

<b>AGENCY NAME:</b>	SC Office of the State Auditor		
<b>AGENCY CODE:</b>	F270	<b>SECTION:</b>	105

**Fiscal Year 2019–2020  
Accountability Report**

**SUBMISSION FORM**

<b>AGENCY MISSION</b>	To promote trust and confidence in South Carolina state government.
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<b>AGENCY VISION</b>	Making a positive impact by working with state entities to ensure transparency and accountability, and enabling them to achieve meaningful impact.
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Does the agency have any major or minor recommendations (internal or external) that would allow the agency to operate more effectively and efficiently?

	Yes	No
<b>RESTRUCTURING RECOMMENDATIONS:</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 2-1-230, which requires submission of certain reports to the Legislative Services Agency for publication online and to the State Library? See also S.C. Code Ann. § 60-2-30.

	Yes	No
<b>REPORT SUBMISSION COMPLIANCE:</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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Is the agency in compliance with various requirements to transfer its records, including electronic ones, to the Department of Archives and History? See the Public Records Act (S.C. Code Ann. § 30-1-10 through 30-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

	<b>Yes</b>	<b>No</b>
<b>RECORDS MANAGEMENT COMPLIANCE:</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 1-23-120(J), which requires an agency to conduct a formal review of its regulations every five years?

	<b>Yes</b>	<b>No</b>
<b>REGULATION REVIEW:</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please identify your agency's preferred contacts for this year's accountability report.

	<u><i>Name</i></u>	<u><i>Phone</i></u>	<u><i>Email</i></u>
<b>PRIMARY CONTACT:</b>	George L. Kennedy, CPA	803-253-4160	gkennedy@osa.sc.gov
<b>SECONDARY CONTACT:</b>	Cindy Hoogenboom	803-253-4160	choogenboom@osa.sc.gov

I have reviewed and approved the enclosed FY 2019–2020 Accountability Report, which is complete and accurate to the extent of my knowledge.

<b>AGENCY DIRECTOR (SIGN AND DATE):</b>	Signature on file
<b>(TYPE/PRINT NAME):</b>	George L. Kennedy, III

<b>BOARD/CMSN CHAIR (SIGN AND DATE):</b>	
<b>(TYPE/PRINT NAME):</b>	

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## **AGENCY'S DISCUSSION AND ANALYSIS**

### **Purpose, Organization and Major Responsibilities**

The Office of the State Auditor (OSA) serves as the independent audit function for the State of South Carolina. The OSA is organized into three service delivery divisions, State Agency, Medicaid and Internal Audit Services, supported by an Administration division.

**State Agency Division** - Composed of approximately 17 permanently assigned audit professionals, this division has 4 core responsibilities:

1. Annual audit of the State's Comprehensive Annual Financial Report (CAFR) as prepared by the Office of the Comptroller General.
2. Annual audit of the Schedule of Expenditures of Federal Awards (Single Audit).
3. Attestation engagements of each state agency not separately audited, which are focused on internal controls.
4. Attestation engagements of county and municipal treasurers, county clerks of court, magistrates, and municipal clerks of court to ensure that the imposition, collection and remittance of court fines, fees and assessments are in accordance with applicable state laws.

**Medicaid Division** - Composed of approximately 14 permanently assigned audit professionals, this division performs attestation engagements of financial and statistical reports filed by providers of Medicaid services, primarily nursing facilities. These engagements, performed under contract with the South Carolina Department of Health and Human Services (DHHS), determine if the reimbursement rate based on costs claimed for reimbursement by the provider are free from material misstatements based on South Carolina's State Plan for Medical Assistance, the applicable contract between DHHS and the Medicaid provider and all applicable state and federal laws and regulations. The contract agreement with DHHS requires that an engagement be performed on each provider facility at least once every 4 consecutive cost reporting periods.

**Internal Audit Services Division** – Composed of approximately 7 audit professionals, this division focuses on providing services to the South Carolina Department of Transportation (SCDOT) and performs independent and objective assurance and consulting activities designed to add value or improve SCDOT's operations. The division assists in accomplishing strategic objectives and mission by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

**Administration Division** – Composed of approximately 6 administrative professionals who provide accounting, budgeting, human resource, purchasing, technology, word processing and other administrative support for the agency.

In addition to the permanently assigned staff in the State and Medicaid divisions, 11 staff float between divisions to provide teams with flexibility to scale team size to fit the needs of the engagement. The Director of QC and Training is an agencywide resource.

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## Analysis of the Agency

OSA continues to focus on implementing initiatives designed to improve productivity and utilization, increase our value, develop and retain staff and maintain a strategic focus.

## Major Accomplishments

The following accomplishments relate to the agency's core mission:

- The audit of the CAFR for fiscal year June 30, 2019, performed jointly with CliftonLarsonAllen, LLP (CLA), a national public accounting firm, was completed November 14, 2019, the date mutually agreed to with the Office of the Comptroller General. The total cost for CLA's services was \$345,200, which was reimbursed by state agencies.
- The audit of the State's Schedule of Expenditures of Federal Awards (Single Audit) for fiscal year ended June 30, 2019, also performed jointly with CLA, was issued March 6, 2020. Covering compliance with laws and regulations for over \$8.4 billion in federal award expenditures, the single audit engagement required over 11,000 hours to complete in addition to the assistance provided by various state agencies. Total cost for CLA's services was \$632,000, which was reimbursed by state agencies.
- Completion of 77 agreed-upon procedures engagements for state agencies covering fiscal years 2018 and 2019.
- Completion of 68 reports covering 37 healthcare providers receiving Medicaid reimbursement. Medicaid receivables of \$14.6 million to date have been established based on these engagement findings.
- Through contract with three certified public accounting firms, completion of 26 agreed-upon procedures engagements of county and municipal courts.
- Completion of 15 internal audit reports related to SCDOT.

Other significant accomplishments and initiatives:

### Productivity and Utilization

- Productivity and effectiveness have increased by utilizing technology, by refining our everyday processes and by filling open positions as quickly as possible. We measure utilization (productive time/total time) for approximately 42 auditors who averaged 74% of their time, or over 58,000 total hours, worked directly on audit engagements in fiscal year 2020.
- Effectively converted to remote work within days in March with little to no impact to production, realizing staff utilization of 74.16% for 4<sup>th</sup> quarter 2020 compared to 74.60% for the same period in 2019.
- Assured the 26% of staff time not charged to audit engagements is spent productively on training, development and other beneficial activities, including leave.
- Positioned our staff to take a proactive role in leading the audit of the State's financial statements with the signing of a new contract with a joint auditor. Our goal is to continue to build internal capacity that would allow us to consider eliminating assistance by an external CPA firm by 2025.
- OSA staff will perform the audit of the State's expenditures of federal awards for fiscal year 2020 without the assistance of an external CPA firm for the first time since fiscal year 2011. This eliminates \$630,000 of audit fees paid by state agencies.

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**Assuring Value for Those We Serve**

- Continuously seek feedback from stakeholders on how we can better add value to the work we perform.
- Require planning meetings with staff of the entity under audit to better understand their mission and operations and what has changed from the prior year, to provide us with information to better identify and address risks.
- Continue to realize value in Medicaid audit services provided to DHHS. Over the last 5 fiscal years, our Medicaid Division has identified amounts for recovery equal to over 4.3 times the cost of the attest services provided.
- Continue to build a trusted advisor role between our internal audit team and SCDOT leadership.
- Began internal discussions about the role OSA could play in facilitating enhanced internal audit activities across State agencies, particularly for smaller agencies that cannot support a full-time internal audit function.
- Began internal discussions regarding the feasibility of, and stakeholder appetite for, transitioning certain OSA services to a fee reimbursement basis, allowing better customer service by providing flexibility to perform value-add audit or consulting work over and above that which is legislatively mandated.

**Developing and Managing A Professional Workforce**

- Supported by laptops, monitors and remote work and flexibility policies that were already in place, OSA staff quickly and successfully transitioned to remote work in March, while maintaining a high level of productivity and accountability.
- Implemented Microsoft Teams, a platform that encourages collaboration through chat, video meetings and integrated file sharing, to enhance the remote work experience.
- Actively working with OSA’s leadership team to seize the opportunity to re-imagine the workplace, understanding that the next phase of re-opening our office will not be a return to normal.
- Continue to reinforce teamwork, accountability and feedback as core elements of our culture, especially in a remote environment.
- Continue to recognize exceptional performance through a pay increase or a bonus to encourage staff to meaningfully contribute over and above what is expected of them.
- Created a new approach to employee onboarding, including assigning a coach to ensure the new hire receives the support they need to be successful in their first year and beyond.
- Onboarded three employees remotely, and successfully delivered technical training using Zoom and Microsoft Teams.
- Continue to encourage staff to challenge legacy thinking through process improvement.
- Increased the number of staff with professional certification by continuing our bonus plan. We now have 25 staff with a CPA or other relevant professional certification, 12 more than in fiscal year 2016.
- Managed turnover for fiscal year 2020 to approximately 10%, which we consider to be a healthy rate.
- Use volunteer service such as delivering meals for Meals on Wheels, working at Harvest Hope, and serving meals at Transitions to build comradery among our teams while serving our community.

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**Responding to Change by Maintaining a Strategic Focus**

- Developing a strategy to replace major agency-hosted software applications with cloud-based solutions as funding permits. While this move may result in overall increased cost, the arrangement is a better fit for a small agency because it eliminates the burden of agency-based application management and reduces reliance on hosting applications through the State’s technology operation servers.
- Implementing basic data analytics capabilities to streamline financial analysis and testing and to provide more robust audit insights.
- Exploring implementation of robotics process implementation for low-level repetitive tasks to be implemented as funding permits.

**Managing Agency Resources Effectively**

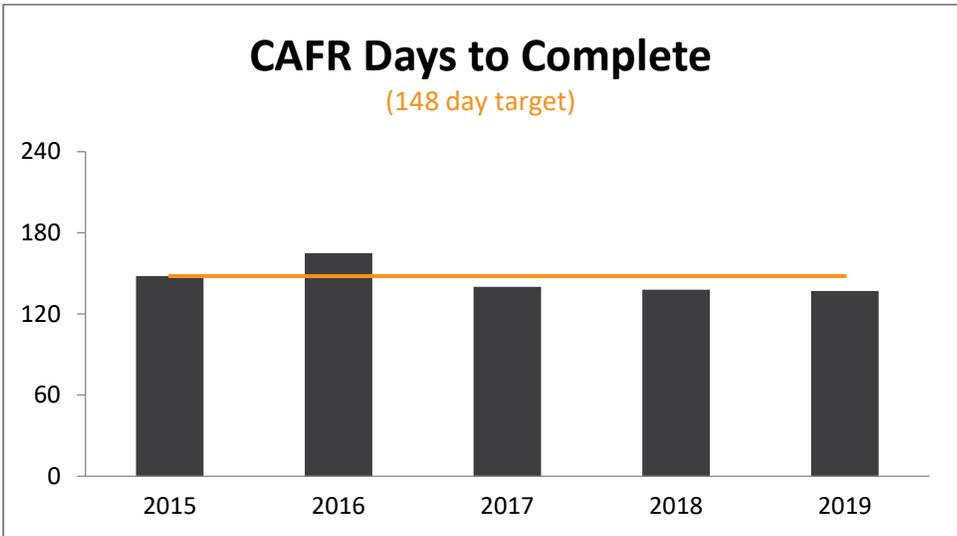
- Continuing to be a good steward of the OSA’s resources by investing in the tools that assist us in working more efficiently and effectively.
- Managed OSA’s budget conservatively and with accountability.
- Proactively seeking opportunities to make OSA leaner with minimal disruption to workflow to help us better respond to potential variations in State appropriations.

**Performance Comparison to Prior Years**

**Audit of the State’s CAFR**

The State’s CAFR for fiscal year 2019 was issued 137 days after fiscal year end, meeting the goal issue date agreed to with the Office of the Comptroller General. As illustrated in Figure 1, better planning, efficiencies and closer coordination with the Comptroller General’s staff have led to the report being issued within a reasonable expectation. The goal for fiscal year 2020 is to issue the CAFR within 136 days of fiscal year end.

**Figure 1**  
**CAFR Days to Complete (compared to target)**

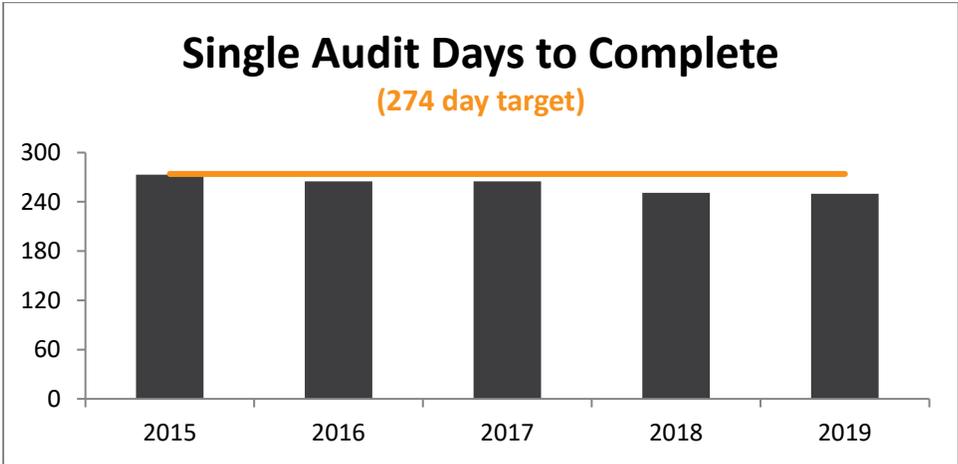


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**Audit of Expenditures of Federal Awards (Single Audit)**

The Single Audit for fiscal year 2019 was completed in 250 days, ahead of the 275 day (March 31) deadline imposed by the US Office of Management and Budget. OSA has set an internal goal for the fiscal year 2020 report, the first since 2011 to be handled entirely with internal resources, to have the Single Audit issued within 257 days, two weeks before the official March 31 deadline.

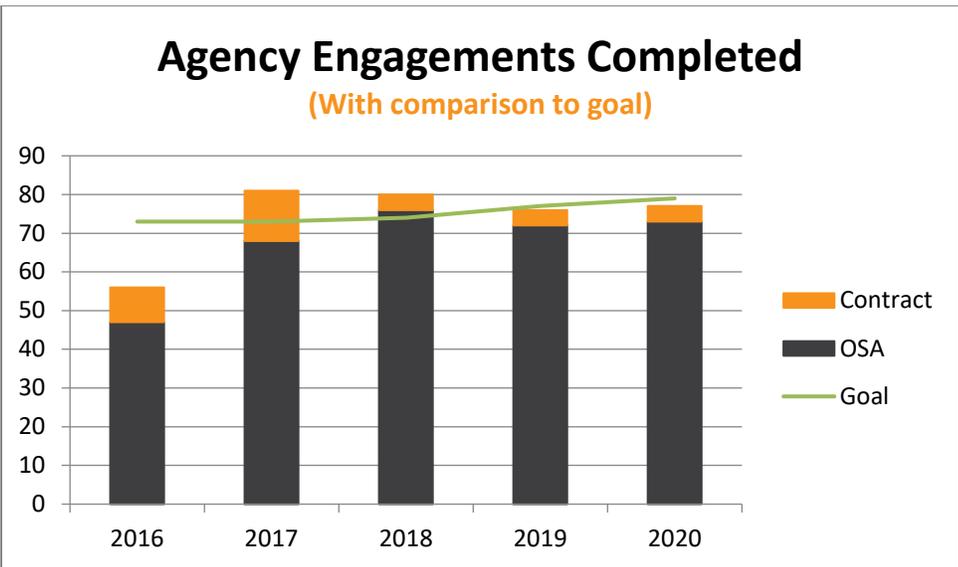
**Figure 2**  
**Single Audit Days to Complete (compared to target)**



**Agency Engagements Completed**

An attest engagement should be completed for each agency annually. These engagements are primarily performed between March and September for the prior fiscal year (e.g. FYE 6/30/19 engagements are performed during March to September 2020). Figure 3 illustrates all engagements completed during the fiscal year.

**Figure 3**  
**Agency Engagements Completed (With comparison to goal)**

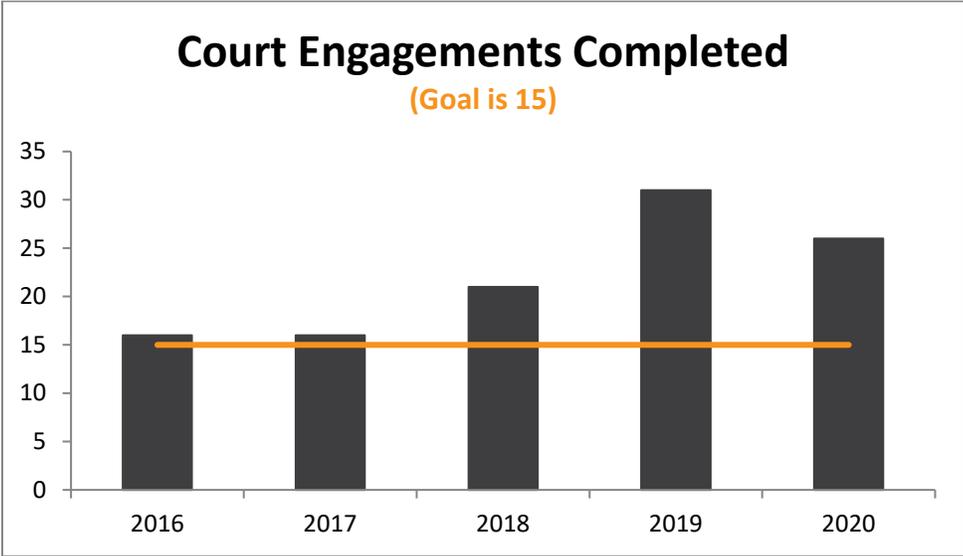


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**Court Engagements**

For fiscal year 2020, 26 court engagements were issued, exceeding our goal of 15.

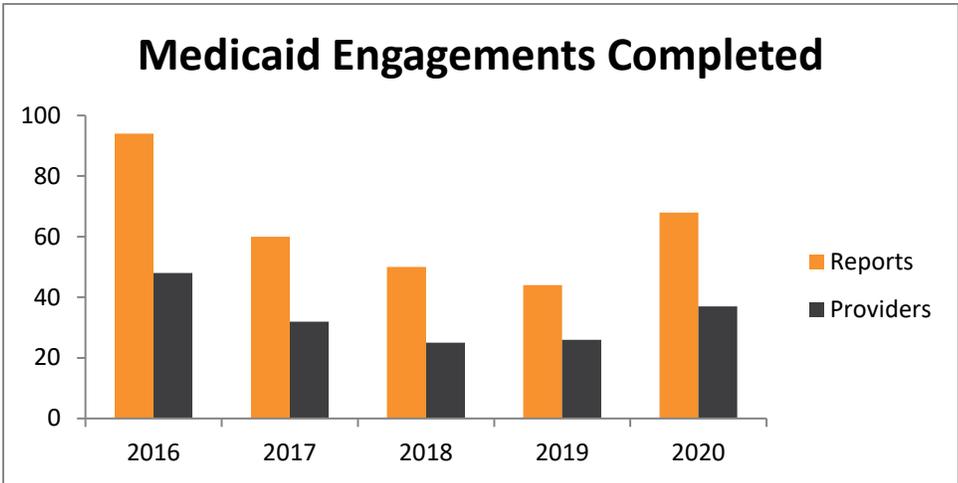
**Figure 4**  
**Court Engagements Completed (Goal = 15)**



**Medicaid Engagements Completed**

For fiscal year 2020, reports for 68 Medicaid engagements were issued, covering 37 healthcare providers. Our contract with the DHHS requires that an engagement be conducted for each nursing home provider at least once every four consecutive reporting periods. Report issuance numbers can vary greatly between fiscal years due in large part to work related to large chain operations and length of engagements.

**Figure 5**  
**Medicaid Engagements Completed**

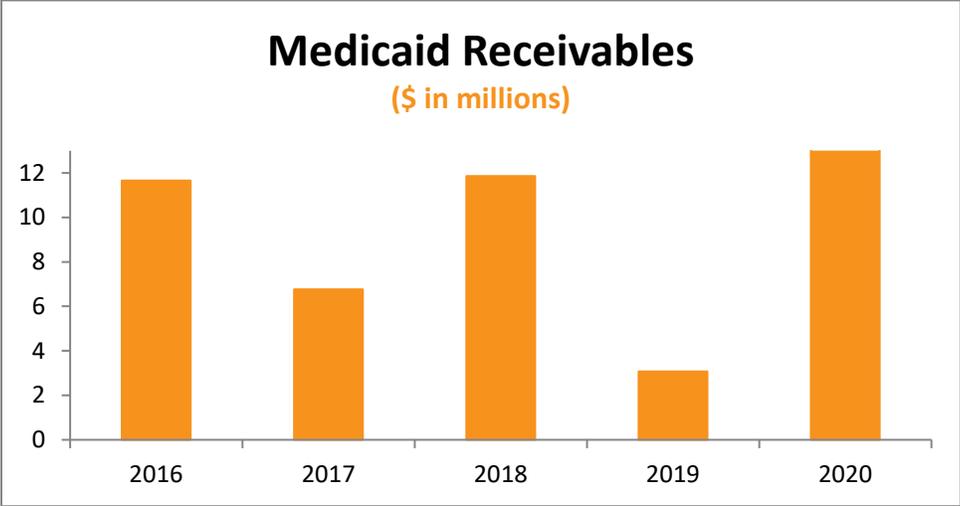


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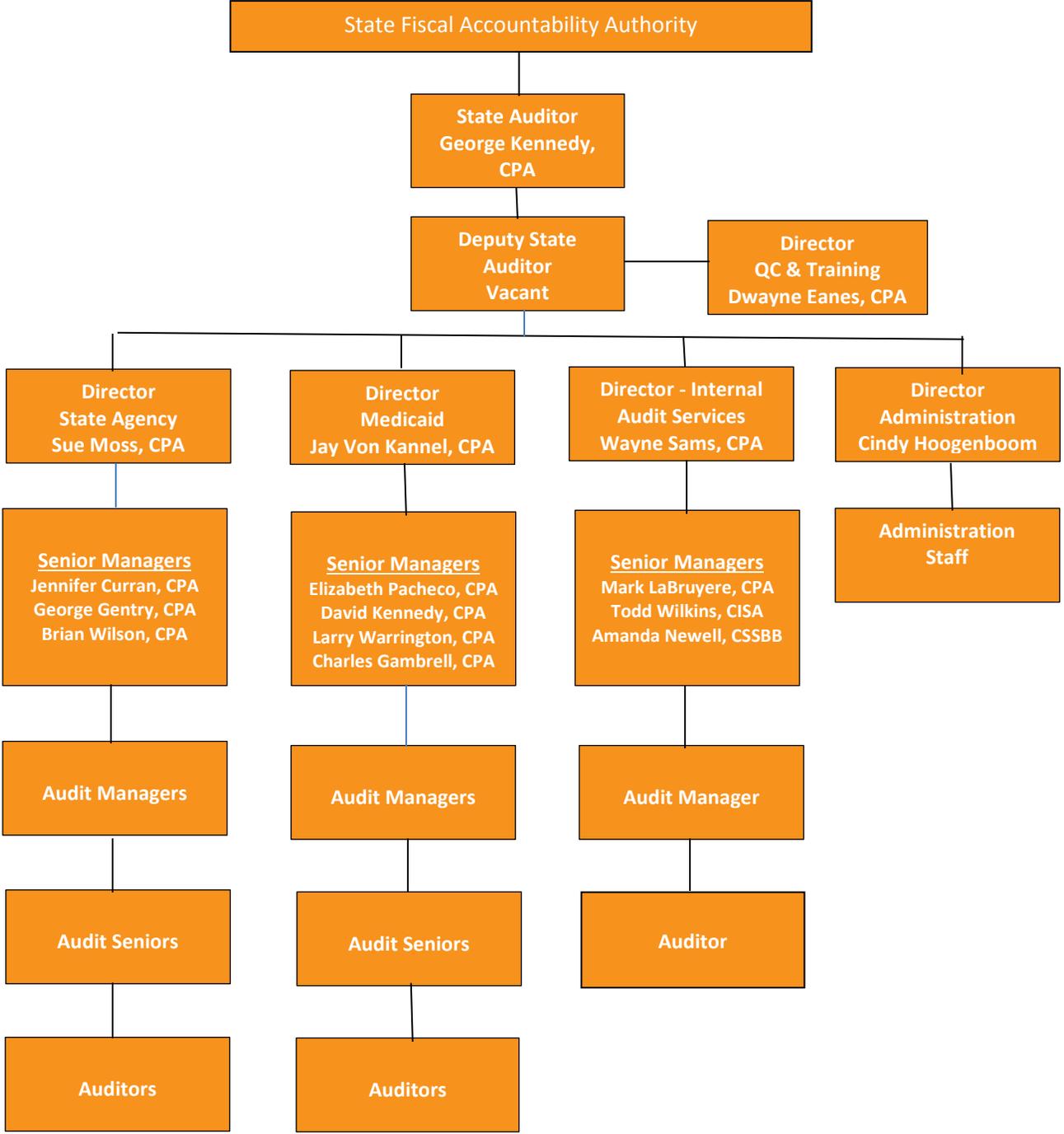
**Medicaid Receivables Identified**

For fiscal year 2020, Medicaid receivables in the amount of \$14.6 million to date have been established by DHHS, based on our findings in reports issued. As illustrated in Figure 6, Medicaid receivables can vary significantly from one year to the next. These receivables are not predictive and have no direct correlation to the number of reports issued. The degree of provider compliance with program rules and regulations when reporting cost claimed for reimbursement will always be the determining factor in the amounts established.

**Figure 6**  
**Medicaid Receivables Identified (\$ in 000)**



**Organization Chart – as of 8/31/2020**



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**Risk and Mitigation Strategies**

Our independent audit services provide stakeholders with assurance that the information reported in the State’s annual financial report is accurate and reliable. These stakeholders include taxpayers, citizens, elected officials, bondholders and others in the financial community. Should OSA fail to complete the audit of the State’s annual financial report, independently audited financial information would be unavailable, impeding financial transparency to the public and creating a lack of confidence in the financial community which would impact the State’s credit rating and ability to issue new debt. Existing debt might also be called by bondholders due to noncompliance with financial reporting requirements. Similarly, a failure to complete the statewide Single Audit and file the report timely with the federal government could interrupt the flow of over \$8.4 billion of federal awards received annually by various state agencies due to noncompliance with annual reporting requirements for federal awards.

If either or both scenarios occurred, the State could mitigate the consequences by hiring a Certified Public Accounting firm to perform the independent audit work normally performed by OSA. Doing so, however, would likely come with a substantial cost and a protracted lead time to issue final reports due to the substantial man-hours required to complete both audit engagements.

**Restructuring Recommendations**

There are no restructuring recommendations.

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #		Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy		Measure	Base	Target				
Government and Citizens	G	1		<b>Deliver services which strengthen transparency and accountability</b>							
	S		1.1	<b>Assure our deliverables are timely and meaningful to users</b>							
	M		1.1.1	Audit of the State's CAFR completed by target date - number of days past due	0	0	0	Fiscal year	Internal records	Days issued beyond goal	Ability to complete audit within agreed timeframe
	M		1.1.2	Audit of the State's Schedule of Expenditures of Federal Awards by target date - number of days past due	0	0	0	Fiscal year	Internal records	Days issued beyond goal	Ability to complete audit within agreed timeframe
	M		1.1.3	Attest engagements of state agencies (including those contracted) completed by 6/30 of following year	67%	85%	77%	Fiscal year	Internal records	Number completed/Total available to be completed	Ability to complete agency engagement within one-year after fiscal year end
	S		1.2	<b>Maintain our reputation for independence, integrity and objectivity</b>							
	M		1.2.1	Number of engagements selected for internal quality inspection	2	9	9	Fiscal year	Internal records	Number inspected	Depth of internal inspection coverage
	S		1.3	<b>Provide effective internal audit services for SCDOT</b>							
	M		1.3.1	Reports issued during the fiscal year	6	18	15	Fiscal year	Internal records	Number issued	Accountability for productivity
	M		1.3.2	Presentations to the Audit Committee	NA	4	7	Fiscal year	Audit Cmtee Minutes	Presentations made	Accountability for communication
	M		1.3.3	Evaluation of internal audit division by the Audit Committee	NA	4	NA	Fiscal year	Audit Cmtee Minutes	Survey average - 4 pt scale	Measure of effectiveness
	M		1.3.4	Evaluation of internal audit division by SCDOT management	NA	3	3.96	Fiscal year	Customer surveys	Survey average - 4 pt scale	Measure of effectiveness
	M		1.3.5	Verify that audit report management action plans (MAPs) were implemented	NA	100%	75%	Fiscal year	Internal records	MAPs verified/Total MAPs	Mgmt accountability for MAPs
Education, Training, and Human Development	G	2		<b>Develop and maintain a professional, high-performing and engaged workforce</b>							
	S		2.1	<b>Increase employee knowledge, skills and engagement</b>							
	M		2.1.1	Develop an onboarding program which extends beyond employee's first 90 days	In progress	4/30/2020	12/10/2019	Fiscal year	Internal records	Goal for completion	Accountability for equipping new employees for success
	M		2.1.2	Percent of staff with professional certification	44%	50%	55%	Fiscal year	Internal records	Certified staff/Total staff	Measure of investment in career
	M		2.1.3	Number of staff who have completed Certified Professional Managers program	5	6	6	Fiscal year	Internal records	CPMs/Total staff	Measure of leadership development effort
	S		2.2	<b>Monitor productivity and performance</b>							
	M		2.2.1	Average hours per agency attestation engagements completed	256	250	275	Fiscal year	Internal records	Total hours/Engagements completed	Fewer average hours is an indicator of efficiency
	M		2.2.2	Average hours per Medicaid attestation engagements completed	377	425	393	Fiscal year	Internal records	Total hours/Engagements completed	Fewer average hours is an indicator of efficiency
	S		2.3	<b>Maintain a strong campus recruiting strategy</b>							
	M		2.3.1	Average open positions during the year	1.69	1	2.32	Fiscal year	SCEIS	Average FTE/Authorized FTE	Measures ability to fill open positions
	M		2.3.2	On-campus recruiting events attended during the year	7	7	6	Fiscal year	Internal records	Number of events attended	Effort expended in maintaining campus relationships
	S		2.4	<b>Create an environment that is recognized as a workplace of choice</b>							
	M		2.4.1	Percent of employees that are other than white males	62.7%	70.0%	64.3%	Fiscal year	Internal records	As compared to all employees during period	Measure of diversity
	M		2.4.2	Employee turnover	10.1%	7.0%	10.6%	Fiscal year	Internal records	Separated employees/Average FTE	Indicator of retention and job satisfaction
	S		2.5	<b>Manage agency's workforce effectively</b>							
	M		2.5.1	% of employees with 3 or more documented check-in sessions	97%	100%	97%	Fiscal year	Internal records	As percent of all employees in coaching program	Accountability for seeking and receiving performance feedback during the year

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
	M			2.5.2	Number of employees in Manager position	11.0%	15.0%	14.3%	Fiscal year	SCEIS	Managers/Total auditors	Measure of experience and succession pool for leadership positions
Government and Citizens	G	3			<b>Manage agency's resources effectively, prudently and with accountability</b>							
	S		3.1		<b>Assure an agile business operation</b>							
	M			3.1.1	Manage agency spending to within 90% of budget	90%	90%	89.2%	Fiscal year	SCEIS	General fund spending actual/budget	Stewardship of agency resources
	M			3.1.2	Number of agency attestation engagements contracted to CPA firms	4	4	4	Fiscal year	Internal records	Number contracted during year	Reduction in reliance on contractors
	M			3.1.3	Increase workforce utilization	75.16%	77%	74.38%	Fiscal year	SCEIS	Chargeable hours/Total hours	Measure of how well staff resources are focused on mission specific work
	S		3.2		<b>Respond to change by maintaining a strategic focus</b>							
	M			3.2.1	Adopt plan for utilizing new or emerging technology in engagements	NA	1/31/2020	2/5/2020	Fiscal year	Internal records	Date plan completed	Target for plan completion

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2020-2021			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	G	1			<b>Deliver services which strengthen transparency and accountability</b>							
	S		1.1		<b>Assure our deliverables are timely and meaningful to users</b>							
	M			1.1.1	Audit of the State's CAFR completed by target date - number of days past due	0	0		Fiscal year	Report date	Days issued beyond goal	Ability to complete audit within agreed timeframe
	M			1.1.2	Audit of the State's Schedule of Expenditures of Federal Awards by target date - number of days past due	0	0		Fiscal year	Report date	Days issued beyond goal	Ability to complete audit within agreed timeframe
	M			1.1.3	Attest engagements of state agencies (including those contracted) completed by 6/30 of following year	77%	70%		Fiscal year	Internal records	Number completed/Total available to be completed	Ability to complete agency engagement within one-year after fiscal year end
	S		1.2		<b>Maintain our reputation for independence, integrity and objectivity</b>							
	M			1.2.1	Number of engagements selected for internal quality inspection	9	8		Fiscal year	Internal records	Number inspected	Depth of internal inspection coverage
	S		1.3		<b>Provide effective internal audit services for SCDOT</b>							
	M			1.3.1	Reports issued during the fiscal year	15	6		Fiscal year	Report date	Number issued	Accountability for productivity
	M			1.3.2	Presentations to the Audit Committee	7	4		Fiscal year	Audit cmtee minutes	Presentations made	Accountability for communication
	M			1.3.3	Evaluation of internal audit division by the Audit Committee	NA	4		Fiscal year	Audit cmtee minutes	Survey average - 4 pt scale	Measure of effectiveness
	M			1.3.4	Evaluation of internal audit division by SCDOT management	3.96	3		Fiscal year	Customer surveys	Survey average - 4 pt scale	Measure of effectiveness
	M			1.3.5	Verify that audit report management action plans (MAPs) were implemented	75%	100%		Fiscal year	Internal records	MAPs verified/Total MAPs	Mgmt accountability for MAPs
	M			1.3.6	Internal audit staff job satisfaction (average score)	NA	3		Fiscal year	Survey results	Survey average - 4 pt scale	Measure of employee satisfaction
	M			1.3.7	Number of staff with 3 or more documented check-ins	NA	3		Fiscal year	Internal records	Check-ins completed	Accountability for performance feedback
Education, Training, and Human Development	G	2			<b>Develop and maintain a professional, high-performing and engaged workforce</b>							
	S		2.1		<b>Increase employee knowledge, skills and engagement</b>							
	M			2.1.1	Percent of staff with professional certification	55%	50%		Fiscal year	Internal records	Certified staff/Total staff	Mesure of investment in career
	M			2.1.2	Number of staff who have completed Certified Professional Managers program	6	7		Fiscal year	Internal records	CPMs/Total staff	Measure of leadership development effort
	S		2.2		<b>Monitor productivity and performance</b>							
	M			2.2.1	Average hours per agency attestation engagements completed	275	225		Fiscal year	SCEIS	Total hours/Engagements completed	Fewer average hours is an indicator of efficiency
	M			2.2.2	Average hours per Medicaid attestation engagements completed	393	400		Fiscal year	SCEIS	Total hours/Engagements completed	Fewer average hours is an indicator of efficiency
	S		2.3		<b>Maintain a strong campus recruiting strategy</b>							
	M			2.3.1	Average open positions during the year	2.32	3.00		Fiscal year	SCEIS	Average FTE/Authorized FTE	Measures ability to fill open positions
	M			2.3.2	On-campus recruiting events attended during the year	7	2		Fiscal year	Internal records	Number of events attended	Effort expended in maintaining campus relationships
	S		2.4		<b>Create an environment that is recognized as a workplace of choice</b>							
	M			2.4.1	Percent of employees that are other than white males	64.3%	70.0%		Fiscal year	SCEIS	As percent of total FTE's	Measure of diversity
	M			2.4.2	Employee turnover	10.6%	10.0%		Fiscal year	SCEIS	Separated employees/Average FTE	Indicator of job retention and satisfaction
	S		2.5		<b>Manage agency's workforce effectively</b>							
	M			2.5.1	% of employees with 3 or more documented coaching sessions	97%	100%		Fiscal year	Internal records	As percent of all employees in coaching program	Accountability for seeking and receiving performance feedback during the year

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2020-2021			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
	M			2.5.2	Number of employees in Manager position	14.3%	15.0%		Fiscal year	Internal records	Managers/Total auditors	Measure of experience and succession pool for leadership positions
Government and Citizens	G	3			<b>Manage agency's resources effectively, prudently and with accountability</b>							
	S		3.1		<b>Assure an agile business operation</b>							
	M			3.1.1	Manage agency spending to within 90% of budget	89.2%	90%		Fiscal year	SCEIS	General fund spending actual/budget	Stewardship of agency resources
				3.1.2	Increase workforce utilization	74.38%	75.00%		Fiscal year	SCEIS	Chargeable hours/total hours	Measure of how well staff resources are focused on mission specific work
	S		3.2		<b>Respond to change by maintaining a strategic focus</b>							
	M			3.2.1	Develop one in-house training to reduce overall training costs	NA	1		By June 30, 2021	Internal records	Completion of materials	Target for completion

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Program Template

Program/Title	Purpose	FY 2019-20 Expenditures (Actual)				FY 2020-21 Expenditures (Projected)				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I. Administration	Administrative support for audit programs, including accounting, budgeting, procurement, information technology, human resources, and other general administrative functions.	\$ 352,056	\$ -	\$ -	\$ 352,056	\$ 341,022	\$ -	\$ -	\$ 341,022	
II. Audits	Performance of the audits of the State's CAFR and Schedule of Expenditures of Federal Awards; attestation engagements of State Agencies; attestation engagements of county and municipal court fines; fees and assessments; attestation engagements of Medicaid service providers.	\$ 2,617,860	\$ 2,162,754	\$ -	\$ 4,780,614	\$ 2,631,528	\$ 2,237,765	\$ -	\$ 4,869,293	
III. Internal Audit Services	Provide internal audit services for the SC Department of Transportation	\$ 579,913	\$ -	\$ -	\$ 579,913	\$ 582,252	\$ -	\$ -	\$ 582,252	
IV. Employee Benefits	Employee benefits for employees of the Office of the State Auditor	\$ 1,105,271	\$ 321,754	\$ -	\$ 1,427,025	\$ 1,198,786	\$ 341,874	\$ -	\$ 1,540,660	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	If yes, what type of service or product?	If other service or product, please specify what service or product.
1	1-11-20	State	Statute	Transfer to State Fiscal Accountability Authority	No	No		
2	8-11-94	State	Statute	Access to confidential information - payroll deducted contributions	No	No		
3	9-4-40	State	Statute	Fiduciary audit of the Public Employee Benefit Administration	Yes	Yes	Report our agency must/may provide	
4	9-16-380	State	Statute	Fiduciary audit of the Retirement System Investment Commission	Yes	Yes	Report our agency must/may provide	
5	11-7-10	State	Statute	Selection of assistants	No	No		
6	11-7-20	State	Statute	Annual audits of state agencies	Yes	Yes	Report our agency must/may provide	
7	11-7-25	State	Statute	Periodic audits - courts	Yes	Yes	Report our agency must/may provide	
8	11-7-30	State	Statute	Audit reports	Yes	Yes	Report our agency must/may provide	
9	11-7-35	State	Statute	Access to records	No	No		
10	11-7-40	State	Statute	Medicaid engagements under contract with DHHS	Yes	Yes	Report our agency must/may provide	
11	11-7-45	State	Statute	Guarantee of independence	No	No		
12	11-7-50	State	Statute	Service on board or commission	No	No		
13	11-7-55	State	Statute	Use of certified public accountants	Yes	Yes	Other service or product our agency must/may provide	Use of CPA firms to provide audit services
14	11-7-60	State	Statute	Reimbursed audit costs	Yes	Yes	Other service or product our agency must/may provide	Reimbursement of cost of CPA firm services
15	11-27-70	State	Statute	Sources of revenue per State Constitution	No	No		
16	11-35-1250	State	Statute	Authority to contract for auditing services	No	No		
17	11-37-240	State	Statute	Annual audit - Rural Infrastructure Authority	Yes	Yes	Report our agency must/may provide	
18	11-51-110	State	Statute	Authorization of general obligation debt	Yes	Yes	Report our agency must/may provide	
19	11-9-110	State	Statute	Audit of contributed funds	Yes	Yes	Report our agency must/may provide	
20	12-28-2725	State	Statute	Annual audit - regional transportation authorities	Yes	Yes	Report our agency must/may provide	
21	12-54-240	State	Statute	Prohibition of disclosure	No	No		
22	13-1-50	State	Statute	Annual audit - Department of Commerce	Yes	Yes	Report our agency must/may provide	
23	14-1-210	State	Statute	Periodic audits - courts	Yes	Yes	Report our agency must/may provide	
24	23-6-50	State	Statute	Annual audit - DPS	Yes	Yes	Report our agency must/may provide	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	If yes, what type of service or product?	If other service or product, please specify what service or product.
25	38-79-470	State	Statute	Annual audit - Medical Malpractice Fund	Yes	Yes	Report our agency must/may provide	
26	41-43-260	State	Statute	Annual audit - Jobs - Economic Development Fund Act	Yes	Yes	Report our agency must/may provide	
27	44-53-450	State	Statute	State Treasurer may direct audit of courts	Yes	Yes	Report our agency must/may provide	
28	44-96-165	State	Statute	Independent audit of trust funds - DHEC	Yes	Yes	Report our agency must/may provide	
29	50-5-2720	State	Statute	Periodic examination of the Compact Commission	Yes	Yes	Report our agency must/may provide	
30	57-1-360	State	Statute	Chief internal auditor for SC Department of Transportation	Yes	Yes	Other service or product our agency must/may provide	Internal audit services for SC DOT
31	59-20-95	State	Statute	Fiscal practices for state agencies acting as a local education authority	Yes	Yes	Report our agency must/may provide	
32	59-115-180	State	Statute	Annual audit - Education Assistance Authority	Yes	Yes	Report our agency must/may provide	
33	105.1	State	Proviso	Annual audit of federal programs	Yes	Yes	Report our agency must/may provide	
34	105.2	State	Proviso	Carryover Medicaid funds	Yes	Yes	Report our agency must/may provide	
35	105.3	State	Proviso	Fraud identified referred to Inspector General	Yes	Yes	Report our agency must/may provide	
36	105.4	State	Proviso	Annual audit of court fees and fines	Yes	Yes	Report our agency must/may provide	
37	117.97	State	Proviso	Submission of schedule of federal program expenditures to OSA	No	No	NA	Schedules are used in statewide single audit

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Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.</i>
State	Assurance and attestation engagements statewide and agency specific	Assurance and attestation services	Executive Branch/State Agencies	
State	Attestation engagements of court fines, fees and assessments	Attestation services	Executive Branch/State Agencies	
Medicaid	Attestation engagements of financial and statistical reports	Attestation services	Executive Branch/State Agencies	
Internal Audit	Internal audit services	Internal audit services	Executive Branch/State Agencies	

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Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Goal(s)
Various CPA firms	Private Business Organization	Contract assurance services	1
Law firm specializing in Medicaid	Private Business Organization	Legal services	1
SC DHHS	State Government	Program documentation and technical support	1

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Report and External Review Template

Item	Is this a Report, Review, or both?	Report or Review Name	Name of Entity Requesting the Report or Conducting Review	Type of Entity	Reporting Frequency	Current Fiscal Year: Submission Date or Review Timeline (MM/DD/YYYY)	Summary of Information Requested in the Report or Reviewed	Method to Access the Report or Information from the Review
None								