

Agreed-Upon Procedures:

- Procurement Audit FYE June 30, 2009
- Capital Construction Projects 2005-2010

Charleston > excellence is our standard
County SCHOOL DISTRICT



Agreed-Upon Procedures (AUP)

- Defined procedures measured against specific criteria
- Different from audits
- In accordance with American Institute of Certified Public Accountants (AICPA) standards.
 - *Independence, Integrity, Objectivity, Competence are always important*



AUP: Capital Construction Projects 2005-2010 program



AUP: Capital Construction Projects 2005-2010 program

- Only two exceptions noted:
 - We verified compliance with any bond covenants, ensuring that expenditures were reasonable and charged to the appropriate bond program. – **Exception: The District's general liability insurance policy has a \$100,000 deductible per claim for real and personal property. The bond covenant requires that the District have a \$75,000 deductible for general liability**
 - We determined that the District's fixed asset detail records reflected costs associated with completed construction projects, and that these costs were transferred from CIP to the appropriate capital asset category in a timely manner – **We noted one exception where performance evaluations were conducted 5 months after the Office of School Facilities issued the certificate of occupancy for Cario Middle School.**



AUP: Capital Construction Projects 2005-2010 program

- No exceptions were noted in any of the other eight agreed upon procedures.
- Overall, the capital construction project records we noted were in good order and organized, were accompanied by good financial analysis, and were well managed.





**AUP: Procurement
Operating Policies and
Procedures FYE June 30,
2009**



AUP: Procurement Operating Policies and Procedures FYE June 30, 2009

- This examination was directed principally to determine whether the District's procurement procedures, were materially in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.



AUP: Procurement Operating Policies and Procedures FYE June 30, 2009

- Specifically, the scope of our examination included a review of the following:
 - The School District's Procurement Code and Regulations
 - Procurement procedures relating to the areas of goods and services, information technology, consulting and construction.
 - Minority Business Enterprise Utilization Plan and reports
 - A review of 100% of sole-source and emergency procurements
 - Various selected procurement transactions
 - Surplus property procedures
 - Various control procedures



AUP: Procurement Operating Policies and Procedures FYE June 30, 2009

Findings :

1. Various issues related to procurement card (P-card) activity.
2. A sole source procurement was erroneously left off the District's "Annual Report of Sole Source and Emergency Procurement" Report.
3. For one purchase order we tested, there was no evidence of it being properly reviewed and approved.
4. The District is not utilizing blanket purchase agreements; accordingly, they are not in compliance with section 1550.4 of the District's Procurement Code.



AUP: Procurement Operating Policies and Procedures FYE June 30, 2009

- We noted improvement in the District's procurement compliance since the June 30, 2008 examination.

