

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
REPORT ON APPLYING AGREED-UPON PROCEDURES
JULY 1, 2024 - JUNE 30, 2025

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Trustees and Management of
Spartanburg County School District Five
Duncan, South Carolina

We have performed the procedures detailed below on Spartanburg County School District Five's (the "District") compliance with its procurement code policies and procedures, as outlined in the District's procurement code during the period July 1, 2024 to June 30, 2025. The District's management is responsible for the District's compliance with its procurement code policies and procedures, as outlined in the District's procurement code.

Spartanburg County School District Five has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of confirming compliance with its procurement code policies and procedures, as outlined in the District's procurement code during the period July 1, 2024 to June 30, 2025. Additionally, the South Carolina State Fiscal Accountability Authority, Procurement Services Division has agreed to and acknowledged that the procedures performed are appropriate to meet for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

A detailed description of procedures performed for the period under review are described in the South Carolina State Fiscal Accountability Authority's Agreed Upon Procedures School District Procurement System. A summary listing of the procedures performed and related findings can be found in the attached Summary Schedule of Procedures and Findings.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with its procurement code policies and procedures, as outlined in the District's procurement code during the period July 1, 2024 to June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Spartanburg County School District Five and meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Trustees and Management of Spartanburg County School District Five, and the South Carolina State Fiscal Accountability Authority, Procurement Services Division, and is not intended to be and should not be used by anyone other than those specified parties.

Halliday, Schwartz & Co.

Halliday, Schwartz & Co.
Spartanburg, South Carolina
September 16, 2025

Summary Schedule of Procedures and Findings

- A. General Control Procedures
- B. Code Compliance – General
- C. Sole Source, Emergency, and Trade-In Procurements
- D. Compliance – Supplies & Services, IT and Consultants
 - Exhibit A – Audit Matrix
- E. Surplus Property
- F. Compliance – Construction, Architect-Engineer and other related Professional Services
 - Exhibit B – Construction Audit Matrix
 - Exhibit C – IQC for Construction
 - Exhibit D – A&E Other Related Professional Services

A. General Procedures: To obtain sufficient support for the following results, the audit procedures, as described in the Office of Audit and Certification’s School Districts Procurement Audit Procedures Audit Program, were applied to the expenditures of the District. The following are the results and, if necessary due to noncompliance, the related recommendations and responses for those areas which the District showed noncompliance.

B. Code Compliance – General

1. Internal Procurement Procedures Manual: No findings were identified.
2. Procurement Officers and Limits of Authority: No findings were identified.
3. Minority Business Enterprise Utilization: No findings were identified.
4. Purchasing Card Usage: Out of a sample of 25 p-card transactions, no findings were identified.
5. Blanket Purchase Agreements: Out of a sample of 5 BPAs, no findings were identified.
6. Splitting Orders and Favored Vendors: No findings were identified.
7. Revenue Generating Contracts: N/A
8. Unauthorized Procurements: No findings were identified.

C. Sole Source, Emergency, and Trade-In Procurements

1. Authorized to Approve: No findings were identified.
2. Sole Source & Emergency Determinations: Out of 26 sole source procurements and 2 emergency procurements, no findings were identified.
3. Trade-Ins: N/A

D. Compliance – Supplies and Services, IT and Consultants

1. Population:

Thresholds	# POs	\$ Value of POs	# Tested
\$0-Small Purchases Threshold	2,699	\$ 3,012,798.55	0
Small Purchases - \$25,000.00	313	\$ 3,399,787.83	27
\$25,000.01-\$100,000.00	110	\$ 5,698,619.59	13
>\$100,000.01	64	\$ 342,717,372.83	15
	<u>3,186</u>	<u>\$ 354,828,578.80</u>	<u>55</u>

Within the thresholds above, below is a list of contracts by type:

Competitive Sealed Bids

Competitive Sealed Proposals

Competitive Best Value Bid

2. & 3. Matrix Sample: Out of a sample of 55 procurements, we identified one purchase order dated after the invoice date (and was not ratified).

Recommendation: The District should ensure all items not properly procured are ratified.

District Response: The District's accounting software has been updated to allow a report to be run comparing the invoice date to the purchase order date. We will run this report monthly to ensure we are capturing all procurement violations in a timely manner.

4. Direct Expenditure Vouchers:

<u>Thresholds</u>	<u># Vouchers</u>	<u>\$ Value of Vouchers</u>	<u># Tested</u>
\$0-Small Purchases Threshold	2,057	\$ 1,038,291.55	0
Small Purchases - \$25,000.00	92	\$ 1,186,562.57	13
\$25,000.01-\$100,000.00	103	\$ 4,551,187.85	6
>\$100,000.01	25	\$ 9,297,467.51	6
	<u>2,277</u>	<u>\$ 16,073,509.48</u>	<u>25</u>

Out of a sample of 25 direct expenditure vouchers, no findings were identified.

E. Surplus Property

1. & 2. Disposal Transactions: Out of a sample of 5 disposals tested, no findings were identified.

F. Compliance – Construction, Architect-Engineer and Other Related Professional Services

1. & 2. Construction / A&E: Out of 1 procurement under Construction and 1 procurement under A&E procured in the current year, no findings were identified. Out of 2 Construction and 1 A&E projects that were procured and tested in prior years, no findings related to change orders were identified.

3. Indefinite Quantity Contracts: N/A