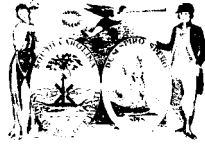


**SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES
COLUMBIA, SOUTH CAROLINA**

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

JUNE 30, 2000

State of South Carolina



Office of the State Auditor

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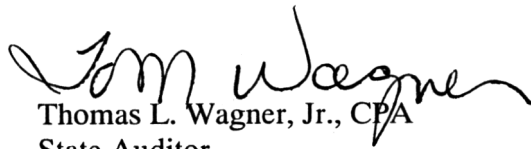
May 24, 2001

The Honorable Jim Hodges, Governor
and
Ms. Elizabeth G. Patterson, J.D., State Director
South Carolina Department of Social Services
Columbia, South Carolina

This report on the application of agreed-upon procedures to the accounting records of the South Carolina Department of Social Services for the fiscal year ended June 30, 2000, was issued by Rogers & Laban, PA, Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,


Thomas L. Wagner, Jr., CPA
State Auditor

TLWjr/cwc

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Thomas L. Wagner, Jr., CPA,
State Auditor
State of South Carolina
Columbia, South Carolina

We have performed the procedures described below, which were agreed to by the management of both the South Carolina Office of the State Auditor (the State Auditor) and the South Carolina Department of Social Services (the Department), solely to assist you in evaluating the performance of the Department for the fiscal year ended June 30, 2000 in the areas addressed. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures and the associated findings are as follows:

- 1 We tested selected recorded receipts to determine if these receipts were properly described and classified in the accounting records and internal controls over the tested receipt transactions were adequate. We also tested selected recorded receipts to determine if these receipts were recorded in the proper fiscal year. We compared amounts recorded in the general ledger and subsidiary ledgers to those in the State's accounting system (STARS) as reflected on the Comptroller General's reports to determine if recorded revenues were in agreement. We made inquiries and performed substantive procedures to determine if revenue collection and retention or remittance were supported by law. We compared current year recorded revenues from sources other than State General Fund appropriations with those of the prior year; and, using other procedures, we tested the reasonableness of collected and recorded amounts for certain revenue categories by revenue account. The individual transactions selected for testing were chosen randomly. We found no exceptions as a result of the procedures.
2. We tested selected recorded non-payroll disbursements to determine if these disbursements were properly described and classified in the accounting records; were bona fide disbursements of the Department; were paid in conformity with State laws and regulations and if the internal controls over the tested disbursement transactions were adequate. We also tested selected recorded non-payroll disbursements to determine if these disbursements were recorded in the proper fiscal year. We compared amounts recorded in the general ledger and subsidiary ledgers to those in various STARS reports to determine if recorded expenditures were in agreement. We compared current year expenditures with those of the prior year to determine the reasonableness of amounts paid and recorded by expenditure account. The individual transactions selected for testing were chosen randomly. We found no exceptions as a result of the procedures.

3. We tested selected recorded payroll disbursements to determine if the tested payroll transactions were properly described, classified, and distributed in the accounting records; persons on the payroll were bona fide employees; payroll transactions, including employee payroll deductions, were properly authorized and were in accordance with existing legal requirements; and, the internal controls over the tested payroll transactions were adequate. We tested selected payroll vouchers to determine if the vouchers were properly approved and if the gross payroll agreed to amounts recorded in the general ledger and in STARS. We also tested payroll transactions for selected new employees and those who terminated employment to determine if internal controls over these transactions were adequate. We compared amounts recorded in the general ledger and subsidiary ledgers to those in various STARS reports to determine if recorded payroll and fringe benefit expenditures were in agreement. We performed other procedures, such as, comparing current year payroll expenditures to those of the prior year; comparing the percentage change in personal service expenditures to the percentage change in employer contributions; and, comparing the percentage distribution of recorded fringe benefit expenditures by fund source to the percentage distribution of recorded payroll expenditures by fund source to determine if recorded payroll and fringe benefit expenditures were reasonable by expenditure account. The individual transactions selected for testing were chosen randomly. Our findings, as a result of these procedures, are presented in Comments 2 and 3 in Section A of the Accountant's Comments section of this report.
4. We tested selected recorded journal entries, operating transfers, and appropriation transfers to determine if these transactions were properly described and classified in the accounting records; they agreed with the supporting documentation, were adequately documented and explained, were properly approved, and were mathematically correct; and, the internal controls over these transactions were adequate. The individual transactions selected for testing were chosen randomly. Our finding as a result of these procedures is presented in Comment 1 in Section B of the Accountant's Comments section of this report.
5. We tested selected entries and monthly totals in the subsidiary records of the Department to determine if the amounts were mathematically accurate, the numerical sequences of selected document series were complete, the selected monthly totals were accurately posted to the general ledger, and the internal accounting controls over the tested transactions were adequate. The items selected for testing were chosen randomly. We found no exceptions as a result of the procedures.
6. We obtained all monthly reconciliations prepared by the Department for the year ended June 30, 2000, and tested selected reconciliations of balances in the Department's accounting records to those in the State's accounting system (STARS) as reflected on the Comptroller General's reports to determine if they were accurate and complete. For the selected reconciliations, we recalculated the amounts, agreed the applicable amounts to the Department's general ledger, agreed the applicable amounts to the STARS reports, determined that reconciling differences were adequately explained and properly resolved, and determined if necessary adjusting entries were made in the Department's accounting records and/or in STARS. The reconciliations selected for testing were chosen randomly. We found no exceptions as a result of the procedures.
7. We tested the Department's compliance with all applicable financial provisions of the South Carolina Code of Laws, Appropriation Act, and other laws, rules, and regulations for fiscal year 2000. Our finding, as a result of these procedures, is presented in Comment 4 in Section A of the Accountant's Comments section of this report.

8. We reviewed the status of the deficiencies described in the findings reported in the Accountant's Comments section of the report on applying agreed-upon procedures to the financial records and internal controls of the Department resulting from our engagement for the fiscal year ended June 30, 1999 dated May 19, 2000 to determine if adequate corrective action has been taken. The deficiencies noted were corrected except as noted in Section C in the Accountant's Comments section of this report.
9. We obtained copies of all closing packages as of and for the year ended June 30, 2000, that were prepared by the Department and submitted to the State Comptroller General. We reviewed them to determine if they were prepared in accordance with the Comptroller General's GAAP Closing Procedures Manual requirements; the amounts were reasonable; and they agreed with the supporting workpapers and accounting records. Our findings as a result of these procedures are presented in Comments 1, 5 and 6 in Section A of the Accountant's Comments section of this report.
10. We obtained a copy of the schedule of federal financial assistance for the year ended June 30, 2000, prepared by the Department and submitted to the State Auditor. We reviewed it to determine if it was prepared in accordance with the State Auditor's letter of instructions; the amounts were reasonable; and they agreed with the supporting workpapers and accounting records. We found no exceptions as a result of these procedures.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the specified areas, accounts, or items. Further, we were not engaged to express an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express such opinions. Had we performed additional procedures or had we conducted an audit or review of the Department's financial statements or any part thereof, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Governor, the State Auditor, and the Director and management of the Department and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, reading "Roger J. Lohan, PA". The signature is written in a cursive, flowing style.

May 14, 2001

**SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES
COLUMBIA, SOUTH CAROLINA**

**ACCOUNTANT'S COMMENTS
JUNE 30, 2000**

SECTION A - MATERIAL WEAKNESSES AND/OR VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS

The procedures agreed to by the State Auditor and the Department require that we plan and perform the engagement to obtain reasonable assurance about whether non-compliance with the requirements of State Laws, Rules, or Regulations occurred and whether internal accounting controls over certain transactions were adequate. Management of the Department is responsible for establishing and maintaining internal control. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Therefore, the presence of a material weakness or violation will preclude management from asserting that the entity has effective internal controls.

The conditions described in this section have been identified as material weaknesses or violations of State Laws, Rules, or Regulations.

1. ACCOUNTS PAYABLE CLOSING PACKAGE INCORRECT

Our review of the accounts payable closing package disclosed the following:

- That accounts payable, per the closing package, were overstated \$623,104 because the listing included two amounts that were also included in the interdepartmental transfer (IDT) accounts payable listing.
- That accounts payable, per the closing package, were overstated \$374,338 because the listing included four vendor accounts that were not for goods and services received on or before June 30, 2000.
- That accounts payable, per the closing package, were understated \$47,506 because two invoices for goods or services received prior to June 30th were not included in the closing package listing.

Based on the deficiencies noted, it does not appear that an adequate review was made by the supervisory staff person that approved the accounts payable closing package.

A similar finding was cited in the prior year's report on applying agreed-upon procedures.

Section 3.12 of the GAAP Closing Procedures Manual prepared by the Comptroller General defines accounts payable as an amount due for which the Department receives the goods or services on or before June 30 and pays for them on July 1 or later. Also, Section 1.8 of the Manual requires the agency to perform an effective review of each completed closing package and the underlying working papers and accounting records including tracing each amount in the appropriate closing package to the supporting documentation and underlying accounting records and complete the reviewer's checklist.

We recommend that additional care be exercised in preparing the accounts payable schedule and in performing the supervisory reviews of the listing and the related documentation that supports accounts payable closing package as of each year-end.

2 INCORRECT FRINGE ALLOCATION

Our comparison tests of the percentage distribution of recorded payroll and fringe benefit expenditures disclosed that the restricted fund allocation of employer contributions was overstated. Follow-up disclosed that an adjusting journal entry was incorrectly prepared in that subfund 4973 (restricted-special grants) was charged \$168,580 and subfund 3442 (earmarked funds) was credited in error. The entry was supposed to reclassify \$168,580 of fringe benefit costs within subfund 4973.

Accounting and internal control procedures of the agency require journal entries to be properly prepared and supported by adequate documentation and properly reviewed and approved before being posted in the accounting records. Also, account balances that include amounts that result from computations and journal entries should be reviewed for reasonableness.

We recommend that procedures be strengthened and followed to ensure all amounts included in journal entries are supported by workpapers and all journal entries are reviewed and approved by responsible management personnel prior to being posted to the general ledger. Also, procedures should be implemented so that the resulting balances are reviewed after the postings are made to ensure that the journal entry was correctly posted. Both the preparer and reviewer should sign and date the journal entry as evidence of adherence to the Department's policies and procedures.

3. PAYROLL DEFICIENCIES

Our tests of 25 payroll expenditures disclosed that the actual hours used to calculate gross pay for one employee did not agree with supporting documentation. This resulted in the employee being underpaid \$64.37. The error appears to be caused by a keying mistake when the data was input into the payroll system.

A similar finding was cited in the prior year's report on applying agreed-upon procedures.

Good business and internal control practices require the maintenance of accurate and complete documentation to support payroll expenditures and deductions therefrom. Also, internal controls should be such that they include those for accurate preparation, review and approval before input.

We recommend that procedures be strengthened and followed to ensure payrolls are prepared and disbursed for the correct amounts. There should be an independent review of payroll information (e.g., pay rate, work hours) to the supporting documentation and a supervisory review of payroll calculations. Both the preparer and reviewer should sign and date the payroll as evidence of adherence to the Department's policies and procedures. Also, the employee should be paid for the shortage.

4. STATE LAW REVISIONS NOT MADE

Proviso 13.14 of both the 1999 and 2000 South Carolina Appropriation Acts provided for the establishment of an Electronic Benefits Transfer System and the submission of a status report on the implementation of the system to the Senate Finance and House Ways and Means Committees by July 1 of the fiscal year. This System was never implemented and the status reports were never filed.

Proviso 13.1 of the 1999 and 2000 South Carolina Appropriation Acts included the following provision that should be a part of Proviso 13.2:

"Funds of \$800,000 collected under the Child Support Enforcement Program (Title IV D) which are State Funds shall be remitted to the State Treasurer and credited to the General Fund of the State. All State funds above \$800,000 shall be retained by the Department to fund Self-Sufficiency and Family Preservation and Support initiatives".

Proviso 72.50 of both the 1999 and 2000 Appropriation Acts require each agency to conduct an annual jurisdictional audit that would have disclosed the above discrepancies.

We recommend that the Department conduct an annual jurisdictional audit for the purpose of identifying laws, regulations and provisions which are not being used, no longer need to be regulated or are incorrectly stated. After identifying the discrepancies, the Department should draft repeals or revisions and submit them to the General Assembly.

5. CLOSING PACKAGE LIABILITY FOR NON-CANCELABLE OPERATING LEASES

Our testing of 10 of the operating leases in the closing package for non-cancelable operating leases disclosed that eight did not have properly completed lease registers. A lease register is used for each lease to determine if it is an operating or capital lease and to support the information reported in the closing package. The lease registers did not reflect the correct amounts for future minimum lease payments, the correct dates of the last payments and the correct monthly payment amounts. This resulted in a misstatement of the liability for non-cancelable operating leases and other lease information in the closing packages. There also appears to be a lack of knowledge and training of the Department's staff that prepare and review the lease closing package.

Section 3.19 of the GAAP Closing Procedures Manual states that the agency must retain a fully completed lease register for each of its leases and that the agency complete the lease register form at the inception of each lease before making the first payment to help ensure that the lease is properly classified as capital or operating. Also, Section 1.8 directs the agency to assign knowledgeable people to the closing package jobs; directs the reviewer to complete a reviewer's checklist; and directs the reviewer to trace all amounts to the appropriate closing package supporting documentation and to the accounting records and Section 3.19 directs the reviewer to agree information on the lease closing package forms to properly completed lease registers.

We recommend that at the beginning of each lease that the agency correctly fill out a lease register and that a responsible supervisor review it to ensure all required information is entered correctly and that the lease is properly classified as an operating or capital lease. All lease registers should be retained and used in preparation and review of the lease closing packages. Furthermore, the employee performing the independent review of the lease closing package should agree information on the closing package to properly completed registers, other supporting documentation and the accounting records.

6. ACCRUED COMPENSATED ABSENCES CLOSING PACKAGE DEFICIENCIES

Our tests of the closing package for accrued compensated absences disclosed the following deficiencies:

- The report supporting the annual and compensatory leave balances as of June 30, 2000 was run before all leave slips for leave taken through June 30, 2000 were entered into the system. Consequently, leave taken during June 2000 for one of the 25 leave balances tested was omitted. This resulted in the leave liability being overstated by 6 hours for this employee.
- Leave slips could not be located to support leave taken by 3 of the 25 employee balances tested.

- For 3 employees, the information on the leave slips differed from that posted in the payroll system. A description of those differences are as follows:
 - For one employee, four hours were keyed in the payroll system and the leave slip was for 2.5 hours. Also this employee took 6 hours of annual leave on 6/13/00 and the 6 hours were not keyed in the payroll system. These differences resulted in a net overstatement of the annual leave liability of 4.5 hours for this employee.
 - For one employee, the leave slips totaled 61 hours, but the annual leave report reflected the employee taking 73.50 hours of leave. This resulted in an understatement of the annual leave liability of 12.50 hours for this employee.
 - For one employee, the employee took 37.5 hours of leave between 6/26-30/00 and 7.5 hours should have been keyed as an optional holiday and was not. This resulted in an understatement of the annual leave liability of 7.5 hours for this employee. (Optional leave has no effect on the compensated absences liability unless the leave is not taken on the selected day and the employee earns compensatory leave.)

Section 3.17 of the GAAP Closing Procedures Manual prepared by the Comptroller General requires the closing package to report the actual accumulated unused leave balances by leave type at June 30 and the Department to retain supporting documentation of the balances by leave type for each employee. Also, good accounting and internal control procedures require the Department to prepare and maintain accurate records that support the year-end accrued compensated absences balance.

We recommend the Department implement data input and fiscal year-end cut-off procedures to ensure that all leave taken through June 30 is properly entered into the leave system before the compensated absences detail report is produced to obtain closing package information. We further recommend that additional care be exercised in both the preparation and the required independent review of the closing package, which would include determining the clerical accuracy of the forms. Also, we recommend that payroll stop destroying leave slip records before the records are reviewed by the State Auditor or his designee.

SECTION B – WEAKNESS NOT CONSIDERED MATERIAL

The procedures agreed to by the State Auditor and the Department require that we plan and perform the engagement to obtain reasonable assurance about whether non-compliance with the requirements of State Laws, Rules, or Regulations occurred and whether internal accounting controls over certain transactions were adequate. Management of the Department is responsible for establishing and maintaining internal controls. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Therefore, the presence of a material weakness or violation will preclude management from asserting that the entity has effective internal controls.

The condition described in this section has been identified as a weakness subject to correction or improvement but it is not considered a material weakness or a violation of State Laws, Rules, or Regulations.

1. JOURNAL ENTRY DEFICIENCIES

Our tests of journal entries disclosed that, of the 25 tested one was not approved, did not have adequate supporting documentation and did not include the written purpose and explanation for the entry.

A similar finding was cited in the prior year's report on applying agreed-upon procedures.

Good accounting practices and the Department's written procedures require journal entries to reflect their purpose, be supported by adequate documentation and be approved.

We recommend that the Department strengthen and follow the agency's accounting procedures and controls over journal entries to ensure that each journal entry contains all of the appropriate information and supporting documentation and that it is independently reviewed by a responsible supervisor other than the preparer. Before approving and dating the form, the reviewer should determine that the journal entry is properly prepared with an adequate description of its purpose, adequate supporting documentation, the signature of the preparer and the date of preparation.

SECTION C - STATUS OF PRIOR FINDINGS

During the current engagement, we reviewed the status of corrective action taken on each of the findings reported in the Accountant's Comments section of our report on applying agreed-upon procedures to the financial records and internal controls of the Department for the fiscal year ended June 30, 1999, dated May 8, 2000. The deficiencies were corrected except for the following as noted in Sections A and B in the Accountant's Comments:

- Accounts Payable Closing Package Incorrect
- Payroll Deficiencies
- Journal Entry Deficiencies

We also reported similar findings in these areas for the fiscal year ended June 30, 1998.

MANAGEMENT'S RESPONSE
Attachment A



SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES

Elizabeth G. Patterson, J.D., State Director, Post Office Box 1520, Columbia, South Carolina 29202-1520

June 4, 2001

Mr. Thomas L. Wagner, Jr., CPA
State Auditor
1401 Main Street Suite 1200
Columbia, South Carolina 29201-2831

Dear Mr. Wagner:

I have reviewed the preliminary draft report on the application of Agreed Upon Procedures of the accounting records at the South Carolina Department of Social Services for the fiscal year ended June 30, 2000. I am authorizing release of the report.

Enclosed with this letter are our responses to the Auditor's comments.

Should you have any questions regarding these responses, please call Billy W. Gossett at 898-7490.

Sincerely,

Wendell Price/RO

Wendell Price, Deputy State Director
Administration and Program Support

Enclosures

WP:gc



SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES

Elizabeth G. Patterson, J.D., State Director, Post Office Box 1520, Columbia, South Carolina 29202-1520

RESPONSES TO THE APPLICATION OF AGREED UPON PROCEDURES FOR FISCAL YEAR 2000

SECTION A

ACCOUNTS PAYABLE CLOSING PACKAGE INCORRECT

Response Four (4) exceptions totaling \$992,440.75 relate to Child Care and Summer Feeding Programs. These programs accomplish payment by an interface with the GAFRS accounting system, except for items processed by IDT (Payments to State Agencies for \$1,000 and above). Unlike the payments by IDT, the interface does not permit use of TASK Code 2000, which is necessary for producing the special GAFRS report (DAFR944P) that separates accounts payable. As a result, the Claims and Reports Section of the Food Service Operations Division prepares a manual worksheet to capture accounts payable information. While the Claims and Reports Section understands the logic for identifying appropriate transactions in the correct fiscal period, the manual process resulted in clerical errors. Worksheets included incorrect separation of current and prior fiscal year periods as well as IDT accounts payable duplication. IDT TASK coding distinction was not perfected. Additional efforts will be made to ensure that transactions are properly classified and not duplicated. All transactions listed as Accounts Payable will be verified by the Claims and Reports Section, and again by the Payables Section when preparing the Accounts Payable closing package.

Two (2) exceptions for a total understated amount of \$47,505.14 should have been identified as accounts payables. The incorrect TASK code was entered. As a result, the DAFR944P report did not capture these items as accounts payable. Extra instructions will be given to users to place emphasis on the distinction of fiscal year periods and to place careful attention on choosing the correct TASK code when keying entries.

One (1) exception for an overstated amount of \$5,000.00 was captured on the DAFR944P accounts payable report in error. This is the only item that coincides with the AUP recommendation relative to review of the DAFR944P report. All Disbursement Vouchers included in the DAFR944P report totaling \$400 and above were reviewed to verify them as accounts payable during the preparation of the Accounts Payable

Closing Package. When reviewing, there will be more careful scrutiny of the disbursement vouchers appearing on this report.

An additional Supervisory step will be added to review Fiscal Month 01 and 02 disbursement vouchers to insure inclusion of all accounts payable in the Accounts Payable Closing Package.

2. INCORRECT FRINGE ALLOCATION

Response: The Agency concurs with the finding and will strengthen internal controls to ensure that all journal entries are reviewed and approved by management prior to posting to the general ledger. The JE was required due to a variance in costs over the contract limit for Managed Treatment Services – Case Management. The JE should have adjusted both salaries and fringes.

3. PAYROLL DEFICIENCIES

Response: The employee cited in this finding was not underpaid, but was overpaid according to additional research. It should be noted that this research has not been discussed with the auditors due to the time taken to review this matter. However, the finding that the hourly rate was incorrect is an appropriate finding and the agency does not disagree with the deficiency.

4. STATE LAW REVISIONS NOT MADE

Response: All provisos are reviewed annually before submission into the annual budget process. For the FY 2002-2003 budget year, the Department will look at eliminating or rewording Proviso 13.14 if the proviso is no longer needed. As for Provisos 13.1 and 13.2, both of the provisos are necessary but revisions are needed to clarify the sources of funds and uses of the funds retained by the Department.

5. CLOSING PACKAGE LIABILITY FOR NON CANCELABLE OPERATING LEASES

Response: The monthly leases payment amounts determined by the audit to be incorrect resulted from the following:

1. There are no scheduled rent increases in the Copier Lease Agreements; therefore, the rate was not revised on the Lease Register. This procedure was according to our understanding of the GAAP instructions.
2. Executory Cost amounts corresponded to the 33% factor automatically applied to the Minimum Lease Payment being used.
3. Incorrect lease payments also occurred as a result of including the Minimum Lease Payment, instead of the Net Minimum Payment.

A meeting will be scheduled with the Central State Finance Help Desk to go over GAAP Instructions for the Operating Leases Closing Package. Supervisory review steps will be enhanced.

The incorrect ending dates should have been changed on the Lease Register. As per the finding, this date while incorrect did not affect the dollar amounts on the report. These dates apparently were incorrect because of spreadsheet application errors used in automating the lease register. We are in process of obtaining a new Lease Register.

6. ACCRUED COMPENSATED ABSENCES CLOSING PACKAGE DEFICIENCIES

Response: This finding is similar to last year. For the year 2000 the report was run later; however, it is impossible to run the report any later and allow for employees to receive and provide corrections to their leave summaries while meeting the mandated date for the Compensated Absences Package to be completed.

The agency has amended its policy to require areas to maintain leave slips for 3 years.

The agency will continue to train and remind the leave clerks of the importance of accuracy with the leave administration.

SECTION B

1. JOURNAL ENTRY DEFICIENCIES

Response: The Department has strengthened procedures and controls over journal entries as reflected by the significant improvement in this area. Procedures and monitoring will be reemphasized to appropriate staff.