – 006. Reporting

Federal Agency: Department of Homeland Security
Federal Program Title: Disaster Grants – Public Assistance (Presidentially Declared Disasters)
Assistance Listing: 97.036
Federal Grant ID Numbers: Various
Pass-Through Entity: Not applicable
Award Period: Various
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR 170 Appendix A requires that recipients of grants or cooperative agreements report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) no later than the end of the month following the month in which the obligation was made.

Condition: FFATA reporting and timing errors were identified.

Questioned Costs: None

Context: Fourteen subawards were selected for testing and the following compliance errors were identified during the testing:

- The reported subaward obligation/action date did not agree to the subaward agreement date for one of the subawards tested.
- For seven of the subawards tested, the action was not reported in the FSRS by the last day of the month following the month that the subaward was made.
- The FSRS could not be accessed for four of the subawards in order to test reporting compliance for that subaward.

Cause: Data entry errors and administrative delays led to the compliance errors identified in the testing.

Effect: The Office was not in compliance with FFATA reporting requirements.

Recommendation: We recommend the Office update their current internal control to include continuous monitoring and reviewing of project obligations to ensure that reports are submitted in compliance with FFATA reporting requirements.

Prior Year Single Audit Finding Number: Not applicable

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

2022 – 006. Reporting (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 105.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

2022 – 007. Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Federal Agency: Department of Defense
Federal Program Title: National Guard Military Operations and Maintenance (O&M) Projects
Assistance Listing: 12.401
Federal Grant ID Numbers: Various
Pass-Through Entity: Not applicable
Award Period: Various
Type of Finding: Significant deficiency in internal control

Criteria: 2 CFR § 200.303 states that the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations and the terms and conditions of the federal award.

Condition: Personnel expenditures for three employees were charged to the federal award without documented approval as required by the Office's internal control procedure.

Questioned Costs: None

Context: Three of forty payroll transactions tested did not have a corresponding approved State Personnel Action form that documented each employee's salary and the percentage of their salary covered by the grant program.

Cause: Management did not document approval of payroll changes for grant employees to avoid errors in payroll processing.

Effect: The Office could incorrectly charge the federal award for personnel costs.

Recommendation: We recommend the Office consistently adhere to its internal controls including maintaining the approved State Personnel Action form to support the personnel charges and allocations to applicable funding sources.

Prior Year Single Audit Finding Number: Not applicable.

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 106.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF COMMERCE (P320)

2022 – 008. Reporting

Federal Agency: Department of Housing and Urban Development
Federal Program Title: Community Development Block Grant
Assistance Listing: 14.228
Federal Grant ID Numbers: B20DW450001, B21DC450001, B20DC450001, B19DC450001, and B18DC450001
Pass-Through Entity: Not applicable
Award Period: July 24, 2018, through September 1, 2028
Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 2 CFR § 200.303, the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: Supervisory personnel did not review certain reports prior to submission.

Questioned Costs: None

Context: We tested the Department's Consolidated Annual Performance and Evaluation Report (CAPER), which includes the annual Section 3 report, and five Federal Funding Accountability and Transparency Act (FFATA) reports submitted by the Department. None of the FFATA reports were reviewed by supervisory personnel prior to submission.

Cause: Department controls failed to ensure that supervisory personnel reviewed the reports prior to submission.

Effect: Without supervisory review, there is an increased risk of inaccurate reporting.

Recommendation: We recommend that Department personnel consistently follow policies in place to ensure reports are properly reviewed by supervisory personnel prior to submission.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF COMMERCE (P320) (CONTINUED)

2022 – 008. Reporting (Continued)

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 108.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF RESILIENCE (D300)

2022 – 009. Reporting

Federal Agency: Department of Housing and Urban Development
Federal Program Title: Community Development Block Grant
Assistance Listing: 14.228
Federal Grant ID Number: B-18-DP-06-0002
Pass-Through Entity: Not applicable
Award Period: August 20, 2020, through November 19, 2032
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR § 200.303 requires effective internal controls be established and maintained in order to provide reasonable assurance that the federal award is being managed in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: We determined expenditure transactions were incorrectly classified in the general ledger.

Questioned Costs: None

Context: For two of twenty-two transactions tested, the Office classified subrecipient payments as contractual services.

Cause: Office controls failed to ensure transactions were recorded properly in the general ledger.

Effect: Subrecipient expenditures of $51,853 were omitted from the Office's Schedule of Federal Awards (SEFA).

Recommendation: We recommend that the Office ensure staff preparing and entering transactions into the accounting system have a good working knowledge of account codes as defined by the South Carolina Comptroller General's Office (CG). In addition, supervisory personnel should closely review transactions to ensure proper classification in the general ledger. Further, the Office should seek guidance from the CG if questions regarding coding of transactions arises.

Prior Year Single Audit Finding Number: Not applicable

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF RESILIENCE (D300) (CONTINUED)

2022 – 009. Reporting (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 109.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA OFFICE OF RESILIENCE (D300) (CONTINUED)

2022 – 010. Reporting

Federal Agency: Department of Housing and Urban Development
Federal Program Title: Community Development Block Grant
Assistance Listing: 14.228
Federal Grant ID Numbers: P-19-SC-45-0DD2 and P-18-SC-45-MIT1
Pass-Through Entity: Not applicable
Award Period: December 14, 2020, through August 19, 2032
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR 170 Appendix A requires that recipients of grants or cooperative agreements report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS).

Condition: We identified noncompliance with FFATA reporting requirements.

Questioned Costs: None

Context: The Office did not submit FFATA reports although it had subawards of $30,000 or more.

Cause: Office personnel were unaware of FFATA reporting requirements.

Effect: The Office was not in compliance with FFATA reporting requirements.

Recommendation: We recommend that the Office implement procedures to ensure reports are submitted in compliance with FFATA reporting requirements.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 111.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIROMENTAL SERVICES (J04)

2022 – 011. Special Tests and Provisions

Federal Agency: Department of Health and Human Services
Federal Program Title: Immunization Cooperative Agreements
Assistance Listing: 93.268
Federal Grant ID Numbers: 5 NH23IP922601-03-00, 1 N23IP922601-01-00, and 6 NH23IP922601-02-00
Pass-Through Entity: Not applicable
Award Period: October 01, 2019, through September 30, 2024
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: The Office of Management and Budget's (OMB) 2022 Compliance Supplement states that effective control and accountability must be maintained for all vaccines under the Vaccines for Children (VFC) program. Vaccines must be adequately safeguarded and used solely for authorized purposes in accordance with guidance set forth in 42 USC 1396s. To comply with this requirement, the Department's Vaccines for Children Operation Guide requires that all completed VFC compliance site visits be reviewed by the VFC coordinator, immunization program manager, or a designee.

Condition: The Department did not consistently perform reviews of compliance visits of vaccine providers in accordance with its policy.

Questioned Costs: None

Context: We tested 37 compliance visits of providers to ensure the Department complied with applicable Special Tests and Provisions requirements. We determined the Department had not reviewed four of the compliance visits as of the end of our fieldwork.

Cause: Due to the prioritization of annual VFC and other vaccine program enrollments, the Department was unable to review the site visits for these providers.

Effect: In the absence of a compliance visit review, providers could have unresolved issues that could affect the quality and quantity of vaccines provided to VFC recipients.

Recommendation: We recommend the Department ensure compliance visits are reviewed in accordance with Department policy.

Prior Year Single Audit Finding Number: Not applicable

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIROMENTAL SERVICES (J04) (CONTINUED)

2022 – 011. Special Tests and Provisions (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 112.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04)

2022 – 012. Cash Management

Federal Agencies: Department of Health and Human Services and Department of Agriculture
Federal Program Titles: Adoption Assistance and Child and Adult Care Food Program
Assistance Listings: 93.659 and 10.558
Federal Grant ID Numbers: 2001SCADPT, 2101SCADPT, and 5SC300329
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2021
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR § 200.303 requires that the non-federal entity establish and maintain effective internal controls over the federal award that provide reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations and the terms and conditions of the federal award.

Condition: Supporting documentation was not adequate to determine if federal reimbursements were properly reviewed and approved by a supervisor prior to requesting a drawdown as required by the Department's policies and procedures.

Questioned Costs: None

Context: For two of five Adoption Assistance drawdowns and one of the five Child and Adult Care Food Program drawdowns selected for testing, supporting documentation was not adequate to demonstrate proper review and approval by a supervisor prior to the federal reimbursement request.

Cause: The Department failed to retain documentation demonstrating performance of a supervisory review and approval.

Effect: The Department may request improper drawdowns due to a lack of proper approval.

Recommendation: We recommend that the Department follow their policies and procedures to ensure that proper documentation is maintained to support the review and approval of a drawdown of funds.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 113.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 013. Subrecipient Monitoring

Federal Agency: Department of Agriculture
Federal Program Title: Child and Adult Care Food Program
Assistance Listing: 10.558
Federal Grant ID Numbers: 5SC300329 and 5SC308329
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2022
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR § 200.332(d) requires that all pass-through entities monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

Additionally, 7 CFR § 226.6(m)(6) outlines the frequency and number of required institution reviews.

Condition: The Department did not perform its subrecipient monitoring reviews in accordance with its policies and procedures and federal regulations.

Questioned Costs: None

Context: For fourteen of the sixty subrecipients tested, subrecipient monitoring reviews were not conducted within the three-year timeframe as set out in federal regulations.

Cause: Due to staffing turnover, the Department did not comply with federal subrecipient monitoring requirements.

Effect: The Department is not in compliance with federal requirements related to subrecipient monitoring requirements.

Recommendation: We recommend that the Department follow its established policies and procedures for the program to ensure compliance with federal subrecipient monitoring requirements.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 114.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 014. Eligibility

Federal Agency: Department of Agriculture
Federal Program Title: Child and Adult Care Food Program
Assistance Listing: 10.558
Federal Grant ID Numbers: 5SC300329 and 5SC308329
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2022
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 7 CFR § 226.6(b)(3) requires that any new or renewing institution applying for participation in the Program be notified in writing of approval or disapproval by the State agency within 30 calendar days of the State agency's receipt of a completed application. Whenever possible, State agencies should provide assistance to institutions that have submitted an incomplete application. Any disapproved applicant institution or family day care home must be notified of the reasons for its disapproval and its right to appeal under paragraph (k) or (l), respectively, of this section.

Condition: Documentation was not adequate to verify that applicants were notified in writing of approval or disapproval by the Department within 30 days of receiving a completed application.

Questioned Costs: None

Context: For eleven of sixty institutions tested, we could not verify if the Department sent an approval or disapproval notification within 30 days of receiving the completed applications.

Cause: The Department’s internal controls failed to ensure timely notifications to applicants according to federal regulations.

Effect: We could not confirm compliance with federal regulations requiring written notifications of application approval or disapproval within 30 days of receiving a completed application.

Recommendation: We recommend that the Department review its internal controls to ensure timely notifications of application approvals and disapprovals.

Prior Year Single Audit Finding Number: Not applicable

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 014. Eligibility (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 115.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 015. Suspension and Debarment

Federal Agency: Department of Agriculture
Federal Program Title: Child and Adult Care Food Program
Assistance Listing: 10.558
Federal Grant ID Numbers: 5SC300329 and 5SC308329
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2022
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR § 180.300 requires that when a non-federal entity enters into a covered transaction (contracts for goods and services that are expected to equal or exceed $25,000, as well as all subawards to subrecipients, irrespective of award amount) with an entity at a lower tier, the non-Federal entity must verify that the entity is not suspended or debarred or otherwise excluded from participating in the transaction. The regulation lists several permitted methods for verification, including the collection of a certification from subrecipients.

Condition: Compliance with suspension and debarment regulations could not be confirmed for one subrecipient.

Questioned Costs: None

Context: The Department verifies suspension and debarment through a certification clause embedded in the subrecipient contract. For one of sixty subrecipients tested, the Department was unable to locate the subrecipient's signed contract agreement.

Cause: The Department could not locate the subrecipient's signed contract agreement containing the suspension and debarment certification clause.

Effect: The Department's compliance with federal suspension and debarment requirements could not be confirmed.

Recommendation: We recommend that the Department review and update its internal controls to ensure a signed contract agreement containing suspension and debarment terms and conditions is on file for all subrecipients.

Prior Year Single Audit Finding Number: Not applicable

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 015. Suspension and Debarment (Continued)

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 115.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 016. Reporting

Federal Agency: Department of Health and Human Services
Federal Program Title: Adoption Assistance
Assistance Listing: 93.659
Federal Grant ID Number: 2001SCADPT and 2101SCADPT
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2021
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 45 CFR § 75.303 requires effective internal controls be established and maintained in order to provide reasonable assurance that the Federal award is being managed in compliance with Federal statutes, regulations, and the terms and conditions of the federal award.

Condition: Discrepancies existed between federal financial reports and the Department's supporting records.

Questioned Costs: None

Context: For both CB-496 reports selected for testing, discrepancies were noted between supporting documentation and the report. For the quarter ending September 30, 2021, some activity was improperly reported as prior quarter adjustments.

Additionally, for the quarter ending June 30, 2022, a prior quarter amount was improperly reported as current quarter claims.

Cause: The Department did not fully implement the corrective action associated with this finding from the prior year.

Effect: The accuracy of the CB-496 reports could not be fully validated.

Recommendation: We recommend that the Department continue to review its internal controls to ensure that federal reports are free from error and clearly supported prior to submission.

Prior Year Single Audit Finding Number: 2021-014

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 116.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 017. Period of Performance

Federal Agency: Department of Health and Human Services
Federal Program Title: Child Care and Development Fund (CCDF) Cluster
Assistance Listings: 93.575 and 93.596
Federal Grant ID Number: 2001SCCCDD
Pass-Through Entity: Not applicable
Award Period: October 1, 2019, through September 30, 2022
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 45 CFR § 98.60(d)(1) requires that discretionary funds (Assistance Listing 93.575) be obligated by the end of the succeeding fiscal year after the award and expended by the end of the third fiscal year after the award.

Condition: Expenditures were incurred after the end of the grant's period of performance.

Questioned Costs: $246,284

Context: For seven of forty expenditure transactions tested, program expenditures were not obligated and expended in accordance with program requirements.

Cause: The Department's internal controls failed to identify and prevent charging costs incurred outside the applicable period of performance.

Effect: Costs charged outside the period of performance may not be allowable.

Recommendation: We recommend that the Department review and update internal controls to ensure all expenditures charged to federal awards are incurred within the grant's period of performance.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 117.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 018. Activities Allowed or Unallowed & Allowable Costs/Cost Principles

Federal Agency: Department of Health and Human Services
Federal Program Titles: Adoption Assistance and Child Care and Development Fund (CCDF) Cluster
Assistance Listings: 93.659, 93.575, and 93.596
Federal Grant ID Numbers: Various
Pass-Through Entity: Not applicable
Award Period: Various
Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 45 CFR § 95.509(a) requires that a state promptly submit an amended public assistance cost allocation plan for approval if the procedures shown in the existing cost allocation plan become outdated.

Additionally, 2 CFR § 200.303 requires that the entity establish and maintain effective internal controls over the federal award that provide reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations and the terms and conditions of the federal award.

Condition: Indirect cost allocations were not appropriately supported.

Questioned Costs: Unknown

Context: For one quarter tested, a substantial change was noted to one of the six allocation plan bases tested. The change was inconsistent with the public assistance cost allocation plan. Additionally, the journal entry for one quarter tested was incorrect due to a clerical error.

Cause: For one of the six bases tested, the Department started using a new method to allocate costs; however, approval was not received before implementing the basis change. Additionally, a clerical error resulted in an incorrect allocation percentage for one of two tested quarterly journal entries.

Effect: Indirect costs were not claimed in accordance with the approved cost allocation plan.

Recommendation: We recommend that the Department regularly review their public assistance cost allocation plan and submit amendments for approval as necessary.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2022 – 018. Activities Allowed or Unallowed & Allowable Costs/Cost Principles (Continued)

Additionally, we recommend consolidating the support documentation for bases with multiple percentages.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 117.

Summary Schedule of Prior Audit Findings

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

Fiscal Year	Page Number	Finding Number	Title of Finding	Assistance Listing Number	State Agency	Agency Response	Auditor's Comment
ANNUAL COMPREHENSIVE FINANCIAL REPORT							
2021	73	2021-001	Financial Reporting	N/A	E12	In Progress	See Finding Number 2022-001
US DEPARTMENT OF AGRICULTURE							
2021	86	2021-015	Reporting	10.542	L04	Partially Resolved	Corrective Action Ongoing
2021	94	2021-022	Period of Performance	10.557	J04	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
US DEPARTMENT OF DEFENSE							
2021	88	2021-018	Cash Management	12.401	E24	Partially Resolved	Resolved
2021	90	2021-019	Period of Performance	12.401	E24	Partially Resolved	Resolved
US DEPARTMENT OF JUSTICE							
2021	74	2021-002	Reporting	16.575	E20	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	75	2021-003	Subrecipient Monitoring	16.575	E20	Partially Resolved	Corrective Action Ongoing
US DEPARTMENT OF TREASURY							
2021	82	2021-010	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	21.019	R06	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	83	2021-011	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	21.019	H63	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	87	2021-016	Allowable Costs/Cost Principles	21.019	L04	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	92	2021-020	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	21.019	J04	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
US DEPARTMENT OF EDUCATION							
2020	70	2020-016	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	84.126	L24	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	84	2021-012	Reporting	84.425	H63	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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Fiscal Year	Page Number	Finding Number	Title of Finding	Assistance Listing Number	State Agency	Agency Response	Auditor's Comment
US DEPARTMENT OF HEALTH AND HUMAN SERVICES							
2020	69	2020-07	Statewide Cost Allocation Plan (SWCAP)	N/A	D50	Partially Resolved	Corrective Action Ongoing
2020	71	2020-030	Special Tests and Provisions	93.658	L04	Unresolved	Corrective Action Ongoing
2020	71	2020-031	Reporting	93.658	L04	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2020	72	2020-032	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	93.658	L04	Partially Resolved	Corrective Action Ongoing
2021	76	2021-004	Annual Eligibility Reviews	93.775 93.777 93.778 93.767	J02	Partially Resolved	See Finding Number 2022-004
2021	77	2021-005	Documentation of Eligibility	93.775 93.777 93.778 93.767	J02	Partially Resolved	See Finding Number 2022-005
2021	78	2021-006	Matching, Level of Effort, Earmarking	93.775 93.777 93.778	J02	Partially Resolved	Resolved
2021	79	2021-007	Special Tests and Provisions-Managed Care Financial Audit	93.775 93.777 93.778 93.767	J02	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	80	2021-008	Special Tests and Provisions-National Correct Coding Initiative (NCCI)	93.775 93.777 93.778	J02	Unresolved	Corrective Action Ongoing
2021	81	2021-009	Special Tests and Provisions-Medical Loss Ratio (MLR)	93.775 93.777 93.778 93.767	J02	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
2021	85	2021-013	Eligibility/ Allowable Costs/ Cost Principles	93.659	L04	Fully Corrected with Significantly Differing Corrective Action Implemented	Resolved
2021	86	2021-014	Reporting	93.659	L04	Fully Corrected with Previously Reported Corrective Action Implemented	See Finding Number 2022-016
2021	93	2021-021	Reporting	93.323	J04	Fully Corrected with Previously Reported Corrective Action Implemented	Resolved
US DEPARTMENT OF HOMELAND SECURITY							
2021	88	2021-017	Reporting	97.039	E24	Fully Corrected with Previously Reported Corrective Action Implemented	Corrective Action Ongoing

admin
THE SOUTH CAROLINA
DEPARTMENT of ADMINISTRATION

EXECUTIVE BUDGET OFFICE
Brian J. Gaines, Director
1205 Pendleton Street, Suite 529
Columbia, SC 29201

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2020-007
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Administration
Assistance Listing Number	N/A - SWCAP
Federal Program Name	N/A - SWCAP
Compliance Requirement	N/A - SWCAP
Type of Finding	Compliance & Control

Condition
The Executive Budget Office (Office) was unable to provide the 2018 SWCAP and supporting documentation.

Current Status
Partially Resolved- Comment Below

Comment
On January 14, 2022, the State contracted with Maximus, an external consulting firm that specializes in the preparation of governmental cost allocation plans, to prepare the State's 2018 and 2019 SWCAPs. All documentation requested by the consultants has been submitted to the firm's consultants. Draft reports for the designated reporting years are currently being prepared for Executive Budget Office review, editing and subsequent submission to CAS for final approval.

Darline Graham
Commissioner

South Carolina Commission for the Blind

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State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2020-016
Federal Agency	Department of Education
State Agency	South Carolina Commission for the Blind
CFDA Number	84.126
Federal Program Name	Rehabilitation Services-Vocational Rehabilitation Grants to States
Compliance Requirement	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
The allocation of some compensation costs was inadequately supported or improperly applied.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

DSS SOUTH CAROLINA
DEPARTMENT of SOCIAL SERVICES

HENRY McMASTER, GOVERNOR
MICHAEL LEACH, STATE DIRECTOR

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2020-030
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
CFDA Number	93.658
Federal Program Name	Foster Care – Title IV-F
Compliance Requirement	N. Special Tests and Provisions
Type of Finding	Compliance & Control

Condition
We were unable to confirm the inclusion of written requirements for the periodic review of maintenance payment rates in the Department's approved plan.

Current Status
Unresolved - Comment Below

Comment
Management has agreed to amend the IV-E plan document to include a written policy of periodic review of Foster Care rates, and this amendment will be completed by April 2023.

Reference Number	2020-031
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
CFDA Number	93.658
Federal Program Name	Foster Care – Title IV-E
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
Discrepancies existed between federal financial reports and the Department's supporting records.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Reference Number	2020-032
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
CFDA Number	93.658
Federal Program Name	Foster Care – Title IV-E
Compliance Requirement	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Discrepancies related to allowable activities/costs were encountered for some program payments.

Current Status
Partially Resolved - Comment Below

Comment
The Agency has continued to direct more focus to assuring clearer documentation of the appropriate distribution of charges for potentially allocable costs and in some cases have changed the coding for transactions to better align with benefitting programs. We also have finalized a draft policy and IV-E plan amendment to document how we compensate for partial-month foster child custody. This will be completed by April 2023.

State of South Carolina
Office of Comptroller General

1200 Senate Street
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Columbia, South Carolina 29201

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RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

WILLIAM E. GUNN
CHIEF OF STAFF

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-001
Federal Agency	N/A ACFR
State Agency	Comptroller General's Office
CFDA Number	N/A ACFR
Federal Program Name	N/A ACFR
Compliance Requirement	N/A ACFR
Type of Finding	N/A ACFR

Condition
Internal controls over financial reporting were inadequate to prevent or detect material misstatements during the preparation of the State's Annual Comprehensive Financial Report (ACFR) and in the supporting accounting records, requiring the Comptroller General's Office (CGO) to post adjustments to the State's ACFR

Current Status

In progress

Comment

The Comptroller General's Office hired two additional professional accountants for the Financial Reporting staff during FY2022, and the Office's recruiting efforts to hire additional competent professional staff remain ongoing. The Office is also working to develop the reporting skills of the new staff and to enhance the reporting skills of the existing staff. This process entails training them (1) to master and apply current governmental accounting standards while also preparing to apply looming standards and (2) to carefully and accurately complete assigned ACFR compilation tasks.

The Office is aggressively working to hire additional Financial Reporting staff so that Financial Reporting management will effectively oversee and control the quality of the staff work being done.



ALAN WILSON
ATTORNEY GENERAL

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-002
Federal Agency	Department of Justice
State Agency	South Carolina Attorney General's Office
Assistance Listing Number	16.575
Federal Program Name	Crime Victim Assistance
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
A reporting discrepancy was identified on a federal financial report filed by the Office.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented



ALAN WILSON
ATTORNEY GENERAL

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-003
Federal Agency	Department of Justice
State Agency	South Carolina Attorney General's Office
Assistance Listing Number	16.575
Federal Program Name	Crime Victim Assistance
Compliance Requirement	M. Subrecipient Monitoring
Type of Finding	Compliance & Control

Condition
The Office was not in compliance with several subrecipient monitoring requirements.

Current Status
Partially Resolved - Comment Below

Comment
On September 23, 2022 provided the revised Standard Operating Procedures Rev v.3.0.0 September 2022. The revised operating procedures should satisfy the requirements but no confirmation has been received.



State of South Carolina Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-004
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778; 93.767
Federal Program Name	Medicaid Cluster; Children's Health Insurance Program
Compliance Requirement	E. Eligibility
Type of Finding	Compliance and Control

Condition
The Department did not consistently perform timely annual eligibility reviews for Medicaid and CHIP recipients in accordance with Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual.

Current Status
Partially Resolved - Comment Below

Comment
The COVID-19 federal public health emergency (PHE) unwinding plan continues to be a critical component for achieving timely processing of reviews. The state continues to update its comprehensive operational plan as further guidance is provided by CMS. Current Activities in Progress or Complete:

- Policy and procedure updates for unwinding from PHE requirements
- System updates required for unwinding from PHE policies and procedures
- Communication Plan for sharing relevant information regarding unwinding activities with stakeholders
- Preparation for Outreach strategies to inform beneficiaries about the review process and encourage them to report changes in contact information.
- Planning for handling increased agency contacts regarding reviews or address changes
- Planning for handling increased appeals that are possible once continuous enrollment period has ended

Prioritization of Reviews
The state will use a hybrid approach for the distribution of redeterminations at the end of the public health emergency. Redeterminations will be prioritized to promote accurate coverage, as well as continuity of coverage and mitigate churn for households with beneficiaries likely no longer eligible in their current payment category or current coverage. The remainder of reviews will be distributed across the 12-month period following the end of the public health emergency to allow for a relatively equal distribution, with consideration for periods of anticipated higher application volume such as open enrollment.

Staffing
Attrition during the public health emergency, an increase in workload and anticipation of work to be completed at the end of the public health emergency has resulted in a significant hiring MAGI, Non-MAGI and Long-Term Care Eligibility Specialists. Additional hiring for CY2023 will depend on impacts of any additional attrition. The additional staff builds capacity for current work, as well as in preparation for resumption of normal review processing at the end of the continuous enrollment period. Staff are trained to assist with current work upon hiring and all staff will undergo refresher training on redetermination processing in time for reinstatement of the redetermination process at the end of the public health emergency.

Workload Management
Workload management allows the agency to predict and react to staffing needs and better plan for timely decisions. Eligibility's Workload Management team monitors work queues daily and collaborates with eligibility supervisors and leadership to address timeliness of case processing and distribution of work. This may include shifting work assignments, reprioritization of work, referral to additional training, or other mechanisms to increase efficiency.

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-005
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778; 93.767
Federal Program Name	Medicaid Cluster; Children's Health Insurance Program
Compliance Requirement	E. Eligibility

Type of Finding Compliance & Control

Condition
Eligibility files did not contain adequate documentation to support the Medicaid and CHIP recipients' eligibility statuses.

Current Status
Partially Resolved - Comment Below

Comment
Coaching with eligibility staff regarding documentation and other errors takes place monthly, based on Eligibility Quality Assurance findings and supervisor spot checks. During the 1st three quarters of CY2022, approximately 39,549 quality reviews were conducted by the EQA team. Reminders regarding documentation continue to be included in training for both new and existing staff. To monitor documentation errors, the state monitors the following errors and will continue to do so on a quarterly basis:

Error Description	Q3 CY2021	Q4 CY2021	Q1 CY2022	Q2 CY2022	Q3 CY2022
	% Cases Reviewed	% Cases Reviewed	% Cases Reviewed	% Cases Reviewed	% Cases Reviewed
The application was not signed	0.05%	0.04%	0.03%	0.01%	0.02%
The application could not be located in the case file	0.04%	0.02%	0.02%	0.03%	0.01%
Level of care was not in the case file or in Phoenix	0.01%	0.02%	0.02%	0.01%	0.01%
The case record was missing SSN or proof of application for SSN	0.19%	0.20%	0.25%	0.36%	0.26%



State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-006
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778
Federal Program Name	Medicaid Cluster
Compliance Requirement	G. Matching, Level of Effort, Earmarking
Type of Finding	Compliance & Control

Condition
The Department did not comply with the federal matching requirement for family planning services, family planning related services, or Part B assistance premium payments.

Current Status
Partially Resolved - Comment Below

Comment
In CY 2022 SCDHHS has identified family planning adjudication logic that needs to be remediated to prevent the auto-assignment of Family Planning FMAP rates based on diagnosis codes alone. Work to correct the claims logic to account for both diagnosis and procedure code is in progress. Parallel to that effort a separate team is completing fund code mapping that will be implemented concurrently.



State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-007
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778; 93.767
Federal Program Name	Medicaid Cluster; Children's Health Insurance Program
Compliance Requirement	N. Special Tests and Provisions

Type of Finding Compliance & Control

Condition
The Department did not conduct, or contract, for an independent audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by, or on behalf of, each MCO.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Comment
Requirement was added to the MCO Contract, section 7.9.2, effective July 1, 2022.



State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-008
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778
Federal Program Name	Medicaid Cluster
Compliance Requirement	N. Special Tests and Provisions

Type of Finding Compliance & Control

Condition
The Department could not provide support that it complied with the implementation of the required six NCCI methodologies and the NCCI program requirements in accordance with the NCCI Medicaid Policy Manual and the NCCI Medicaid Technical Guidance Manual.

Current Status
Unresolved - Comment Below

Comment
The Department is currently engaged with the vendor in developing a process that will salsify the NCCI program requirements. Ongoing discussions and development are in progress.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-009
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Human Services
Assistance Listing Number	93.775, 93.777, 93.778; 93.767
Federal Program Name	Medicaid Cluster; Children's Health Insurance Program
Compliance Requirement	N. Special Tests and Provisions

Type of Finding Compliance & Control

Condition
The Department did not ensure reports submitted by managed care organizations (MCO) included all MLR report elements as required by federal regulations.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Comment
Calculation of Fraud Prevention Expenditures was added to the MLR reporting template on the MLR Detailed Calculation tab, item 3.

Nanette S. Edwards, *Executive Director*

Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, SC 29201
(803) 737-0800
ORS.SC.GOV

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-010
Federal Agency	Department of the Treasury
State Agency	South Carolina Office of Regulatory Staff
Assistance Listing Number	21.019
Federal Program Name	Coronavirus Relief Fund- COVID-19
Compliance Requirement	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Non-allowable costs were charged to the grant.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION

SOUTH CAROLINA DEPARTMENT OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
CORONA VIRUS RELEF FUND – COVID 19
6/30/2022

South Carolina Department of Education
1429 Senate Steet
Columbia, South Carolina 29201

Reference Number	2021-011
Federal Agency	Department of the Treasury
State Agency	South Carolina Department of Education
Assistance Listing Number	21.019
Federal Program Name	Coronavirus Relief Fund- COVID-19
Compliance Requirement	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Fraud was committed by a school district employee.
Each school district in the State was a beneficiary of the program and had expenditures funded by the South Carolina Department of Education (the Department).

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION

SOUTH CAROLINA DEPARTMENT OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
EDUCATION STABILIZATION FUND – COVID 19
6/30/2022

South Carolina Department of Education
1429 Senate Steet
Columbia, South Carolina 29201

Reference Number	2021-012
Federal Agency	Department of Education
State Agency	South Carolina Department of Education
Assistance Listing Number	84.425D
Federal Program Name	Education Stabilization Fund- COVID-19
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
The report was filed after the due date.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

DSS SOUTH CAROLINA
DEPARTMENT of SOCIAL SERVICES

HENRY McMASTER, GOVERNOR
MICHAEL LEACH, STATE DIRECTOR

State of South Carolina
Summary Schedule of Prior Audit
Findings 6/30/2022

Reference Number	2021-13
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
Assistance Listing Number	93.659
Federal Program Name	Adoption Assistance
Compliance Requirement	E. Eligibility B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Eligibility related discrepancies were encountered for some subsidy payments.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Reference Number	2021-14
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
Assistance Listing Number	93.659
Federal Program Name	Adoption Assistance
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
Discrepancies existed between federal financial reports and the Department's supporting records.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Reference Number	2021-15
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
Assistance Listing Number	93.659
Federal Program Name	Pandemic EBT Food Benefits-COVID-19
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
The total awards expended for the program could not be determined or identified on the Department's SEFA.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Reference Number	2021-16
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Social Services
Assistance Listing Number	21.019
Federal Program Name	Coronavirus Relief Fund- COVID-19
Compliance Requirement	B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Non-allowable costs were identified in charges to the grant.

Current Status
Further Action Not Warranted - Comment Below

Comment
Management has determined the unallowable costs in question were charged as a result of an isolated clerical error in the execution of a process unique to this one-time grant. This process is not used in connection with any other grant programs; thus it cannot be repeated. The error, a duplication of $4,691 in costs out of nearly $16 million reported in thousands of transactions, escaped not only Agency management review, but the review of a third party contractor specifically engaged to approve costs and eliminate any duplicates prior to reimbursement. The error was discovered after the winding down of the contractor's grant oversight and payment activities, which left no known channel through which to refund the duplicate amount.

The State of South Carolina
Military Department

Office of the Adjutant General

R. VAN MCCARTY
MAJOR GENERAL
THE ADJUTANT GENERAL

1 NATIONAL GUARD ROAD
COLUMBIA, S.C. 29201-4752

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-017
Federal Agency	Department of Homeland Security
State Agency	South Carolina Adjutant General's Office
Assistance Listing Number	97.039
Federal Program Name	Hazard Mitigation Grant Program
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition
FFATA reporting and timing discrepancies were identified.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Reference Number	2021-018
Federal Agency	Department of Defense
State Agency	South Carolina Adjutant General's Office
Assistance Listing Number	12.401
Federal Program Name	National Guard Military Operations and Maintenance Projects
Compliance Requirement	C. Cash Management
Type of Finding	Compliance & Control

2021 – 018 (Continued)

Condition

Advanced funds were not expended within the required timeframe to minimize the time elapsing between drawdown and disbursement.

Current Status
Partially Resolved - Comment Below

Comment
Previous Planned Corrective Action:
The Grants and Agreements Section will implement additional procedures to strengthen internal controls over advance payments in order to demonstrate compliance with the Federal requirements.
The Grants and Agreements Section will provide additional information to Program Managers and/or State and Federal Budget Analysts concerning the details of the amounts of the advance funds requested for each appendix. This information will include the dollar amounts of expenditure categories needed for the advance funding amount requested for the applicable time period.
The Program Manager and/or Federal and State Budget Analysts for each appendix will develop a spreadsheet to track expenditures that have occurred period to date, by expenditure categories, used in the Federal Army and Air Guard Accounting Systems for processing of expenditures and payments for the Cooperative Agreements. This spreadsheet will also track the amounts of the remaining Federal budgets for each appendix and the amounts of the advance funding available for use for each appendix. Each Program Manager and/or Federal and State Budget Analysts for each appendix will submit a copy of all spreadsheets to the Grants and Agreements Section on a monthly basis. The Grants and Agreements Section will maintain a copy of the spreadsheet.
No later than the fifth working day of the first month of the new Federal Fiscal Year (October), the Grants and Agreements Section will complete a final reconciliation of State and Federal Accounting data for each appendix for the previous Federal Fiscal Year. The Grants Administrator will make a determination, based on reconciliation of account balances, of the amount of advance funding for each appendices that the Agency should return to the Federal Government. The Grants and Agreements Section will ensure all remaining advance funding is returned to the Federal Government within forty-five (45) days after the end of the Federal Fiscal Year.

Remaining Corrective Action that was implemented during the Fiscal Year:
Some of the Program Managers and/or State and Federal Budget Analysts have not developed spreadsheets to track all of their expenditures on a monthly basis for their appendix. This process is still being implemented. The process of determining all of the final advance amounts remaining for each appendix is still be revised based primarily on Federal Accounting processes and requirements.

STATE OF SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
6/30/2022

Reference Number	2021-019
Federal Agency	Department of Defense
State Agency	South Carolina Adjutant General's Office
Assistance Listing Number	12.401
Federal Program Name	National Guard Military Operations and Maintenance Projects
Compliance Requirement	H. Period of Performance
Type of Finding	Compliance & Control

Condition
Expenditures, which did not meet the applicable requirements, were charged prior to and after the program's period of performance.

Current Status
Partially Resolved - Comment Below

2021 – 019 (Continued)

Comment

Previous Planned Corrective Action:
The Grants and Agreements Section will implement additional procedures to strengthen internal controls to ensure documented compliance with all federal period of performance requirements.

The Grants and Agreements Section will send each Program Manager and/or their Federal and State Budget Analysts a detailed listing of the remaining balances of purchase orders and funds reservations to on a monthly basis to ensure accuracy and compliance for each appendix. Each Program Manager and /or their Federal and State Budget Analysts will provide a mandatory response to ensure accuracy or needed changes. The Grants and Agreements Section will maintain a copy of the listing and responses.

The Grants and Agreements Section will submit a monthly detailed listing of expenditures for all appendices to each Program Manager and/or their Federal and State Budget Analysts for all open Federal Fiscal Years to ensure accuracy and compliance. Program Managers and/or their Federal and State Budget Analysts will provide a mandatory response to ensure accuracy or needed changes. The Grants and Agreements Section will maintain a copy of responses. The Grants and Agreements Section will review all expenditures for each appendix for accuracy and compliance. The Grants and Agreements Section will maintain documentation for accuracy and changes.

Program Managers and/or Federal and State Budget Analysts for each appendix will develop and maintain a spreadsheet for tracking invoices for each open Federal Fiscal Year. Program Managers and/or Federal and State Budget Analysts will submit a copy of the spreadsheet to Grants and Agreements on a monthly basis. The Grants and Agreements Section will maintain a copy of the spreadsheet.

Remaining Corrective Action that was implemented during the Fiscal Year:
Some of the Program Managers and/or Federal and State Budget Analysts have not developed and maintained a spreadsheet for tracking invoices for their appendix for the Federal Fiscal Year. This process is still being implemented.

Healthy People. Healthy Communities.

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-020
Federal Agency	Department of the Treasury
State Agency	South Carolina Department of Health and Environmental Control
Assistance Listing Number	21.019
Federal Program Name	Coronavirus Relief Fund- COVID-19
Compliance Requirement	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles
Type of Finding	Compliance & Control

Condition
Indirect costs were improperly charged to the CRF.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Healthy People Healthy Communities

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2022

Reference Number	2021-021
Federal Agency	Department of Health and Human Services
State Agency	South Carolina Department of Health and Environmental Control
Assistance Listing Number	93.323
Federal Program Name	Epidemiology and Laboratory Capacity for Infectious Diseases
Compliance Requirement	L. Reporting
Type of Finding	Compliance & Control

Condition

Discrepancies existed between the federal financial report (FFR) and the Department's supporting records. Additionally, not all information reported on the FFR was reviewed by an employee other than the report preparer prior to submission.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Healthy People. Healthy Communities.

Reference Number	2021-022
Federal Agency	Department of Agriculture
State Agency	South Carolina Department of Health and Environmental Control
Assistance Listing Number	10.557
Federal Program Name	Special Supplemental Nutrition Program for Women, Infants, and Children
Compliance Requirement	H. Period of Performance
Type of Finding	Compliance & Control

Condition
An expenditure was incurred after the end of the grant's period of performance.

Current Status
Fully Corrected with Previously Reported Corrective Action Implemented

Appendix A
Listing of Agencies Included in Schedule of Expenditures of Federal Awards

STATE OF SOUTH CAROLINA
Index of State Agencies Included in Schedule 1
For the Year Ended June 30, 2022

Agency Code	Agency Name
B040	Judicial Department
D100	State Law Enforcement Division (SLED)
D300	Office of Resilience
D500	Department of Administration
E160	State Treasurer's Office
E200	Attorney General's Office
E210	Commission on Prosecution Coordination
E230	Commission on Indigent Defense
E240	Adjutant General's Office
E280	State Election Commission
E500	Revenue and Fiscal Affairs Office
H030	State Commission on Higher Education
H590	State Board for Technical and Comprehensive Education
H630	Department of Education
H730	Vocational Rehabilitation Department
H750	School for the Deaf and the Blind
H790	Department of Archives and History
H870	State Library
H910	Arts Commission
H950	State Museum Commission
J020	Department of Health and Human Services
J040	Department of Health and Environmental Control
J120	Department of Mental Health
J200	Department of Alcohol and Other Drug Abuse Services
K050	Department of Public Safety
L040	Department of Social Services
L060	Department on Aging
L240	Commission for the Blind
L360	State Human Affairs Commission
N040	Department of Corrections
N080	Department of Probation, Parole, and Pardon Services
N120	Department of Juvenile Justice
P120	State Forestry Commission
P160	Department of Agriculture
P240	Department of Natural Resources
P260	Sea Grant Consortium
P280	Department of Parks, Recreation and Tourism
P320	Department of Commerce
P400	South Carolina Conservation Bank
P450	Rural Infrastructure Authority
R060	Office of Regulatory Staff
R360	Department of Labor, Licensing and Regulation

STATE OF SOUTH CAROLINA
Index of State Agencies Included in Schedule 1
For the Year Ended June 30, 2022

Agency Code	Agency Name
R400	Department of Motor Vehicles
R440	Department of Revenue
U300	Division of Aeronautics

Appendix B

Agency Corrective Action Plans to Findings and Recommendations – Federal Award Programs Audit

State of South Carolina
Office of Comptroller General

1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

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RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

WILLIAM E. GUNN
CHIEF OF STAFF

November 29, 2022

Mr. George L. Kennedy III, CPA
State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Mr. Remi Omisore, CPA, CISA, CIA, MBA
CliftonLarsonAllen LLP
1966 Greenspring Drive, Suite 300
Timonium, Maryland 21093

Dear Sirs:

2022-001:

During fiscal year 2022 the Comptroller General's Office was finally able to hire two additional CPAs to help meet the office's acute staffing needs. These two hirings took several years to accomplish due to the tight labor market for qualified governmental accountants. As these new hires get fully trained and gain experience, Financial Reporting management will be able to take on a more robust reviewer's role to resolve this finding. This issue has become a common problem among governmental entities in general as universities are increasingly graduating fewer accountants while at the same time significantly curtailing their course offerings in governmental accounting in response to weakening student demand.

2022-002:

The Comptroller General's Office has corrected the miscoded activity within the State's general ledger that had been incorrectly coded for ACFR reporting purposes since the SCEIS reporting system was set up in 2007. Furthermore, the Comptroller General's Office, the State Treasurer's Office, and SCEIS are in the process of creating reports and processes necessary to identify the State's cash and investment balances by actual account holders. This will allow the reconciliation

of cash and investment balances that are reported within the ACFR to STO's cash and investment management system reports that support the SCEIS general ledger.

If you have any questions, please contact me at (803) 734-2542 or email me at dstarkey@cg.sc.gov.

Sincerely,

David A. Starkey, CPA
Senior Assistant Comptroller General

DS/js

cc: Richard A. Eckstrom

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Henry McMaster GOVERNOR
Robert M. Kerr DIRECTOR
P.O. Box 8206 > Columbia, SC 29202
www.scdhhs.gov

2022-003 Material Weakness in Financial Reporting – Accuracy of Agency Reporting Package – Department of Health and Human Services

Views of responsible officials and planned corrective actions

Management agrees with the finding.

Actions taken in response to finding:

SCDHHS staff has updated the procedures for completion of the Grant and Contribution Revenue Forms Reporting Package, in reference to the Medicaid Accruals. These procedures will show the reports where the numbers entered on the Reporting Package are found, showing examples of each report, with the numbers to enter on the Reporting Package highlighted.

We have also contracted with an external entity to assist us with writing procedures for Reporting Packages, to ensure that they cover the entire process, and the steps are logical and accurate.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Henry McMaster GOVERNOR
Robert M. Kerr DIRECTOR
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2022

Department of Health & Human Services
Centers for Medicare & Medicaid Services
31 Forsyth Street, SW, Room 4T20
Atlanta, Georgia 30303-8909

The South Carolina Department of Health and Human Services respectfully submits the following corrective action plan for the year ended June 30, 2022.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDIT

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2022-004 Medicaid Cluster; Children's Health Insurance Program (CHIP) – Assistance Listing No. 93.775, 93.777, 93.778; 93.767

Recommendation: We recommend eligibility reviews be performed annually in accordance with the South Carolina Medicaid Policies and Procedures Manual.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The agency will resume standard review processing in April 2023 in response to requirements outlined in the Consolidated Appropriations Act 2023. The state has developed a comprehensive operational plan for completing this work including:

- Policy and procedure updates
- Hiring additional staff in response to attrition during the public health emergency (PHE) and staffing levels needed to complete the anticipated work

- Additional staff augmentation through a third party vendor to assist with specific data entry tasks associated with review processing
- Staff refresher training on eligibility review policies and procedures
- A comprehensive Communication Plan for sharing relevant information regarding unwinding activities with stakeholders such as beneficiaries, agency staff, call centers, providers, managed care plans and community organizations
- Outreach to inform beneficiaries about the review process and how to contact the agency with changes to contact information and questions they may have
- Distribution of reviews. The state has 12 months during the unwinding period to initiate reviews and 14 months to complete the work.
- Workload management plan to react to staffing needed for both application and review processing.

Name(s) of the contact person(s) responsible for corrective action: Lori Risk

Planned completion date for corrective action plan: June 2024 (End of Unwinding Period)

2022-005 Medicaid Cluster; Children's Health Insurance Program (CHIP) – Assistance Listing No. 93.775, 93.777, 93.778; 93.767

Recommendation: We recommend the Department strengthen controls over eligibility determinations to ensure documentation is maintained and reviewed in accordance with its State plan and federal regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The agency continues to implement an Eligibility Performance and Remediation process, which includes internal Eligibility Quality Assurance (EQA) monthly case reviews, as well as third party case reviews conducted by the University of South Carolina Core for Applied Research and Evaluation (USC CARE). Eligibility Policies and Procedures provide instructions for a worker to ensure the case file is complete for all eligibility criteria based on policy, prior to making a determination. The policy is included in staff training and is evaluated as part of quality assurance activities.

Supervisors are responsible for monitoring staff daily by using data available via system of record, the electronic document management system (OnBase), workload management software, as well as through case spot reviews. Supervisors meet monthly with each staff member to review Eligibility Quality Assurance (EQA) findings to identify and address issues that impact performance, as well as to facilitate corrections to incorrect determinations identified through the EQA process.

Errors are identified via error codes and descriptions. EQA reviews are conducted and housed in a state-developed tool to allow for creation of reports that can be generated based on supervisor, worker, work type, error code or overall accuracy.

The state compares errors identified through audits and federal reviews such as payment error rate measurement with internal and third party EQA error trends and use this monitoring method to identify trends, develop mitigation strategies and to determine impact of those strategies on these errors.

During the 4th quarter of calendar year 2022, 15,716 cases were reviewed by EQA with the following results pertaining to missing documentation:

Error Description	**Q1 CY2022**	**Q2 CY2022**	**Q3 CY2022**	**Q4 CY2022**
	% Cases Reviewed	**% Cases Reviewed**	**% Cases Reviewed**	**% Cases Reviewed**
The application was not signed	0.03%	0.01%	0.02%	0.30%
The application could not be located in the case file	0.02%	0.03%	0.01%	0.03%
Level of care was not in the case file or in Phoenix	0.02%	0.01%	0.01%	0.01%
The case record was missing SSN or proof of application for SSN	0.25%	0.36%	0.26%	0.00%

In response to these findings, the Eligibility department will conduct email and face-to-face communication with managers, supervisors and staff regarding these findings and a reminder of documentation requirements in policy, as well as to ensure supervisors are assessing for this requirement in casefile spot checks. This will also be discussed on an upcoming Eligibility Supervisor call and shared in the Eligibility, Enrollment, and Member Services Newsletter. These requirements will also continue to be emphasized in new worker and staff refresher training.

Name(s) of the contact person(s) responsible for corrective action: Lori Risk

Planned completion date for corrective action plan: Email, face-to-face and newsletter communications: June 2023; EQA Procedures, staff training – Ongoing.

The State of South Carolina
Military Department

Office of the Adjutant General

R. VAN MCCARTY
MAJOR GENERAL
THE ADJUTANT GENERAL

1 NATIONAL GUARD ROAD
COLUMBIA, S.C. 29201-4752

ADJUNTANT GENERAL'S OFFICE
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2022

March 6, 2022

The South Carolina Adjutant General's Office respectfully submits the following Corrective Action Plan for the year ended June 30, 2022.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDIT

United States Department of Homeland Security

2022-006 Public Assistance (Presidentially Declared Disasters) - Assistance Listing No. 97.036

Recommendation: We recommend the Office update their current internal control to include continuous monitoring and reviewing of project obligations to ensure that reports are submitted in compliance with FFATA reporting requirements.

Explanation of disagreement with audit finding: The Office concurs with the audit finding.

Action taken in response to finding:

A. The Public Assistance team has updated the project version workflow in SCEMD's South Carolina Recovery Grants (SCRecoveryGrants.org; known as SCRG) system to make sure the obligation information is received timely by the Finance and Administration team. The Fiscal Analyst responsible for reporting is now notified via SCRG automated

email when a new obligation is made and when an existing obligation is modified.

B. The Finance and Administration team began pulling records for FFATA reporting by obligation date instead of pulling records of reimbursements processed in April 2022 in response to a finding in a different Federal Grant program. This corrective action was implemented in all our Federal Grant Programs. FFATA reporting after May 2022 has been reported by the last day of the month following the month that the subaward was made for awards greater than $30,000.

C. The Finance and Administration team will continue to save a pdf record of the monthly FFATA reports made.

D. The Finance and Administration Team and the Fiscal Analyst responsible for reporting will continue to make efforts to update reporting that was not reported prior to April 2022. We will complete additional reviews of required FFATA reporting through June 30, 2023.

Names of the contact persons responsible for correction action: Ms. Jessica Jones, State Public Assistance Officer; Ms. Brittany Hammond, Chief of Finance and Administration

Planned completion date for corrective action plan: June 30, 2023

United States Department of Defense

2022-007 National Guard Military Operations and Maintenance (O&M) Projects
Assistance Listing No. 12.401

Recommendation: We recommend the Office consistently adhere to its internal controls including maintaining the approved State Personnel Action form to support the personnel charges and allocations to applicable funding sources.

Explanation of disagreement with audit finding: The Office concurs with the audit finding.

Action taken in response to finding:

A. The missing forms in the personnel files identified in the audit were corrected. Completed as of March 03, 2023.

B. The Office is conducting a complete audit of all personnel files to ensure internal control were implemented and files are accurately and adequately documented. The estimated date of completion is March 31, 2023.

C. The Office will ensure that established policies and procedures are followed, and all documentation is completed prior to entering actions into SCEIS.

Name of the contact person responsible for correction action: Mr. Robert Faulk, State Human Resources Director

Planned completion date for corrective action plan: March 31, 2023

If the Federal Cognizant Agency of Oversight or Audit has questions regarding this plan, please contact COL Kenneth Braddock, USA Retired, Chief of Staff for State Operations, at 803-299-4445 or kenneth.braddock@scmd.sc.gov.

Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Harry M. Lightsey III
Secretary

The South Carolina Department of Commerce respectfully submits the following corrective action plan for the year ended June 30, 2022.

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDIT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2022-008 Community Development Block Grant (CDBG) – Assistance Listing No. 14.228

Recommendation: We recommend that Department personnel consistently follow policies in place to ensure reports are properly reviewed by supervisory personnel prior to submission.

Explanation of disagreement with audit finding: The South Carolina Department of Commerce agrees with the audit finding.

Action taken in response to finding:
All reports and documents to be submitted on behalf of the State's Community Development Block Grant Program to the U.S. Department of Housing, Urban and Development (HUD), U.S. Department of Labor and FSRS.gov will follow a formal review process to include using track changes for documents and a final review by a CDBG staff member in a supervisory position. The designee for the final review will be the Deputy Director of Community Development or the CDBG Program Administrator. An acknowledgement of the final review will be documented to ensure the appropriate review has taken place.

Name(s) of the contact person(s) responsible for corrective action:
Caroline Griffin – Deputy Director for Community Development
Keely McMahan – CDBG Program Administrator

Planned completion date for corrective action plan:
As of March 1, 2023, CDBG program management has adopted this corrective action plan to ensure a comprehensive review of reports by supervisory personnel prior to submission to the appropriate Federal agency.

1201 Main Street, Suite 1600, Columbia, SC 29201 USA
tel: (803)737-0400 · fax: (803)737-0418 · www.sccommerce.com

SOUTH CAROLINA OFFICE OF RESILIENCE
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2022

The South Carolina Office of Resilience (SCOR) respectfully submits the following corrective action plan for the year ended June 30, 2022.

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDIT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2022-009 Community Development Block Grant – Assistance Listing No. 14.228

Recommendation: We recommend that the Office ensure staff preparing and entering transactions into the accounting system have a good working knowledge of account codes as defined by the South Carolina Comptroller General's Office (CG). In addition, supervisory personnel should closely review transactions to ensure proper classification in the general ledger. Further, the Office should seek guidance from the CG if questions regarding coding of transactions arises.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: SCOR has developed and implemented the use of a Purchase Order Cover Sheet (POCS) (See example #1) to better identify subrecipient projects/vendors requiring the correct use 517 General Ledger Categories. The POCS is a check list of all required information needed to create a shopping cart / purchase order. A recent POCS form update added a field that requires the requestor to identify the Project Management team, either State or Subrecipient. This selection will determine the General Ledger Category used by Finance.

Since this issue was identified, SCOR Finance has completed a review of FY23 general ledger coding and will post corrective journal entries prior to year end to ensure compliance in future audits.

EXAMPLE #1

Purchase Order Cover Sheet
South Carolina Office of Resilience – Mitigation

TO SUBMIT AN INVOICE FOR PAYMENT: Complete the cover sheet below for each invoice that is submitted. Email copies of the completed cover sheet, invoice, and all required supporting documentation directly to APSCOR@scor.sc.gov.

Consultant Name:	
Project Name:	
Project Management:	
SCOR Project #:	
Vendor #: *NOTE: VENDOR FORM MUST BE INCLUDED*	

PO Line Item #1	**PO Line Item #2**
SCOR I/O#: Select I/O#	SCOR I/O#: Select I/O#
National Obj. & F/A: Choose an item	National Obj. & F/A: Choose an item
PO Amount: $	PO Amount: $

Program Manager:		**Email:**	

Name(s) of the contact person(s) responsible for corrective action: Andrew DeRienzo, SCOR Finance Director

Planned completion date for corrective action plan: June 30, 2023

2022-010 Community Development Block Grant – Assistance Listing No. 14.228

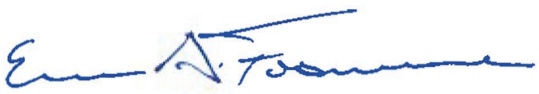
Recommendation: We recommend that the Office implement procedures to ensure reports are submitted in compliance with FFATA reporting requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: SCOR has already designated an employee (SCOR Reporting Manager) to gain knowledge of FFATA and become the FFATA Reporting point of contact. SCOR is currently unable to report grants in the FFATA Subaward Reporting System (FSRS) because FSRS identifies the 2018 CDBG-DR and CDBG-MIT grants reporting entity under a different state agency. Because the information within FSRS is based off data entries within SAM.GOV, only HUD, as the Federal entity that issued the grant, can make changes within the system. SCOR is working with its assigned representative at HUD to identify and make the appropriate changes in SAM.GOV and FSRS. Once SCOR has control of the two grants in FSRS, SCOR will retroactively report on all subrecipient subawards in the CDBG-MIT program. In the future, SCOR will also report in FSRS any other subrecipient awards for CDBG-DR and CDBG-MIT.

Name(s) of the contact person(s) responsible for corrective action: Ran Reinhard, Director of Operations

Planned completion date for corrective action plan: June 30, 2023



Eric G. Fosmire
Chief of Staff and General Counsel
South Carolina Office of Resilience

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2022

US Department of Health and Human Services

The South Carolina Department of Health and Environmental Control respectfully submits the following corrective action plan for the year ended 6/30/22.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT
U.S. DEPARTMENT OF Health and Human Services

2022-011 Immunization Cooperative Agreements – Assistance Listing No. 93.268

Recommendation: We recommend the Department ensure compliance visits are reviewed in accordance with Department policy.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: To strengthen internal controls, the Department has discussed the finding with staff and stressed the importance of ensuring Centers for Disease Control guidelines are followed. Each person assigned to a site visit will complete the task within a six month signoff time frame. The Vaccines for Children Operations Director will ensure that the regions are up to speed and responsive to complete these tasks within the required timeframe. In addition, the corrective action plan will be communicated to staff at the next in-person regional meeting.

Name(s) of the contact person(s) responsible for corrective action: Kim Paradeses

Planned completion date for corrective action plan: June 30, 2023

If the US Department of Health and Human Services has questions regarding this plan, please call Kim Paradeses at (803) 898-3390.

DSS SOUTH CAROLINA
DEPARTMENT of SOCIAL SERVICES

HENRY McMASTER, GOVERNOR
MICHAEL LEACH, STATE DIRECTOR

March 13, 2023

The South Carolina Department of Social Services respectfully submits the following corrective action plan for the year ended June 30, 2022.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

U. S. Department of Health and Human Services

2022 – 012 Adoption Assistance, Child and Adult Care Food Program – Assistance Listing: 93.659, 10.558

Recommendation: We recommend that the Department follow their policies and procedures to ensure that proper documentation is maintained to support the review and approval of a drawdown of funds.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department's Grants Accounting and Reporting staff are following the established policies and procedures to ensure proper documentation is maintained to support the review and approval of draws prior to their execution. In every case the exceptions noted were draws that were done following group discussions that included the Department's regional federal grant program representatives. Discussions were had to confirm the appropriate support and amounts of draws, and the conclusions of those discussions were that the Department should draw the amounts ultimately drawn. The Grants Accounting and Reporting Manager did approve the draws in advance but did not provide specific written approval. In one case the Grants Accounting Reporting Manager emailed the Department's federal contact confirming the amount of funds we would draw, and the staff interpreted the email as authorization to proceed. Grants Accounting and Reporting staff have been instructed not to draw funds without express written approval, and they are complying with that requirement.

Name(s) of the contact person(s) responsible for corrective action: Reshma Parikh, Grants Accounting and Reporting Manager

Planned completion date for corrective action plan: Effective immediately

U. S. Department of Agriculture

2022-013 Child and Adult Care Food Program – Assistance Listing: 10.558

Recommendation: We recommend that the Department follow its established policies and procedures for the program to ensure compliance with federal subrecipient monitoring requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The three-year time frame in which these monitoring reviews were to have occurred included the peak months of the Coronavirus pandemic, when Department staff were working remotely for an extended period and many provider facilities were closed or operating sporadically due to staffing shortages. A significant number of program staff also left the agency during that time. These factors made timely monitoring much more difficult and extended the time required to complete it. .

The program maintains a worksheet designed to track compliance with this monitoring requirement and reviews, updates and acts upon it monthly. All monitoring reviews are now being conducted within the required time-frame. DSS also has an active project in progress to automate its compliance monitoring processes, and management plans to include a dashboard that displays the detailed status of each provider's review, from start to completion. It will also report statistics showing the progress toward meeting the required yearly reviews. Management expects to have these system controls in place by December 2023. In the meantime, program staff will maintain the manual monitoring controls now in place to assure compliance.

Name(s) of the contact person(s) responsible for corrective action: Mary Abney-Young, Early Care and Education Program Manager

Planned completion date for corrective action plan: December 31, 2023

2022-014 Child and Adult Care Food Program – Assistance Listing: 10.558

Recommendation: We recommend that the Department review its internal controls to ensure timely notifications of application approvals and disapprovals.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees with the finding. The Department has sound controls in place for tracking notification compliance. These normally function well to assure that all application decisions are made and communicated timely.

During the period in which these exceptions occurred, the program manager was away from work for an extended time. Also, during that time two experienced program staff left the Department. The remaining program staff were then temporarily unable to keep up with the volume of required application reviews, determinations and notifications. In the future, if these situations arise additional resources will be directed to keeping up with the timely processing of application reviews and notifications. In addition, program management has requested that Information Systems staff add to the system dashboard metrics a field displaying pending file approval dates. This will further assure that all upcoming deadlines are met. Management expects these dashboard enhancements to be completed by May 31, 2023.

Name(s) of the contact person(s) responsible for corrective action: Mary Abney-Young, Early Care and Education Program Manager

Planned completion date for corrective action plan: May 31, 2023

2022-015 Child and Adult Care Food Program – Assistance Listing: 10.558

Recommendation: We recommend that the Department review and update its internal controls to ensure a signed contract agreement containing suspension and debarment terms and conditions is on file for all subrecipients.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Program manager did retain the e-mail and attachments that were sent to the provider with an explanation that their signature and return of the documents was required prior to their program participation, and management believes the document was executed. However, because the document could not be located, the Department and the provider executed a new agreement to correct the documentation deficiency in February 2023. Program staff are now

conducting a 100% review of all active providers to ensure their program participation is supported by signed agreements on file. This review and any corrective measures found to be needed will be completed by April 30, 2023. In addition, management will explore with Information Systems staff the possibility of adding new system controls to confirm the uploading of required documents prior to enabling provider access to the system's claims module. Management expects to complete any enhancements that can be made in this regard by December 31, 2023.

Name(s) of the contact person(s) responsible for corrective action: Mary Abney-Young, Early Care and Education Program Manager

Planned completion date for corrective action plan: December 31, 2023

U. S. Department of Health and Human Services

2022-016 Adoption Assistance – Assistance Listing: 93.659

Recommendation: We recommend that the Department continue to review its internal controls to ensure that federal reports are free from error and clearly supported prior to submission.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees with the finding. Most of the discrepancies found involved current-period activity correctly posted to prior year grants which should have been reported as current-quarter activity but was mistakenly reported as prior-quarter adjustments. Through discussions with the Department's regional IV-E fiscal reporting contact, the Grants Accounting and Reporting staff have further clarified their understanding of when it is appropriate to report activity as a prior-quarter adjustment versus current-period activity, and they now have a clear understanding of the rules.

The Department will correct the CB-496 reports for the quarter ending September 30, 2021, for the activity improperly reported as prior quarter adjustments and the amounts improperly reported as current quarter claims on the June 30, 2022, quarter ending report as soon the reports are made available to update in the reporting system by federal authorities.

Going forward, as part of the established review process, the Grants Accounting and Reporting manager will specifically review the transactions and supporting documentation to ensure the correct treatment of prior-quarter adjustments and current-quarter activity.

Name(s) of the contact person(s) responsible for corrective action: Reshma Parikh, Grants Accounting and Reporting Manager

Planned completion date for corrective action plan: March 31, 2023

2022-017 CCDF Cluster – Assistance Listing: 93.575 and 93.596

Recommendation: We recommend that the Department review and update internal controls to ensure all expenditures charged to federal awards are incurred within the grant's period of performance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Additional controls have been implemented to ensure the Department's Grants Accounting and Reporting manager and staff review and research all transactions posted in the liquidation period of a given grant year to ensure they include only those legally obligated as of the obligation date.

The transactions incorrectly posted to the 2020 Discretionary Grant have now been correctly moved to the 2021 Discretionary Grant and are being replaced with qualified voucher expenditures previously moved from the 2020 Discretionary grant to the 2020 Mandatory Grant.

Name(s) of the contact person(s) responsible for corrective action: Reshma Parikh, Grants Accounting and Reporting Manager

Planned completion date for corrective action plan: June 30, 2023

2022-018 Adoption Assistance, CCDF Cluster – Assistance Listing Nos.: 93.659, 93.575, and 93.596

Recommendation: We recommend that the Department regularly review their public assistance cost allocation plan and submit amendments for approval as necessary. Additionally, we recommend consolidating the support documentation for bases with multiple percentages.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees with the finding. The change involved allocation based on newly-tracked case management time statistics instead of benefit payment statistics. The new time statistics were available for the first time in the quarter tested, and management considers the new method to be preferable to that previously used.

Per CFR 45, Part 95, Subpart E, Section 95.515, the Department can implement changes to its cost allocation beginning with the effective date of its request for approval to do so; it is not required to receive the approval first. Management did submit a request for approval of this change with Cost Allocation Services, but the request was effective as of the beginning of the following quarter, thus did not include the quarter in question. The department will recompute the cost allocation for the quarter in which the exception occurred using the previous allocation method and will record an adjustment to correct the amounts allocated.

The clerical error referenced would not have occurred had the various base calculation worksheets been integrated with one another as appropriate and with the allocation calculation worksheets. We will link these worksheets beginning with those used in the allocation for the quarter ending March 31, 2023.

Name(s) of the contact person(s) responsible for corrective action:
David O'Kelly, Controller

Planned completion date for corrective action plan: June 30, 2023

If the Federal Cognizant Agency of Oversight or Audit has questions regarding this plan, please contact David O'Kelly at David.okelly@dss.sc.gov, or 803-898-3987.

Appendix C

Index of Findings

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2022

Assistance Listing	Federal Grantor/Program Name	Finding Number	Compliance[1] Requirement	Type of Internal Control Finding: Significant Deficiency	Type of Internal Control Finding: Material Weakness	Page
	State of South Carolina					
N/A	Annual Comprehensive Financial Report	2022-001	(ACFR)		X	37
		2022-002	(ACFR)		X	39
		2022-003	(ACFR)		X	41
	Department of Agriculture					
10.558	Child and Adult Care Food Program	2022-012	C	X		56
		2022-013	M	X		57
		2022-014	E	X		58
		2022-015	I	X		60
	Department of Defense					
12.401	National Guard Military Operations and Maintenance (O&M) Projects	2022-007	A,B	X		48
	Department of Housing and Urban Development					
14.228	Community Development Block Grant	2022-008	L	X		49
		2022-009	L	X		51
		2022-010	L	X		53

[1] **Compliance Requirement Legend** – **See page 122**

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2022

Assistance Listing	Federal Grantor/Program Name	Finding Number	Compliance[1] Requirement	Type of Internal Control Finding: Significant Deficiency	Type of Internal Control Finding: Material Weakness	Page
	Department of Health & Human Services					
93.268	Immunization Cooperative Agreements	2022-011	N	X		54
93.575	Child Care and Development Block Grant	2022-017	H	X		63
		2022-018	A,B	X		64
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	2022-017	H	X		63
		2022-018	A,B	X		64
93.659	Adoption Assistance	2022-012	C	X		56
		2022-016	L	X		62
		2022-018	A,B	X		64
93.767	Children's Health Insurance Program (CHIP)	2022-004	E		X	42
		2022-005	E	X		44
93.775	State Medicaid Fraud Control Units	2022-004	E		X	42
		2022-005	E	X		44
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	2022-004	E		X	42
		2022-005	E	X		44
93.778	Medical Assistance Program	2022-004	E		X	42
		2022-005	E	X		44

[1] **Compliance Requirement Legend – See page 122**

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2022

Assistance Listing	Federal Grantor/Program Name	Finding Number	Compliance[1] Requirement	Type of Internal Control Finding: Significant Deficiency	Type of Internal Control Finding: Material Weakness	Page
	Department of Defense					
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters	2022-006	L	X		46

[1] **Compliance Requirement Legend**
A – Activities allowed or unallowed
B – Allowable costs/cost principles
C – Cash management
D – Reserved
E – Eligibility
F – Equipment and real property management
G – Matching, level of effort, earmarking.
H – Period of Performance
I – Procurement and suspension and debarment
J – Program income
K – Reserved
L – Reporting
M – Subrecipient monitoring
N – Special tests and provisions