



SOUTH CAROLINA GENERAL ASSEMBLY

Legislative Audit Council

Independence, Reliability, Integrity

HOUSE WAYS AND MEANS

Legislative, Executive, and Local Government Subcommittee

FY 22-23

Budget Presentation

K. Earle Powell, Director

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January 2022



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K. Earle Powell
Director

PUBLIC MEMBERS

Philip F. Laughridge, CPA
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Jane P. Miller
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John B. Dangler, JSC (ret)
Charles L. A. Terreni, Esq.

HOUSE WAYS AND MEANS

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MISSION

Our mission is to perform independent, objective performance audits to help ensure that state agencies and programs are efficient, achieve desired outcomes, and comply with applicable laws. Our audits are conducted in accordance with generally accepted government auditing standards as set forth by the Comptroller General of the United States.

ORG CHART & FTEs

We have 20 funded FTE positions of the 26 authorized positions.

REQUESTS

Our audits are generated from three sources — legislative, mandated, and two oversight committees.

COUNCIL

We are governed by a Council of five public members elected by the General Assembly in a Joint Session for six-year terms. Council also includes four ex officio members or their designees.

BUDGET REQUEST

We are not requesting any additional recurring General Funds.

\$2,197,407 General Fund appropriation
\$400,000 Other Funds authorization

LEGISLATIVE MEMBERS

Senate

JUDICIARY COMMITTEE
Luke A. Rankin, Chairman
Wes Climer, Designee

FINANCE COMMITTEE
Harvey S. Peeler, Jr., Chairman

House of Representatives

JUDICIARY COMMITTEE
Christopher J. Murphy, Chairman
Mandy W. Kimmons, Designee

WAYS AND MEANS COMMITTEE
G. Murrell Smith, Jr., Chairman
Garry R. Smith, Designee

Agency Name:	Leg Dept - Legislative Audit Council		
Agency Code:	A200	Section:	91E



**Fiscal Year FY 2022-2023
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	K. Earle Powell, Director	(803) 253-7612	epowell@lac.sc.gov
SECONDARY CONTACT:	Marcia A. Lindsay	(803) 253-7612	mlindsay@lac.sc.gov

I have reviewed and approved the enclosed FY 2022-2023 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<i>K. Earle Powell</i> <i>9.17.21</i>	<i>Philip Loughridge</i>
	TYPE/PRINT NAME: K. EARLE POWELL	Board or Commission Chair Philip Loughridge

This form must be signed by the agency head – not a delegate.

PROVISO REQUEST SUMMARY

FY 22-23

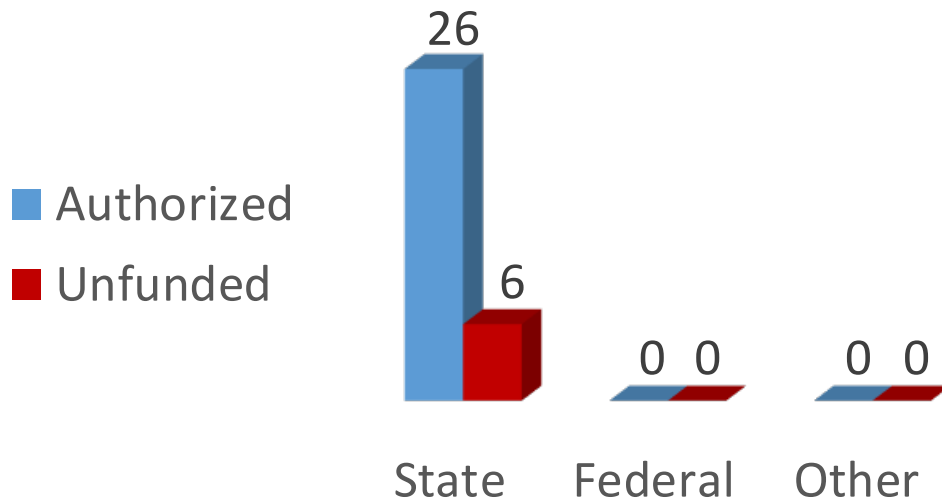
Legislative Audit Council				
Proviso # in FY 19-20 Act	Renumbered FY 20-21 Proviso #	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
91.11	tbd	LEG: Legislative Carry Forward	Funds appropriated and not expended during the fiscal year may be carried forward to be expended for the same purposes in the current fiscal year.	KEEP
91.19	tbd	LEG: LAC Matching Federal Funds	LAC can charge state agencies for federal funds, if available, for costs associated with audits and reviews.	KEEP

91.11. (LEG: Legislative Carry Forward) In addition to the funds appropriated in this section, the funds appropriated under Part IA, Sections 91A, 91B, 91C, 91D, and 91E for the prior fiscal year which are not expended during that fiscal year may be carried forward to be expended for the same purposes in the current fiscal year.

91.19. (LEG: LAC Matching Federal Funds) The Legislative Audit Council is authorized to use funds appropriated in this act as state matching funds for federal funds available for audits and reviews. The council is also authorized to charge state agencies for federal funds, if available, for the costs associated with audits and reviews. Agencies shall remit the federal funds to the Legislative Audit Council as reimbursement for the costs of audits and reviews.

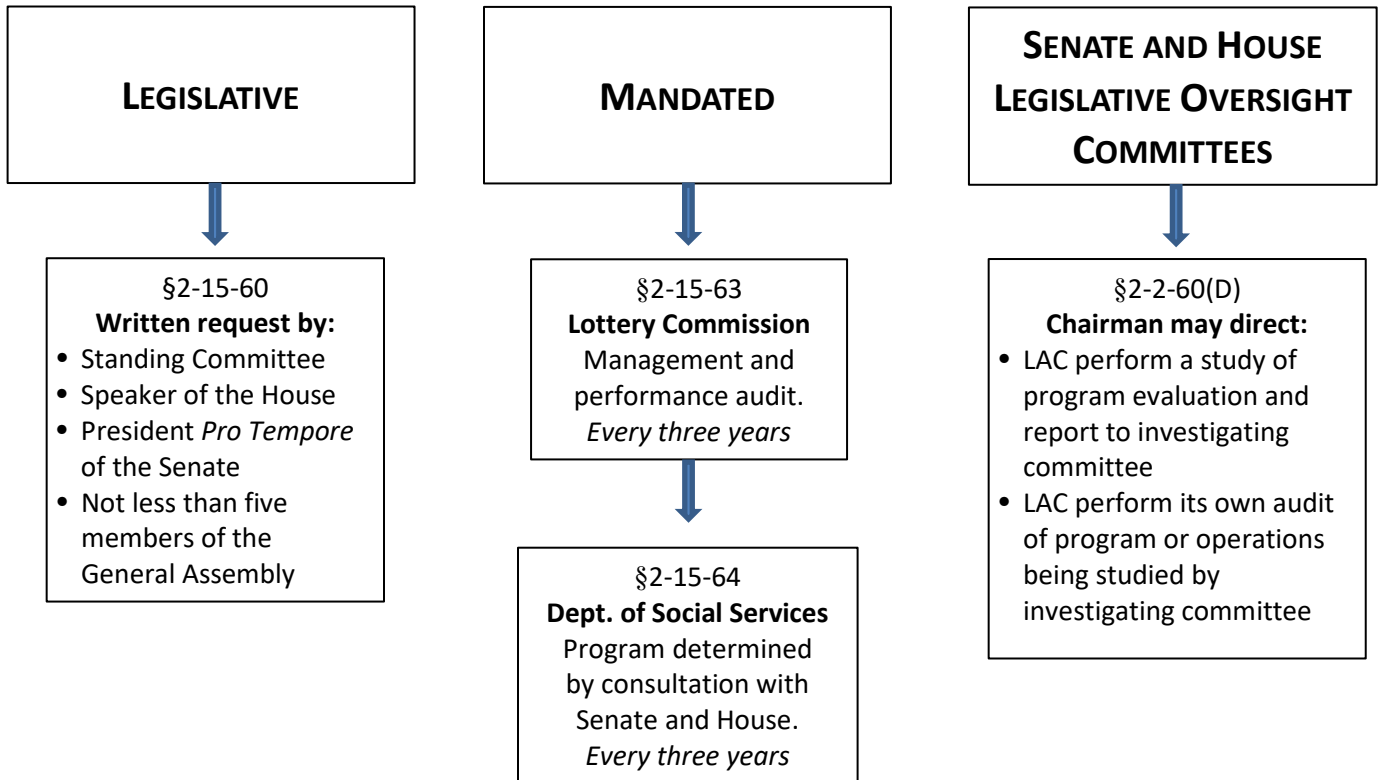
FTE BREAKDOWN

FY 22-23



Legislative Audit Council	
Director and Administration	4.00
Auditors	16.00
TOTAL FTEs Funded	20.00
FTEs Unfunded	6.00
TOTAL FTEs Authorized	26.00

AUDIT REQUESTS



2021 PROJECTS

AUDITS PUBLISHED

LAC.SC.GOV

A LIMITED REVIEW OF THE S.C. DEPARTMENT OF JUVENILE JUSTICE AND FOLLOW UP TO OUR JANUARY 2017 AUDIT (APRIL 2021)

We conducted an audit of the S.C. Department of Juvenile Justice in January 2017 and started a follow-up review of that audit in 2019.

In September 2019, we received an audit request from the General Assembly asking us to review areas not originally covered in our 2017 audit and to give the status of all 74 recommendations made in that audit.

In March 2020, we surveyed all 1,206 DJJ employees to obtain their views on job satisfaction, security, education and medical services for juveniles, and other safety issues.

We had a 61% response rate. We included the results of this survey in Appendix A of the report and we also included various responses to our open-ended questions throughout the report.

Requesters:

Rep. Dennis Moss
Rep. Richie Yow

Rep. T. Randolph “Randy” Ligon
Rep. L. Douglas Gilliam
Rep. Garry R. Smith

S.C. DEPARTMENT OF SOCIAL SERVICES: A LIMITED REVIEW OF THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM AND CHILD AND ADULT CARE FOOD PROGRAM (AUGUST 2021)

Members of the S.C. General Assembly requested that we conduct an audit of the S.C. Department of Social Services’ (DSS) Division of Economic Services.

Objectives

- Determine if DSS is effectively using program data to identify potential misuse of Supplemental Nutrition Assistance Program (SNAP) benefits.
- Review the staffing, retention, initial training, performance improvement strategies, and salaries of economic services workers, and DSS’ organizational structure for economic services to determine the effect on the agency’s ability to administer food assistance services.
- Review the consistency, timeliness, and effectiveness of DSS’ investigation and appeal processes regarding alleged misuse of benefits and adverse decisions on eligibility and claims in the administration of food assistance programs.
- Determine the efficiency and effectiveness of the Child and Adult Care Food Program (CACFP) monitoring and reimbursement processes and DSS’ compliance with laws and agency policies.

STATUTORY

REVIEW OF THE SOUTH CAROLINA PUBLIC CHARTER SCHOOL DISTRICT (JUNE 2021)

Members of the S.C. General Assembly requested that we conduct an audit of the S.C. Public Charter School District (District).

OBJECTIVES REVIEWED

- South Carolina’s state laws and regulations regarding charter schools to determine if the District’s role could be better defined.
- The relationship between the District and its charter schools.
- The relationship between the District and the S.C. Department of Education.
- The District’s evaluations of charter schools.
- The District’s administrative fee policy.

BACKGROUND

The S.C. General Assembly passed legislation in 1996 allowing public charter schools to operate in the state and created the District in 2006.

The District began operating in 2008 and now sponsors 33 charter schools serving more than 20,000 students. The District is responsible for monitoring the academic and financial performance of its charter schools and also acts as a local education agency. The District’s superintendent is supervised by a board of trustees who are appointed by the Governor, the Speaker of the House of Representatives, and the President of the Senate.

Requesters:

Rep. Garry Smith
Rep. Mike Burns
Rep. Bill Chumley
Rep. Mark Willis

Rep. Dwight Loftis
Rep. Leola Robinson
Rep. Patrick Haddon
Rep. Ashley Trantham

DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

We are reviewing the S.C. Department of Disabilities and Special Needs to address concerns about agency organization and structure, service delivery and contracts with providers, employment policies and practices, compliance with state and federal laws and regulations, and use of best practices.

Requesters:

Sen. Katrina Shealy
Sen. Shane Martin
Sen. Shane Massey

Sen. Tom Alexander
Sen. Tom Davis

DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES

We are reviewing the S.C. Department of Alcohol and Other Drug Abuse Services (DAODAS) to evaluate the agency's response to the opioid crisis, its efforts to address alcohol and substance abuse cases in the wake of COVID-19, and other issues related to addiction services and administration.

Requesters:

Rep. William Herbkersman
Rep. Todd Rutherford
Rep. Heather Crawford

Rep. Garry Smith
Rep. Lonnie Hosey

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL'S CERTIFICATE OF NEED PROGRAM

We are reviewing the S.C. Department of Health and Environmental Control's (DHEC) certificate of need (CON) program. Among other things, our review will address concerns relating to the impact the CON statute and regulations have on the availability and cost of healthcare, how DHEC prioritizes the goals of the CON program, and the length of time it takes to approve CON applications.

Requesters:

Sen. Wes Climer
Sen. Larry Grooms
Sen. Dwight Loftis
Sen. Chip Campsen
Sen. Tom Davis
Sen. Dick Harpootlian
Sen. Danny Verdin

Sen. Harvey Peeler
Sen. Shane Massey
Sen. Ross Turner
Sen. Sandy Senn
Sen. Rex Rice
Sen. Penry Gustafson