



## Finance Committee Beaufort County, SC

This meeting will be held both in person in Council Chambers at 100 Ribaut Road, Beaufort, and virtually through Zoom. Please be aware that there is limited seating available for the in-person meeting and attendees must practice social distancing

**Monday, September 20, 2021  
2:00 PM**

### AGENDA

#### COMMITTEE MEMBERS:

**MARK LAWSON, CHAIRMAN      CHRIS HERVOCHON, VICE CHAIRMAN**  
**GERALD DAWSON,              BRIAN FLEWELLING,**  
**STEWART RODMAN**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. *PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT*
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES - June 21, 2021
6. **CITIZEN COMMENTS - (ANYONE who wishes to speak during the Citizen Comment portion of the meeting will limit their comments to no longer than three (3) minutes (a total of 15 minutes) and will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language)**
7. UPDATE FROM CFO HAYES WILLIAMS

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### AGENDA ITEMS

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8. DISCUSSION AND PRESENTATION OF YEAR TO DATE FINANCIAL STATEMENTS FOR FY 2022
9. FY2023 BUDGET CALENDAR
10. PRESENTATION FROM ELLIOT DAVIS ON REPORT ON PROCESSES AND PROCEDURES FOR FINANCE, PROCUREMENT AND DISABILITIES AND SPECIAL NEEDS
11. PRESENTATION OF CORRECTIVE ACTION PLAN FROM THE REPORT ON PROCESSES AND PROCEDURES FOR FINANCE PROCUREMENT AND DISABILITIES AND SPECIAL NEEDS
12. A RESOLUTION AUTHORIZING TO ACCEPT FEDERAL GRANT: AWARD \_\_\_\_ IN THE AMOUNT OF \$1.9M

- [13.](#) A RESOLUTION TO REPURPOSE COMMUNITY FOUNDATION OF THE LOWCOUNTRY’S 2021 LOCAL ATAX GRANT AWARD
- [14.](#) A REQUEST TO AUTHORIZE THE COUNTY ADMINISTRATOR TO ENTER INTO MEDIATION TO ATTEMPT TO ESTABLISH THE PURCHASE PRICE OF TWO PARKING LOTS AT THE OLD COURTHOUSE FROM THE G.G. DOWLING FAMILY PARTNERSHIP, LP.
15. ADJOURNMENT



## Finance Committee Beaufort County, SC

[This meeting is being held virtually in accordance with Beaufort County Resolution 2020-05]  
THIS MEETING WILL CLOSED TO THE PUBLIC. CITIZEN COMMENTS AND PUBLIC HEARING COMMENTS WILL BE ACCEPTED IN WRITING VIA EMAIL TO THE CLERK TO COUNCIL AT SBROCK@BCGOV.NET OR PO DRAWER 1228, BEAUFORT SC 29901. CITIZENS MAY ALSO COMMENT DURING THE MEETING THROUGH FACEBOOK LIVE

Monday, June 21, 2021

2:00 PM

### MINUTES

1. **CALL TO ORDER**

Chairman Lawson called the meeting to order at 2 PM

**PRESENT**

Committee Chairman Mark Lawson  
Committee Vice-Chair Chris Hervochon  
Council Member Joseph F. Passiment  
Council Member D. Paul Sommerville  
Council Member Gerald Dawson  
Council Member Brian Flewelling  
Council Member Stu Rodman  
Council Member Alice Howard  
Council Member Lawrence McElynn  
Council Member Logan Cunningham

**ABSENT**

Council Member York Glover

2. **PLEDGE OF ALLEGIANCE**

Chairman Lawson led the Pledge of Allegiance.

3. **FOIA**

Chairman Lawson noted that Public notification of this meeting had been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act.

4. **APPROVAL OF AGENDA**

**Motion:** It was moved by Council Member Flewelling, seconded by Council Member Howard to approve the agenda. The agenda was approved without objection.

5. **APPROVAL OF MINUTES**

**Motion:** It was moved by Council Member Howard, seconded by Council Member McElynn to approve April 19, 2021. The motion was approved without objection.

6. **CITIZENS COMMENTS**

No citizens comment

7. **UPDATE FROM CHIEF FINANCIAL OFFICER WHITNEY RICHLAND REGARDING YEAR-TO-DATE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2021**

**Discussion:** To see the full discussion click the link below.

<https://beaufortcountysc.new.swagit.com/videos/123127>

**Status:** For Informational Purposes Only

**AGENDA ITEMS**

8. **DISCUSSION ON THE PROGRESS ON THE PENN CENTER RENOVATIONS.**

David Hill stated since Ordinance 2019/56 was awarded the construction costs have increased and the Penn Center has changed the scope of the work that will need to be done. Beaufort County Council awarded the Penn Center \$822,000 to assist with Phase I Building Preservation with Ordinance 2019/56.

**Discussion:** To see the full discussion click the link below.

<https://beaufortcountysc.new.swagit.com/videos/123127>

**Status:** For Informational Purposes Only

9. **RECOMMENDATION FOR FY22 CONTRACT RENEWAL APPROVALS FROM VARIOUS DEPARTMENTS TO THE FINANCE COMMITTEE.**

Dave Thomas stated to improve our process for renewing annual contracts a summary sheet (see the attached excel sheet) is provided for your committee's review and approval. The summary sheet provides the vendor's name, purpose, requesting department, account name and number, prior and current contract cost, term, and notes. The Department Head responsible for the contract or their representative will be available for questions during the committee meeting.

**Motion:** It was moved by Council Member Flewelling, seconded by Committee Vice-Chair Hervocho to approve contract renewals for FY22. The motion was approved without objection.

**Discussion:** To see the full discussion click the link below.

<https://beaufortcountysc.new.swagit.com/videos/123127>

**The Vote** - Committee Chairman Lawson, Committee Vice-Chair Hervocho, Council Member Passiment, Council Member Sommerville, Council Member Dawson, Council Member Flewelling, Council Member Rodman, Council Member Howard, Council Member McElynn, Council Member Cunningham

10. **2021-2022 SOUTHERN BEAUFORT MARKETING PLAN PRESENTATION- HILTON HEAD ISLAND/BLUFFTON CHAMBER OF COMMERCE**

**Discussion:** To see the full presentation click the link below.

<https://beaufortcountysc.new.swagit.com/videos/123127>

**STATUS:** INFORMATIONAL PURPOSES ONLY

11. **GREATER BEAUFORT-PORT ROYAL CVB PRESENTATION**

**Discussion:** To see the full presentation click the link below.

<https://beaufortcountysc.new.swagit.com/videos/123127>

**STATUS:** INFORMATIONAL PURPOSES ONLY

12. **PRESENTATION OF FISCAL YEAR 2021-2022 BUDGETS BY THE FIRE DISTRICTS LOCATED WITHIN BEAUFORT COUNTY.**

**Motion:** It was moved by Council Member Sommerville, seconded by Council Member Dawson to approve Fire District's Budget. The motion was approved without objection.

**Discussion:** To see the full discussion click the link below

**The vote:** Committee Chairman Lawson, Committee Vice-Chair Hervochon, Council Member Passiment, Council Member Sommerville, Council Member Dawson, Council Member Flewelling, Council Member Rodman, Council Member Howard, Council Member McElynn, Council Member Cunningham

13. **ADJOURNMENT**

The meeting was adjourned at 3:34 PM



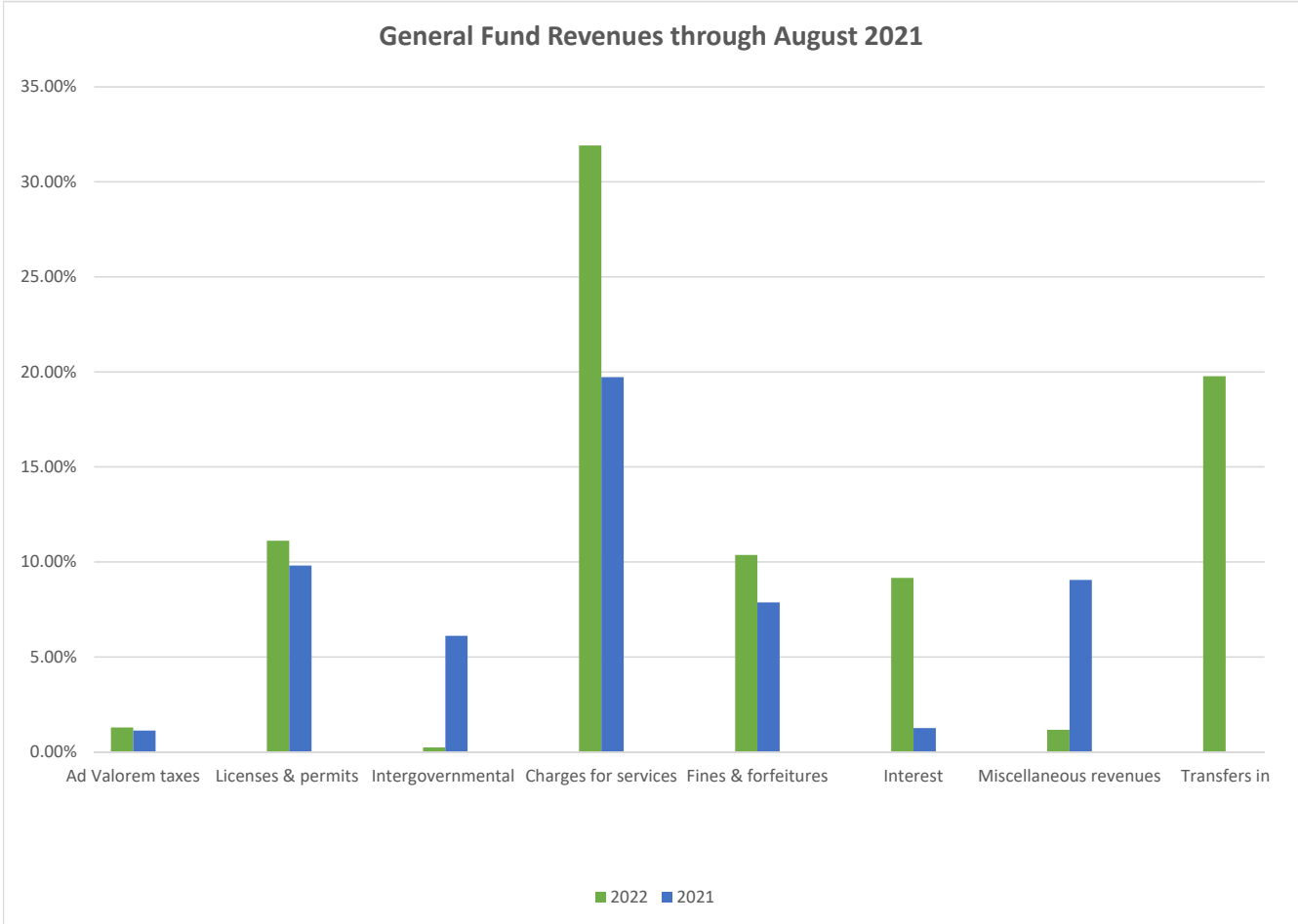
# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
<i>Discussion and presentation of year to date financial statements for FY 2022.</i>
<b>MEETING NAME AND DATE:</b>
Finance Committee 09/20/2021
<b>PRESENTER INFORMATION:</b>
Hayes Williams Interim CFO 15 Minutes
<b>ITEM BACKGROUND:</b>
<i>Discussion and presentation of the year to date financial reports for FY 2022.</i>
<b>PROJECT / ITEM NARRATIVE:</b>
<i>Discussion and presentation of the year to date financial reports for FY 2022.</i>
<b>FISCAL IMPACT:</b>
None.
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Discussion and related questions.
<b>OPTIONS FOR COUNCIL MOTION:</b>
N/A

**Executive Summary of Revenues and Expenditures**  
Through August 31, 2021

	<u>General Fund Revenues</u>	
Budget:	\$	132,662,999
Revenue Collected to Date:	\$	6,870,984
Revenue Remaining to be Collected:	\$	125,792,015

Percent of Total Budget Collected: 5.18%  
Percent of Year Completed: 16.6700%



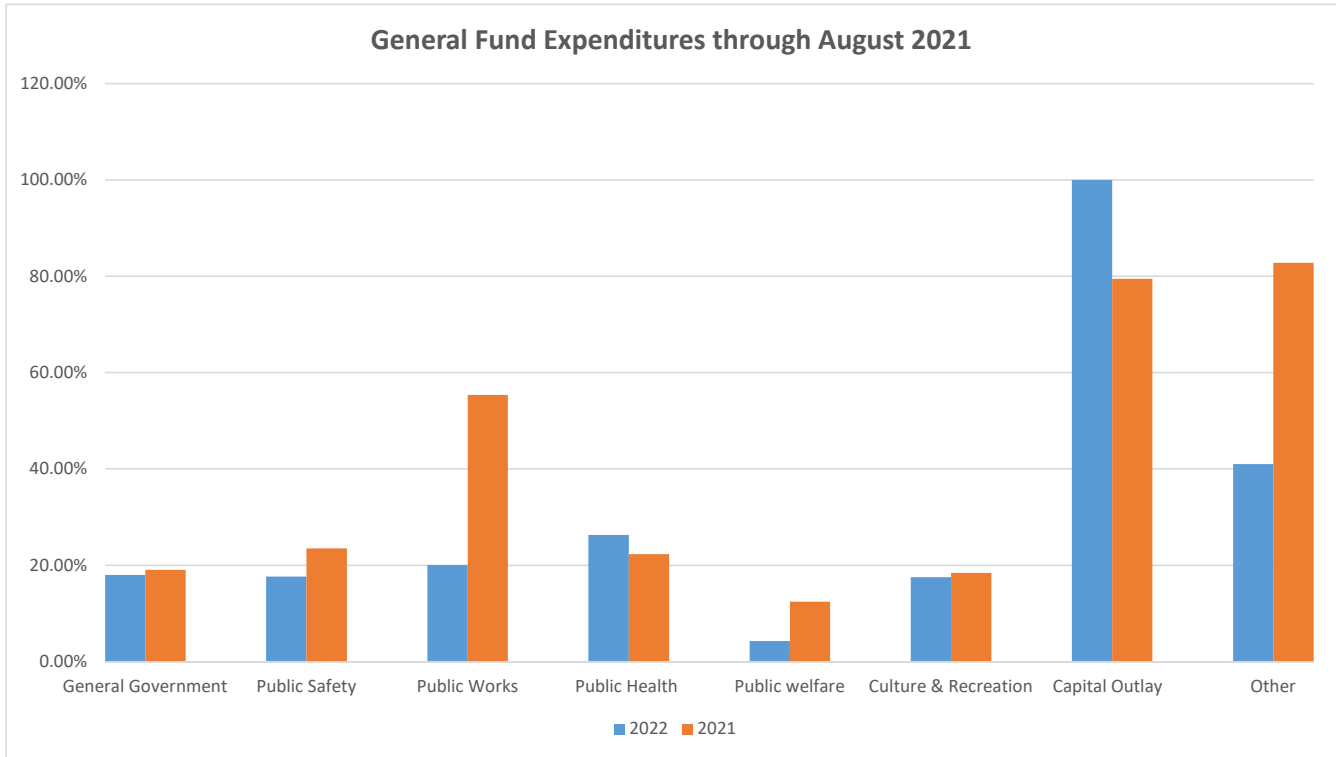
Function	Budget	To Date	% Received	% Year Completed
Ad Valorem taxes	\$ 100,823,197	\$ 1,305,030	1.29%	16.67%
Licenses & permits	\$ 4,013,750	\$ 446,118	11.11%	16.67%
Intergovernmental	\$ 10,108,473	\$ 24,671	0.24%	16.67%
Charges for services	\$ 14,179,400	\$ 4,525,217	31.91%	16.67%
Fines and forfeitures	\$ 692,100	\$ 71,774	10.37%	16.67%
Interest	\$ 175,700	\$ 16,088	9.16%	16.67%
Miscellaneous revenues	\$ 247,300	\$ 2,898	1.17%	16.67%
Transfers in	\$ 2,423,079	\$ 479,188	19.78%	16.67%

**For revenues with variances over 5% of the year completed, a brief explanation is provided below:**

- Ad Valorem taxes - following expectations, collections occur at end of calendar year.
- Licenses & permits - are currently lagging, they should correct by year end.
- Intergovernmental - The large intergovernmental revenues are collected quarterly.
- Charges for services - Register of Deeds continues to have a record year.
- Fines and forfeitures, collections are still lagging.
- Interest - rates are still low and lagging compared to budget.
- Miscellaneous revenues, currently lagging, they will correct by year end.

**Executive Summary of Revenues and Expenditures**  
Through August 31, 2021

	<u>General Fund Expenditures</u>	
Budget:	\$	132,402,978
Total FY 21 Budget:	\$	132,402,978
Actual Expenditures to Date:	\$	17,474,829
Encumbrances:	\$	6,767,156
Total Expensed & Encumbered to Date:	\$	24,241,985
	\$	108,160,993
Percent of Total Budget Expended:		18.31%
Percent of Year Completed:		16.67%



**Expense Analysis**

Function	Budget	To Date	% Received	% Year Completed
General Government	\$ 53,256,884	\$ 9,585,718	18.00%	16.67%
Public Safety	\$ 49,113,121	\$ 8,676,793	17.67%	16.67%
Public Works	\$ 11,278,437	\$ 2,262,790	20.06%	16.67%
Public Health	\$ 3,449,149	\$ 906,670	26.29%	16.67%
Public welfare	\$ 633,849	\$ 27,099	4.28%	16.67%
Culture & Recreation	\$ 14,245,150	\$ 2,498,301	17.54%	16.67%
Capital Outlay	\$ -	\$ 34,614	100.00%	16.67%
Other	\$ 426,388	\$ 250,000	58.63%	16.67%

**For expenditures with variances over 5% of the year completed, a brief explanation is provided below:**

Public Health - Paid first quarter of indigent health to Beaufort Memorial and Beaufort Jasper Comp Health.

Public Welfare - Together for Beaufort is in the process of paying out the first half of its grants. Typically there are two disbursements one in November time frame and one March time frame.

Capital Outlay - Relates to a purchase related to the 2021 Carryover budget.

Other - Use of fund balance and budgeted funding for Beaufort County Economic Development Corporation.



**Beaufort County**  
 Detail of Revenues - General Fund  
 For the Period July 1, 2021 - August 31, 2021

	Approved Budget 6/30/2022	Revised Budget 6/30/2022	Actual Spent & Encumbered 8/31/2021	Variances
<b>Ad Valorem taxes</b>				
Current taxes	\$ 89,878,716	\$ 89,878,716	\$ 100,535	\$ (89,778,181)
Delinquent taxes	1,388,317	1,388,317	-	(1,388,317)
Automobile taxes	8,356,164	8,356,164	1,204,495	(7,151,669)
3% & 7% penalties on tax	450,000	450,000	-	(450,000)
5% penalties on tax	750,000	750,000	-	(750,000)
Total Ad Valorem taxes	<u>100,823,197</u>	<u>100,823,197</u>	<u>1,305,030</u>	<u>(99,518,167)</u>
<b>Licenses &amp; permits</b>				
Building permits	1,310,650	1,310,650	218,199	(1,092,451)
Electricians' licenses	3,000	3,000	-	(3,000)
Mobile home permits	15,000	15,000	2,000	(13,000)
Marriage licenses	60,000	60,000	12,660	(47,340)
Cable television franchises	434,300	434,300	-	(434,300)
Business license	2,100,000	2,100,000	213,259	(1,886,741)
Alcohol beverage license	90,800	90,800	-	(90,800)
Total licenses and permits	<u>4,013,750</u>	<u>4,013,750</u>	<u>446,118</u>	<u>(3,567,632)</u>
<b>Intergovernmental</b>				
State aid to subdivisions	7,269,783	7,269,783	-	(7,269,783)
Homestead exemption	2,150,000	2,150,000	-	(2,150,000)
Merchants inventory tax	186,310	186,310	-	(186,310)
Manufacturer tax exempt program	23,200	23,200	-	(23,200)
Motor carrier payments	215,000	215,000	21,671	(193,329)
Payments in lieu of taxes	210,000	210,000	-	(210,000)
Payments in lieu of taxes - federal	17,000	17,000	-	(17,000)
Local assessment fee UBER	8,500	8,500	-	(8,500)
Veteran's Officer stipend	5,480	5,480	-	(5,480)
Voter regulation and election stipends	11,000	11,000	3,000	(8,000)
Salary supplements for state	7,200	7,200	-	(7,200)
Poll	5,000	5,000	-	(5,000)
Total intergovernmental	<u>10,108,473</u>	<u>10,108,473</u>	<u>24,671</u>	<u>(10,083,802)</u>
<b>Charges for services</b>				
Register of Deeds	8,457,900	8,457,900	3,900,075	(4,557,825)
Sheriff's fees	43,900	43,900	3,491	(40,409)
Probate fees	595,100	595,100	185,564	(409,536)
Solicitor fees	1,600	1,600	-	(1,600)
Magistrate fees	142,000	142,000	7,805	(134,195)
Clerk of Court fees	115,000	115,000	7,946	(107,054)
Family Court fees	274,000	274,000	45,731	(228,269)
Master in Equity fees	291,000	291,000	20,438	(270,562)
Treasurer fees	28,600	28,600	2,018	(26,582)
Emergency Medical Service Fees	3,362,500	3,362,500	312,829	(3,049,671)
DSO fees	95,500	95,500	14,466	(81,034)
Animal Shelter fees	5,000	5,000	1,000	(4,000)
Library copy fees	2,000	2,000	-	(2,000)
Other fees	7,500	7,500	2,114	(5,386)

**Beaufort County**  
 Detail of Revenues - General Fund  
 For the Period July 1, 2021 - August 31, 2021

	Approved Budget 6/30/2022	Revised Budget 6/30/2022	Actual Spent & Encumbered 8/31/2021	Variances
<b>Charges for services - (Continued)</b>				
Video Production	36,800	36,800	-	(36,800)
Telephone services others	14,500	14,500	115	(14,385)
Detention Center Daywatch	3,300	3,300	-	(3,300)
Hilton Head Island holding facilities	34,800	34,800	-	(34,800)
Payroll services to Fire Departments	13,800	13,800	-	(13,800)
Credit card convenience fees	163,700	163,700	21,625	(142,075)
Parks and recreation fees	490,900	490,900	-	(490,900)
Total charges for services	<u>14,179,400</u>	<u>14,179,400</u>	<u>4,525,217</u>	<u>(9,654,183)</u>
<b>Fines and forfeitures</b>				
General Sessions fines	11,500	11,500	1,374	(10,126)
Bonds escrement	15,000	15,000	-	(15,000)
Magistrate fines	537,600	537,600	43,700	(493,900)
Other fines	15,000	15,000	-	(15,000)
Library fines	25,000	25,000	-	(25,000)
Forfeiture	3,000	3,000	-	(3,000)
Late penalties - Business Services	85,000	85,000	26,700	(58,300)
Total fines and forfeitures	<u>692,100</u>	<u>692,100</u>	<u>71,774</u>	<u>(620,326)</u>
<b>Interest</b>	<u>175,700</u>	<u>175,700</u>	<u>16,088</u>	<u>(159,612)</u>
<b>Miscellaneous revenues</b>				
Miscellaneous revenues	52,200	52,200	898	(51,302)
Rental of property to others	32,200	32,200	2,000	(30,200)
Sale of County property	162,900	162,900	-	(162,900)
Total miscellaneous revenues	<u>247,300</u>	<u>247,300</u>	<u>2,898</u>	<u>(244,402)</u>
<b>Transfers in</b>				
Transfers in other funds	<u>2,423,079</u>	<u>2,423,079</u>	<u>479,188</u>	<u>(1,943,891)</u>
Total transfers in	<u>2,423,079</u>	<u>2,423,079</u>	<u>479,188</u>	<u>(1,943,891)</u>
<b>Total revenues General Fund</b>	<u><u>\$ 132,662,999</u></u>	<u><u>\$ 132,662,999</u></u>	<u><u>\$ 6,870,984</u></u>	<u><u>\$ (125,792,015)</u></u>

**Beaufort County**  
 Detail of Expenditures - General Fund  
 For the Period July 1, 2021 - August 31, 2021

	Approved Budget 6/30/2022	Revised Budget 6/30/2022	Actual Spent & Encumbered 8/31/2021	Variances
<b>General Government</b>				
Magistrate's Court	\$ 2,281,963	\$ 2,281,963	\$ 335,542	\$ 1,946,421
Clerk of Court and Family Court	1,610,387	1,610,387	178,924	1,431,463
Treasurer	2,276,591	2,276,591	338,662	1,937,929
Solicitor	1,887,500	1,887,500	471,875	1,415,625
Probate Court	944,724	944,724	125,308	819,416
County Council	977,085	977,085	110,006	867,079
Auditor	1,136,470	1,136,470	142,987	993,483
Coroner	794,875	794,875	62,448	732,427
Master in Equity	426,427	426,427	54,111	372,316
Legislative Delegation	68,789	68,789	6,853	61,936
County Administrator	1,940,950	1,940,950	261,581	1,679,369
Communications & accountability	303,609	303,609	35,229	268,380
Broadcast services	398,429	398,429	51,565	346,864
County Attorney	860,112	860,112	331,961	528,151
Finance	1,361,024	1,361,024	150,204	1,210,820
Risk management	4,885,446	4,903,446	549,621	4,353,825
Purchasing	208,686	208,686	23,988	184,698
Assessor	2,132,180	2,132,180	250,743	1,881,437
Register of deeds	528,477	539,595	74,239	465,356
Community planning and development	996,984	996,984	115,076	881,908
Business license	387,329	387,329	43,140	344,189
Voter registration and elections	935,486	935,486	205,870	729,616
Management & Geographical information systems	5,839,546	5,828,428	2,138,660	3,689,768
Records Management	669,218	669,218	52,844	616,374
Employee services	828,664	828,664	105,295	723,369
Nondepartmental	18,616,955	18,557,933	3,368,986	15,188,947
Total General Government	<u>53,297,906</u>	<u>53,256,884</u>	<u>9,585,718</u>	<u>43,671,166</u>
<b>Public Safety</b>				
Sheriff's office	27,947,144	27,947,144	5,491,498	22,455,646
Emergency Management	-	-	6,692	(6,692)
EMS Emergency Medical Service	10,373,104	10,373,104	1,411,999	8,961,105
Traffic and transportation engineering	817,597	817,597	60,073	757,524
Detention Center	7,278,666	7,278,666	957,200	6,321,466
Building and codes enforcement	1,368,572	1,368,572	137,409	1,231,163
Animal services	1,287,016	1,328,038	611,922	716,116
Total Public Safety	<u>49,072,099</u>	<u>49,113,121</u>	<u>8,676,793</u>	<u>40,436,328</u>
<b>Public Works</b>				
Public works general support	4,808,699	4,808,699	957,662	3,851,037
Engineering	499,816	499,816	66,298	433,518
Facilities maintenance	5,969,922	5,969,922	1,238,830	4,731,092
Total Public Works	<u>11,278,437</u>	<u>11,278,437</u>	<u>2,262,790</u>	<u>9,015,647</u>
<b>Public Health</b>				
Mosquito control	1,662,599	1,662,599	460,032	1,202,567
Medical indigent act contributions	1,786,550	1,786,550	446,638	1,339,912
Total Public Health	<u>3,449,149</u>	<u>3,449,149</u>	<u>906,670</u>	<u>2,542,479</u>

**Beaufort County**  
 Detail of Expenditures - General Fund  
 For the Period July 1, 2021 - August 31, 2021

	Approved Budget 6/30/2022	Revised Budget 6/30/2022	Actual Spent & Encumbered 8/31/2021	Variances
Public Welfare Services				
Veteran's affairs office	181,182	181,182	27,099	154,083
Human services alliance	398,000	398,000	-	398,000
Human and social services	54,667	54,667	-	54,667
Total Public Welfare Services	<u>633,849</u>	<u>633,849</u>	<u>27,099</u>	<u>606,750</u>
Cultural and Recreational				
Parks and leisure services	5,190,351	5,190,351	743,831	4,446,520
Libraries	4,151,343	4,151,343	528,606	3,622,737
Education allocation	4,903,456	4,903,456	1,225,864	3,677,592
Total Cultural and Recreational	<u>14,245,150</u>	<u>14,245,150</u>	<u>2,498,301</u>	<u>11,746,849</u>
Capital outlay	-	-	34,614	(34,614)
Transfer to Debt Service Fund for Defeasement	-	-	-	-
Other - Economic Development	426,388	426,388	250,000	176,388
Total Expenditures General Fund	<u>\$ 132,402,978</u>	<u>\$ 132,402,978</u>	<u>\$ 24,241,985</u>	<u>\$ 108,160,993</u>

Beaufort County, South Carolina  
Solid Waste & Recycling Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position  
For the Fiscal Year from July, 1, 2021 through August 31, 2021

	Yearly <u>Revised budget</u>	Year to date <u>Spent/ encumbered</u>	Available <u>Budget</u>	% <u>Received</u>	% Year <u>Completed</u>
Operating revenues					
Ad Valorem Taxes	\$ 9,911,562	\$ -	\$ (9,911,562)	0.00%	16.67%
Waste Disposal Fees	98,500	8,000	(90,500)	8.12%	16.67%
Sale of Recyclables	148,500	5,770	(142,730)	3.89%	16.67%
Total operating revenues	<u>10,158,562</u>	<u>13,770</u>	<u>(10,144,792)</u>	<u>0.14%</u>	<u>16.67%</u>
Operating expenses					
Personnel services	2,728,083	247,487	2,480,596	9.07%	16.67%
Purchased services	7,229,500	6,953,866	275,634	96.19%	16.67%
Supplies	166,000	45,519	120,481	27.42%	16.67%
Depreciation	34,979	-	34,979	0.00%	16.67%
Total operating expenses	<u>10,158,562</u>	<u>7,246,872</u>	<u>2,911,690</u>	<u>71.34%</u>	<u>16.67%</u>
Operating income (loss)	<u>-</u>	<u>(7,233,102)</u>	<u>(7,233,102)</u>	<u>#DIV/0!</u>	<u>16.67%</u>
Net position, beginning of year		<u>-</u>			
Net position, ending		<u>\$ (7,233,102)</u>			

Beaufort County, South Carolina  
Stormwater Utility

Statement of Revenues, Expenses and Changes in Net Position  
For the Fiscal Year from July, 1, 2021 through August 31, 2021

	Yearly <u>Revised budget</u>	Year to date <u>Spent/ encumbered</u>	Available <u>Budget</u>	% <u>Received</u>	% Year <u>Completed</u>
Operating revenues					
Stormwater Utility Fees	\$ 6,144,440	\$ 163,093	\$ (5,981,347)	2.65%	16.67%
Stormwater Utility project billings	766,500	9,089	(757,411)	1.19%	16.67%
Other charges	14,500	3,192	(11,308)	22.01%	16.67%
Total operating revenues	<u>6,925,440</u>	<u>175,374</u>	<u>(6,750,066)</u>	<u>2.53%</u>	<u>16.67%</u>
Operating expenses					
Personnel services	3,251,839	283,167	2,968,672	8.71%	16.67%
Purchased services	5,516,966	1,259,565	4,257,401	22.83%	16.67%
Supplies	455,407	86,331	369,076	18.96%	16.67%
Capital	215,886	25,408	190,478	11.77%	16.67%
Depreciation	470,500	-	470,500	0.00%	16.67%
Total operating expenses	<u>9,910,598</u>	<u>1,654,471</u>	<u>8,256,127</u>	<u>16.69%</u>	<u>16.67%</u>
Operating income (loss)	<u>(2,985,158)</u>	<u>(1,479,097)</u>	<u>1,506,061</u>	<u>49.55%</u>	<u>16.67%</u>
Non-Operating Revenues (Expenses)					
Gain on sale of capital assets	3,500	-	(3,500)	0.00%	16.67%
Interest income	30,000	4,605	(25,395)	15.35%	16.67%
Interest expense	(188,268)	(94,097)	94,171	49.98%	16.67%
Transfers out to General Fund	(350,000)	(87,500)	262,500	25.00%	16.67%
Total capital contributions	<u>(504,768)</u>	<u>(176,992)</u>	<u>327,776</u>	<u>35.06%</u>	<u>16.67%</u>
Change in net position	<u>(3,489,926)</u>	<u>(1,656,089)</u>	<u>1,833,837</u>	<u>-47.45%</u>	<u>16.67%</u>
Net position, beginning of year		<u>9,790,536</u>			
Net position, ending		<u>\$ 8,134,447</u>			
Net position					
Net investment in capital assets		2,995,701			
Unrestricted deficit		<u>5,138,746</u>			
Total net position		<u>\$ 8,134,447</u>			

Beaufort County, South Carolina  
Hilton Head Island Airport

Statement of Revenues, Expenses and Changes in Net Position  
Fiscal year to date July 1, 2021 through August 31, 2021

	Yearly Revised budget	Year to date Spent/ encumbered	Available Budget	% Received	% Year Completed
Operating revenues					
Fixed base operator revenue	\$ 630,500	\$ 114,173	\$ (516,327)	18.11%	16.67%
Passenger facility charges	535,000	22	(534,978)	0.00%	16.67%
Operating agreement/ commission revenue	843,000	360,161	(482,839)	42.72%	16.67%
Firefighting/ security fees	705,000	314,960	(390,040)	44.68%	16.67%
Landing fees	325,000	109,239	(215,761)	33.61%	16.67%
Parking fees	47,500	35,771	(11,729)	75.31%	16.67%
Rentals	767,000	258,235	(508,765)	33.67%	16.67%
Hangar rentals	196,100	31,834	(164,266)	16.23%	16.67%
Other charges	215,000	20,134	(194,866)	9.36%	16.67%
Total operating revenues	<u>4,264,100</u>	<u>1,244,529</u>	<u>(3,019,571)</u>	<u>29.19%</u>	<u>16.67%</u>
Operating expenses					
Personnel services	1,381,630	164,478	1,217,152	11.90%	16.67%
Purchased services	1,463,550	378,107	1,085,443	25.83%	16.67%
Supplies	45,250	2,630	42,620	5.81%	16.67%
Capital Outlay	-	58,196	(58,196)	0.00%	16.67%
Depreciation	545,000	-	545,000	0.00%	16.67%
Total operating expenses	<u>3,435,430</u>	<u>603,412</u>	<u>2,832,018</u>	<u>17.56%</u>	<u>16.67%</u>
Operating income (loss)	<u>828,670</u>	<u>641,117</u>	<u>(5,851,589)</u>	<u>11.62%</u>	<u>16.67%</u>
Non-Operating Revenues (Expenses)					
Operating grant	42,500	19,520	(22,980)	45.93%	16.67%
Interest expense	(75,000)	-	(75,000)	0.00%	16.67%
Total Non-Operating Revenues (Expenses)	<u>(32,500)</u>	<u>19,520</u>	<u>(97,980)</u>	<u>-60.06%</u>	<u>16.67%</u>
Income (loss) before capital contributions and transfers	<u>796,170</u>	<u>660,637</u>	<u>(5,949,569)</u>	<u>82.98%</u>	<u>16.67%</u>
Capital contributions					
Capital grants - federal	2,910,000	683,432	(2,226,568)	0.00%	16.67%
Capital outlay	(3,725,000)	(8,354,896)	(4,629,896)	224.29%	16.67%
Total capital contributions	<u>(815,000)</u>	<u>(7,671,464)</u>	<u>(6,856,464)</u>	<u>224.29%</u>	<u>16.67%</u>
Change in net position	<u>(18,830)</u>	<u>(7,010,827)</u>	<u>(6,991,997)</u>	<u>37232.22%</u>	<u>16.67%</u>
Net position, beginning of year		<u>22,079,682</u>			
Net position, ending		<u>\$ 15,068,855</u>			
Net position					
Net investment in capital assets		\$ 32,086,441			
Unrestricted deficit		(17,017,586)			
Total net position		<u>\$ 15,068,855</u>			
Amount advanced from other funds at June 30, 2020		<u>\$ 8,108,649</u>			

Beaufort County, South Carolina  
Beaufort Executive Airport

Statement of Revenues, Expenses and Changes in Net Position  
For the Fiscal Year from July, 1, 2020 through August 31, 2021

	Yearly Revised budget	Year to date Spent/ encumbered	Available Budget	% Received	% Year Completed
Operating revenues					
Fuel and oil sales	\$ 553,500	\$ 58,932	\$ (494,568)	10.65%	16.67%
Operating agreement/ commission revenue	7,500	933	(6,567)	12.44%	16.67%
Concession sales	37,000	474	(36,526)	1.28%	16.67%
Landing fees	6,500	3,090	(3,410)	47.54%	16.67%
Hangar rentals	184,340	19,071	(165,269)	10.35%	16.67%
Other charges	-	600	600	0.00%	16.67%
Total operating revenues	<u>788,840</u>	<u>83,100</u>	<u>(705,740)</u>	<u>10.53%</u>	<u>16.67%</u>
Operating expenses					
Cost of sales and services	397,010	50,810	346,200	12.80%	16.67%
Personnel services	195,417	22,723	172,694	11.63%	16.67%
Purchased services	190,720	53,703	137,017	28.16%	16.67%
Supplies	5,650	576	5,074	10.20%	16.67%
Total operating expenses	<u>788,797</u>	<u>127,812</u>	<u>660,985</u>	<u>16.20%</u>	<u>16.67%</u>
Operating income (loss)	<u>43</u>	<u>(44,712)</u>	<u>(44,755)</u>	<u>-5.67%</u>	<u>16.67%</u>
Capital contributions					
Capital grants - federal	-	21,076	21,076	0.00%	16.67%
Capital outlay	-	(323,896)	(323,896)	0.00%	16.67%
Total capital contributions	<u>-</u>	<u>(302,820)</u>	<u>(302,820)</u>	<u>-</u>	<u>16.67%</u>
Change in net position	<u>43</u>	<u>(347,532)</u>	<u>(347,575)</u>	<u>-808212.91%</u>	<u>16.67%</u>
Net position, beginning of year		<u>2,616,178</u>			
Net position, ending		<u>\$ 2,268,646</u>			
Net position					
Net investment in capital assets		4,306,620			
Unrestricted deficit		(2,037,974)			
Total net position		<u>\$ 2,268,646</u>			
Amount advanced from other funds at June 30, 2020		<u>\$ 1,517,921</u>			





# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
FY2023 Budget Calendar
<b>MEETING NAME AND DATE:</b>
Finance Committee, September 20, 2021
<b>PRESENTER INFORMATION:</b>
Pinky Harriott, Budget Director 10 minutes
<b>ITEM BACKGROUND:</b>
N/A
<b>PROJECT / ITEM NARRATIVE:</b>
Review & approval of FY2023 Budget Calendar
<b>FISCAL IMPACT:</b>
N/A
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Approve FY2023 Budget Calendar
<b>OPTIONS FOR COUNCIL MOTION:</b>
Motion for Finance Committee to approve/deny FY2023 Budget Calendar

## II. FY 2023 BUDGET CALENDAR

August 23, 2021	FY21 Carryover Budget to Council for approval
October 6, 2021	Budget Kickoff Meeting
November 3-5, 2021	Budget Retreat with County Council
November 30, 2021	Capital Requests Due
December 15, 2021	Capital Improvement Planning Work Session
December 31, 2021	Capital Rankings Complete & Due in Software
January 5, 2022	Revenue Budgets Due (Revenue Generating Depts)
January 18-21, 2022	Budget Training with Departments
January 31, 2022	Personnel Figures Complete (with HR)
February 11, 2022	Department Budgets due in Software
March 1-18, 2022	Review by Administration/ Preparation of Recommended Budget
March 21-25, 2022	Meeting w/Depts Heads RE: Budget Requests (as necessary)
<b>April 7, 2022</b>	<b>Council- Administrator Budget Workshop (10-12pm)</b> Budgets Due for Outside Agencies & School District as approved by their respective boards
April 18, 2022	<b>Finance Committee- Budget Presentations</b> <ul style="list-style-type: none"> <li>• Beaufort Memorial</li> <li>• Beaufort-Jasper Comp Health</li> <li>• Fire Districts</li> </ul>
<b>April 21, 2022</b>	<b>Council- Administrator Budget Workshop (10-12pm)</b>
May 2, 2022	Budget Public Hearing Ad in Newspaper
May 9, 2022	Administrator's Recommended Budget presented to County Council First Reading of Budget Ordinance
May 9- 27, 2022	Council reviews Administrator's Recommended Budget

May 16, 2022

**Finance Committee- Budget Presentations**

- School District
- LRTA/Palmetto Breeze
- TCL
- USCB

May 23, 2022

Second Reading and Public Hearing of Budget Ordinance

June 13, 2021

Third Reading of Budget Ordinance

**Note: These dates coincide with scheduled County Council & Finance Committee Meetings.**



# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
Presentation from Elliot Davis on Report on Processes and Procedures for Finance, Procurement and Disabilities and Special Needs
<b>MEETING NAME AND DATE:</b>
Finance Committee 09/20/2021
<b>PRESENTER INFORMATION:</b>
Tom McNeish Partner Elliot Davis 30 Minutes
<b>ITEM BACKGROUND:</b>
County Council voted to have a consultant evaluate the processes and procedures for Finance, Procurement, and Disabilities and Special Needs departments. Elliot Davis was selected to perform the analysis and report their findings to County Council.
<b>PROJECT / ITEM NARRATIVE:</b>
The objective of the engagement was to provide observations and recommendations regarding the design and effectiveness of internal controls over specific functions based on potential risks that may exist within the following departments: Finance, Procurement and Disabilities and Special Needs departments.
<b>FISCAL IMPACT:</b>
None the engagement was budgeted item.
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Administration will form a Corrective Action Plan to address the changes in policies and staff needed to address the issues.
<b>OPTIONS FOR COUNCIL MOTION:</b>
<i>This item is for Council's informational purposes.</i>

***Beaufort County***

**Report on Processes and Procedures for  
Finance, Procurement, and  
Disabilities and Special Needs**

***For the period from July 1, 2019  
through June 30, 2020***

**Beaufort County**  
**Contents**

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I. Transmittal .....3

II. Engagement Scope and Approach .....5

III. General Observations .....6

IV. Findings and Recommendations .....9

V. Appendix A .....29



## TRANSMITTAL

Beaufort County Council  
Beaufort, South Carolina

We have evaluated certain processes and procedures occurring within designated functions of the following departments of Beaufort County (the "County") for the period from July 1, 2019 through June 30, 2020 (the "Period"):

- Finance
- Procurement
- Disabilities and Special Needs

The objective of this engagement was to provide observations and recommendations regarding the design and effectiveness of internal controls over specific functions based on potential risks that may exist within the above departments. Our engagement was performed in accordance with the consulting standards established by the American Institute of Certified Public Accountants ("AICPA").

The procedures that we performed are based on Elliott Davis, PLLC's ("Elliott Davis") evaluation methodology. Our procedures did not constitute an audit or examination of the County's internal controls as defined by the AICPA, and accordingly we do not express an opinion on the effectiveness of the County's internal controls. Our engagement did not include a detailed examination of all transactions occurring during the Period and was not designed, and cannot be relied on, to discover errors, irregularities, or illegal acts, including fraud or defalcations that may exist. If we had performed additional procedures, other matters may have come to our attention that would have been reported to you. Our engagement was limited in nature and does not provide a legal determination on the County's compliance with any requirements applicable to the above departments or the County in general.

It is the responsibility of the County to develop sufficient processes and procedures and to establish effective internal controls over functions occurring within its departments. It is also the responsibility of the County to monitor such internal controls to provide reasonable assurance that the County complies with all applicable laws, regulations, policies, and other requirements. It should be recognized that controls are designed to provide reasonable, but not absolute, assurance that errors, irregularities, and fraud will not occur and that functions are performed in accordance with the County's intentions. There are inherent limitations that should be recognized in considering the potential effectiveness of any system of controls. In the performance of most control procedures, errors can result from misunderstanding instructions, mistakes in judgment, carelessness, or other personal factors. Control procedures can be circumvented intentionally by management with respect to the execution and recording of transactions or with respect to the estimates and judgments required in executing the County's functions. Further, the projection of any evaluation of the County's internal controls to future periods is subject to the risk that the control procedures may become inadequate because of changes in conditions and that the degree of compliance with required procedures may deteriorate.

The enclosed report summarizes our scope, procedures, and the results of these procedures, including our observations and recommendations. The information contained in our report is intended solely for the use of Beaufort County and is not intended to be and should not be used by any other parties.

*Elliott Davis, LLC*

Raleigh, North Carolina  
September 13, 2021



## **Beaufort County**

### ***Report on Processes and Procedures***

***July 1, 2019 through June 30, 2020***

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#### ***Engagement Scope and Approach***

For each of the three departments being evaluated (Finance, Procurement, and Disabilities and Special Needs), we prepared of a comprehensive questionnaire to determine what processes and procedures were currently being performed within designated functions of each department, and how these processes and procedures compared to the County's written policies, and best practices that we have observed in other county governments. The questionnaires were completed by designated individuals within each department and then returned to us for review.

We inspected the responses to the questionnaires as an initial assessment of the departments. We then reviewed the questionnaires with County management to obtain clarification of questionnaire responses as necessary. We also interviewed certain employees regarding their roles and responsibilities as they relate to each department's designated functions and underlying processes and procedures. We performed walkthroughs of specific transactions in order to observe actions and supporting documentation for comparison to questionnaire responses. As part of our documentation, we generated written narratives based on the walkthroughs to summarize the processes that were occurring at the departments. The narratives noted any inconsistencies that were observed in comparison to County policy and questionnaire responses.

For each department, we selected a sample of transactions to observe related documentation for indication as to whether they are being processed in a manner consistent with the County's policies and responses to the questionnaires. Documentation that we observed included individual expenditures, voucher packages, receipts, general ledger details, and reconciliations to subsidiary ledgers.

As we identified instances of noncompliance with County policy, or inconsistencies with questionnaire responses, we prepared initial drafts of our findings and reviewed them during periodic status meetings with designated members of County management. These initial drafts also included findings that we identified as potential deficiencies in internal control over primary functions.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### General Observations

In performing our evaluation procedures, we observed certain circumstances and conditions that should be considered when reviewing the specific findings and recommendations that follow this section. These general observations include internal control risks that we found to be common to each of the three departments. We have also noted potential mitigations of these risks, the implementation of which should be subject to the County's cost-benefit analysis.

#### **Decentralized Structure**

County governments have inherent characteristics that make mitigation of control risk more challenging, including resource-restrictive budgets, and employees with limited financial background. In addition, the nature of the services and functions performed by county governments require a decentralized structure in which processes and transactions are being executed throughout the County, both geographically and by department. Based on our observations, we noted several key factors to consider in addressing risks related to the County's internal controls over these activities. These include recognizing the concept of "reasonable assurance", developing a culture of accountability, adopting universal risk mitigation approaches such as a whistleblower policy, and consolidating transaction initiation and approval to the greatest extent possible.

*Reasonable Assurance* - The County's objective should be to attain a "reasonable" level of assurance that it is protected from material loss resulting from the execution of key processes and procedures within each of the three departments. Attaining an "absolute" level of assurance is not practical due to the following reasons:

- It is cost-prohibitive
- Individuals can bypass or override internal controls
- Individuals may collude with each other
- Human error will occur

In a decentralized environment, controls cannot, by themselves, provide reasonable assurance that departments and functions are adequately controlled. Certain controls (authorization and approval process), if followed, will reduce the risk of loss. However, controls may be circumvented or ignored at the department level when adequate emphasis is not placed on internal controls and/or the controls are not being monitored to see that they are functioning properly.

*Accountability* - In a decentralized control environment developing a culture of accountability is integral to achieving a reasonable level of assurance. Because accountability begins with the "tone at the top", it should be clearly demonstrated to employees that the County's internal controls over primary processes and functions are being overseen and implemented by County management under the authority of the County Council. Expectations for each employee as to his or her responsibilities for maintaining effective internal controls should be clearly communicated and tied to performance goals. The evaluation process for each employee should include measurement of performance against specific criteria related to his or her internal control responsibilities. In addition, employees at each department should be made aware that compliance with County policies and procedures is subject to regular oversight by central administration including the Finance Department.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*General Observations, continued*

*Whistleblower Policy* - The County should consider implementing a formal whistleblower policy in which employees are able to access a hotline to easily and anonymously report instances of fraud, mismanagement of funds or resources, abuse of authority, or misconduct.

*Consolidation of Cash Collections* - To the extent that the County collects cash from multiple sites, eliminating payment locations and reducing the number of County employees engaged in cash-handling activities should be a primary objective. The risk of loss from misappropriation of currency can be significantly reduced by increasing the County's acceptance of payments in noncash form such as checks, merchant cards, online payments, or other forms of electronic payment.

The County should also maximize use of a lockbox arrangement or an electronic means of payment in which collections are streamlined by being sent directly to a central depository having sufficiently restricted access. Since employees would have no direct contact with remittances, the risk of mishandling or misappropriation can be significantly mitigated. At the same time, cash flow is improved because credit is applied for payments as soon as they are received. Another benefit would be the time the County employees would save by not having to prepare a deposit and go to the bank.

**Use of Subsidiary Ledgers**

We noted that subsidiary ledgers for certain transactions and balances are not being reconciled on a regular basis to corresponding general ledger accounts. In certain cases, we observed that a subsidiary ledger was not being maintained. As a result, there was no documentation to provide assurance that all transactions and balances reflected in the general ledger were accurately stated and supported by sufficient detail.

We further noted that for certain departments in which a separate subsidiary ledger is being utilized, there is no interface or upload of information between the department's subsidiary ledger and the County's general ledger system (Munis). As a result, employees must create a manual journal entry in order to post transactions per the department's subsidiary ledger to Munis. When economically feasible, system interfaces and upload capability to Munis should be considered for future County use.

**Segregation of Duties**

Separate duties and responsibilities should be clearly established for personnel who execute key processes and functions. For example, a staff member collecting customer payments should not be reconciling those collections to the department's subsidiary ledger or preparing the bank deposit. Proper segregation of duties is required in order to sufficiently mitigate the risk of intentional and unintentional monetary loss by employees.

We observed that the proper segregation of duties was not in place for certain processes and functions. Insufficient segregation of duties without compensating controls increases the risk of errors and misappropriation. No single individual should have control over two or more phases of a transaction or operation. Responsibilities should be assigned to ensure a crosscheck of duties. Duties or responsibilities can be broadly classified into:

- Authorization
- Custody
- Record-keeping
- Reconciliation

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

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#### *General Observations, continued*

Ideally, different employees should perform each of these four major functions. The more liquid an asset, such as cash, the greater the need for proper segregation of duties. Misappropriation is most likely to occur when employees perceive that the work environment lacks proper segregation of duties.

*Authorization* - Authorization is the process in which a designated individual has reviewed and approved a transaction, including relevant supporting documentation, and is satisfied that the transaction is appropriate, accurate, and complies with applicable laws, regulations, policies, and procedures. To ensure proper segregation of duties, the person initiating a transaction should not be the person who approves the transaction.

*Custody* - Custody is the process of having access to, or control over, any physical assets. In order to reduce the temptation of fraud, custody over liquid or saleable assets should be separated from the process of accounting for them. For example, a cashier who may be handling money for an eight-hour shift should not reconcile his or her own cash drawer. It would be acceptable for the cashier to count and record his or her end-of-day totals, but a designated supervisor should reconcile the totals to verify the cash against receipts per the point-of-sale ("POS") system. In addition, authorizing transactions should be separated from custody over the cash related to those transactions. Within a POS system, a person with custody of assets, such as the cashier, should not have access to programming or any input records to the system. Similarly, an individual who handles programming or input records should not have access to saleable or liquid assets.

*Record-keeping* - Record-keeping is the process of creating and maintaining records of financial and other activity occurring within the County's departments. These records are in the form of the transaction-level details and supporting documentation generated by the County's key processes and its general ledger system. Such records serve as an audit trail and should be maintained and controlled in accordance with the County's established retention policy. Proper record retention serves as documentation to provide reasonable assurance that activity and balances are adequately supported and accurately reported in the County's general ledger.

*Reconciliation* - Reconciliation consists of verifying the processing or recording of transactions to ensure that they are valid, properly authorized, and properly recorded on a timely basis. This includes following-up on any differences or discrepancies identified. An effective reconciliation process demonstrates that everyone who initiates and/or processes transactions has accounted for them correctly. When a designated supervisor or employee effectively performs a reconciliation of a subsidiary or other detail ledger to the corresponding general ledger control account, it affords the opportunity to catch any errors in accounting or discover potential internal theft. The employee or supervisor who performs the reconciliation function should never be the same individual who initiates or approves underlying transactions.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations*

Our findings and recommendations by department are presented below.

Management's responses to the findings are presented as written by management. The responses were not subjected to the procedures applied in our engagement and, accordingly, we provide no assurance as to the accuracy or validity of management's responses.

**Finance Department**

**1) Financial Reports**

**Criteria or specific requirement:** Internal financial reporting to County Council should include sufficient format and content to allow Council members to make informed decisions on a governance level.

**Condition:** Financial reporting to Council is limited to a quarterly summary of the General Fund.

**Cause:** Historically, financial reporting to Council has focused on the General Fund as the County's main operating fund.

**Effect:** Council members may not be made aware of activity occurring in other major funds, such as the Sales Tax Project Fund, Stormwater Utility Fund, and Hilton Head Island Airport Fund, which could have an effect on Council's decision-making.

**Recommendation:** In order to expand Council's view of activity beyond the General Fund, we recommend that reporting include not only other major funds, but also total revenues and expenditures across all funds. This format could include presenting significant revenue variances by source (i.e., property taxes, grants, permits, and fees) and significant expenditure variances by purpose (i.e., personnel costs, supplies and materials, and contractual services), with comparisons to budget and prior year amounts.

**Management's response:** Management is in agreement with this finding. In November of 2020, management started presenting monthly financial reports to Beaufort County Council at the Finance Committee Meetings. The reports currently include the General Fund and Enterprise Funds. The Chief Financial Officer and Finance Department are working on expanding the monthly reports to include more information and funds as requested by County Council.

**2) Required Vacations**

**Criteria or specific requirement:** Considering the sensitive nature of responsibilities within the Finance Department, employees should be periodically separated from their assigned tasks so as to allow potential errors or irregularities to surface in the employee's absence.

**Condition:** Employees are not required to take annual vacations.

**Cause:** The County's policy allows employees the option to get paid out upon their termination from employment versus taking time off.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**Effect:** There is an increased potential for an employee to mask errors or irregularities that may be occurring within his or her area of responsibility.

**Recommendation:** We recommend that the County revise its accrued leave policy to require regular full-time employees to take annual vacations. For employees who perform key procedures and functions such as bank reconciliations, expenditure authorization, and payroll processing, we further recommend that a sample of transactions occurring within the employee's area of responsibility be reviewed during their absence for any unusual activity or noncompliance with County policy.

**Management's response:** Currently, the County provides annual paid time off and sick leave for employees. Although it is not Beaufort County policy to require employees to take minimum annual vacations, employees are strongly encouraged to take annual vacations. While paid leave is a significant contributor to employees' morale and quality of life, management will take this under advisement.

**3) General Ledger Account Reconciliations**

**Criteria or specific requirement:** All general ledger control accounts should be reconciled to subsidiary ledgers or other detailed support periodically throughout the fiscal year.

**Condition:** Certain general ledger control accounts are reconciled only at fiscal year-end. Such accounts include:

- Capital assets
- Accounts receivable
- Accounts payable
- Revenues

**Cause:** The Finance Department has experienced significant turnover in recent years on both the staff and management levels, with many of these positions remaining unfilled. This has created a bottleneck in performing reconciliations in a consistent and timely manner.

**Effect:** There is a greater risk of errors and irregularities occurring when accounts are not reconciled for an extended period of time. In addition, delaying the reconciliation of certain accounts until fiscal year-end results in an entire year's worth of activity having to be analyzed and adjusted which can potentially cause delays in the County's annual closing process.

**Recommendation:** We recommend that all general ledger control accounts be reconciled to subsidiary ledgers or other detailed schedules on at least a quarterly, if not monthly basis. A benefit of monthly reconciliations is that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations. We further recommend the County to fill the vacant positions by hiring individuals who are experienced in general ledger maintenance, preferably in a local government environment.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

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#### *Findings and Recommendations, continued*

**Management's response:** Management is in agreement with this finding and had previously identified this as a primary area of improvement. To address this area, the Interim Chief Financial Officer and Finance have been developing month end closing procedures that would create accountability and consistency. To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Historically, the Finance Department has been staffed at a critically low level that hindered and, at times, prevented timely reconciliations. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies.

#### 4) Bank Reconciliations

**Criteria or specific requirement:** Bank reconciliations should be prepared on a monthly basis within a reasonable number of days following month-end. In addition, all monthly bank reconciliations should be reviewed and approved by a responsible individual other than the preparer.

**Conditions:** We inspected a sample of six (6) monthly bank reconciliations and noted that five (5) of the reconciliations were not prepared timely, ranging from one month to a year subsequent to month-end. We also noted that there was no indication that one (1) of the reconciliations had been reviewed and approved by someone other than the preparer.

**Cause:** Procedures have not been established to assign each of the County's bank accounts to a qualified employee for a monthly reconciliation to be prepared and reviewed by a second individual within a specified number of days subsequent to month-end. Unfilled positions with the Finance Department have likely contributed to this condition.

**Effect:** Preparing a timely and accurate monthly reconciliation from the bank balance to the general ledger helps ensure that all cash transactions have been properly recorded and that potential errors or irregularities are discovered. In addition, an effective bank reconciliation process helps ensure that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations. Lack of timely preparation and approval of monthly bank reconciliations weakens control over cash receipts and disbursements and increases the likelihood that mistakes or misappropriation go undetected.

**Recommendation:** We recommend that all bank accounts are reconciled to the general ledger within fifteen (15) days of month-end, and that a responsible individual other than the preparer review the reconciliations. The review should include tests of mechanical accuracy and tracing of items on the reconciliation to the relevant source documents. The composition of unreconciled differences should be determined and followed up on, and any journal entries deemed necessary as a result be recorded. If necessary, the individual who prepares the reconciliations should be given additional training and instruction on how to prepare them accurately and completely.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

**Management's response:** Management is in agreement with this finding and had previously identified this as a primary area of improvement. One year ago, the Finance Department and Treasurer's Office began collaborating on the automation of the monthly bank reconciliations. The goal was to proactively seek ways to streamline and automate bank reconciliations within our general ledger package in Munis. This new automation successfully went live on July 1, 2021 and the respective Departments are continuing to work together to monitor functionality.

Although not documented at the time of the internal audit, bank reconciliations are reviewed by supervisors. The review was not notated on the reconciliation to indicate its review and management has put procedures in place that, among other things, requires a reviewer to sign off, notating their review on the reconciliation.

To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Historically, the Finance Department has been staffed at a critically low level that hindered and, at times, prevented timely reconciliations. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies. With proper, qualified and sufficient staffing, procedures and guidelines can be created to address this recommendation. When the department is fully staffed, month end closing procedures bank reconciliations will be reconciled within 15 days of month end.

#### 5) Approval of Journal Entries

**Criteria or specific requirement:** All journal entries should be reviewed and approved by someone other than the individual who initiated or prepared the journal entry. Supporting documentation for all journal entries should include identification of the preparer and reviewer.

**Condition:** We inspected a sample of thirty (30) journal entries and noted that three (3) were both prepared and approved by the same employee.

**Cause:** Sufficient segregation of duties have not been established over journal entries. Lack of adequate staffing often contributes to limitations on separating key roles and responsibilities.

**Effect:** The risk of error or irregularities is always elevated when the journal entry process is limited to a single individual, especially a member of management. The risk of management override of controls represents one way fraudulent activity could occur. Generally, management is in a unique position to perpetrate financial statement fraud because of the ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

**Recommendation:** We recommend that the County implement policies and procedures that require all journal entries to be prepared and reviewed by separate authorized employees before they are posted to the general ledger or recorded in the financial statements. The review and approval process should generate a sufficient audit trail. For example, a listing of journal entries for a specified period could be printed and retained to include signatures and dates by both the preparer and the reviewer.



## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

Or, based on capabilities within Munis, automated user identification may be able to facilitate the flow of transactions from the preparer to the reviewer, resulting in a system audit trail that supports the existence of adequate segregation of duties.

**Management's response:** Management is in agreement that an individual should not prepare and post a journal entry. Historically, the Finance Department has been staffed at a critically low level that required the same individual to do multiple steps in a particular process. To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies. Management will establish an accounting policy, through Munis, that would not allow the same individual to prepare and post an entry.

#### 6) Physical Inventories of Capital Assets

**Criteria or specific requirement:** Capital assets should be periodically observed and inventoried by individuals who do not maintain custody or control of such assets.

**Condition:** The County's detailed records of capital assets are not supported by a documented observation to ensure that the assets exist and are in the County's possession.

**Cause:** The Finance Department's annual closing process does not include procedures for taking a physical inventory of capital assets and reconciling the inventory results to the County's capital asset detail and the general ledger.

**Effect:** The County's detailed records of capital assets may reflect assets that no longer exist or are no longer in the County's possession. In addition, because assets are not periodically observed, their condition is not being monitored for potential deterioration and impairment.

**Recommendation:** We recommend that the County take a physical inventory of its capital assets on a regular basis (such as every two to three years) to ensure that only active, in-service assets are reported in the County's financial statements. This will help ensure that capital assets are properly stated, and that depreciation is being calculated from a reliable listing. In connection with the inventory process, tags should be placed on each asset with numbers that are recorded in the detail records. This will help improve the tracking of assets for disposal and impairment purposes. The inventory should be performed by individuals who do not maintain custody or control of the County's assets.

**Management's response:** Management is in agreement with this finding. Management will prepare a policy for yearly observation of Capital Asset inventory within the County.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**7) Recording Capital Assets**

**Criteria or specific requirement:** All purchases, transfers, sales, or disposition of capital assets, including scrapped or destroyed items, should be accurately recorded in the accounting system in a timely manner.

**Condition:** We noted significant delays between when a capital asset transaction occurs and when it is recorded in the County's capital asset detail records and the general ledger.

**Cause:** Policies and procedures are not in place to ensure that all capital assets activity is properly recorded upon the completion of a transaction.

**Effect:** Capital asset activity is accumulated throughout the fiscal year and recorded as part of the annual financial closing process. This requires a considerable amount of time to complete at fiscal year-end and increases the likelihood that errors will occur as such a large volume of activity must be accounted for in a condensed period.

**Recommendation:** Updated detailed records are integral to maintaining adequate control over capital assets. Detailed records should be updated each time an asset is purchased, sold, or discarded rather than attempting to record dozens of accumulated transactions at fiscal year-end. We further recommend that the individual(s) who record capital asset activity do not have custody or control over the County's capital assets.

**Management's response:** Management is in agreement with this finding. Historically, the Finance Department has been staffed at a critically low level, which made certain procedures challenging to complete. To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies. With proper, qualified and sufficient staffing, procedures and guidelines can be created to address this recommendation.

**8) Approval of Vendor Invoices**

**Criteria or specific requirement:** Per Paragraph 5 of the *Invoice Processing* section located on Page 19 of the *Purchasing and Finance Policy and Procedures Manual*, vendor invoices are prepared and reviewed for posting and payment at the requisitioning department by a departmental staff employee and Department Head, respectively, before they are submitted to the Finance Department for final review and payment.

**Condition:** We inspected a sample of sixty (60) vendor invoices and noted that twenty-four (24) were reviewed and approved by the same individual within the requisitioning department.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

**Cause:** Internal controls are not sufficiently designed to ensure that all vendor invoices are reviewed and approved at the requisitioning department level by a departmental staff employee and Department Head, respectively, before they are processed for payment.

**Effect:** Since the Finance Department relies on the reviews performed at the requisitioning departments, the vendor invoices could get applied to the incorrect purchase order or they could get posted to an incorrect general ledger account.

**Recommendation:** We recommend that all vendor invoices submitted to the Finance Department for payment include documentation that the invoice was prepared and reviewed by a departmental staff employee and Department Head, respectively. If proper segregation of duties for preparation and review is not adequately documented, we recommend that the Finance Department reject authorizing payment and send the invoice back to the department for proper review.

**Management's response:** Finance does not process invoices that are not authorized by someone within the requisitioning department. Due to staffing levels in certain departments, it may not be financially feasible to have an administrative personnel prepare while a department director approves. Management will establish policy to address this matter while also evaluating the limitations of certain to departments, and establish best practices and guidelines that will provide reasonable assurance of invoice appropriateness.

#### 9) Equity in Pooled Cash

**Criteria or specific requirement:** The County utilizes an equity in pooled cash ("EPC") system to account for and report cash and investment balances by fund. See **Appendix A** for an illustration of how transactions occur within an EPC system.

Under such a system, one or more central bank accounts hold cash and investments that are allocated to multiple funds. Typically, implementation is largely automated, but should incorporate procedures to ensure that the system is operating effectively including the following:

- The central bank account(s) should be reconciled monthly to their respective general ledger balances.
- The central bank general ledger balance(s) should be accounted for in a single central pooled cash fund that includes amounts due from (to) each of the County's other funds (i.e., general fund, debt service fund, and capital project funds).
- The total of the central bank general ledger balance(s) should agree to the net total of the amounts due from (to) each of the County's other funds.
- Due from (to) amounts in the central pooled cash fund should be evaluated at least monthly to ensure that each agrees to corresponding equity in pooled cash balances in the other funds of the County.

**Condition:** The total of due from (to) accounts in the central pooled cash fund are not reconciled to central bank account(s) and are not reconciled to corresponding equity in pooled cash balances in the County's other funds.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

**Cause:** There is not a monthly process in place to monitor equity in pooled cash balances and activity. There are general ledger accounts within the EPC system that do not appear to be adequately identified as either central bank accounts, due from (to) other County funds, or equity in pooled cash balances as reported in the other County funds. It is unclear whether activity in these accounts is being sufficiently monitored and reconciled to supporting details throughout the fiscal year.

**Effect:** General ledger account balances which comprise the County's EPC system and represent the portion of cash and investments attributable to each of the County's funds may not be accurately stated.

**Recommendation:** The central bank account(s) being utilized within the County's EPC system should be clearly identified in the general ledger and accounted for in a separate central pooled cash fund. The only other general ledger accounts included in the central pooled cash fund should be due from (to) balances representing claims on the central bank account by the County's other funds. The general ledger balance(s) for the central bank account should be reconciled monthly to the balance reported by the respective financial institution.

Because an EPC system is typically automated and self-balancing, no manual adjustments should be made to the general ledger components of an EPC system (i.e., the central bank account, due from (to) accounts, or equity in pooled cash accounts). However, these components should be continuously monitored as transactions occur and reviewed at least monthly to ensure the following:

- No erroneous entries have occurred within the general ledger components of the EPC system.
- Within the central pooled cash fund, the net total of the due from (to) funds agrees to the total general ledger balance of the central bank account.
- The individual due from (to) balances within the central pooled cash fund agree to the corresponding equity in pooled cash balances reported in each of the County's other funds.
- General ledger accounts within the EPC system are limited to central bank accounts, due from (to) other County funds, and equity in pooled cash balances as reported in the other County funds.

**Management's response:** Management is in agreement with this finding. Management will include this as part of month end procedures. Historically, the Finance Department has been staffed at a critically low level, which made certain month end procedures challenging to complete. To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies. With proper, qualified and sufficient staffing, procedures and guidelines can be created to address this recommendation.

#### 10) Review of Delinquent Accounts and Write-offs

**Criteria or specific requirement:** All balances due and payable to the County should be monitored for past due amounts and to identify balances deemed uncollectible.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**Condition:** Accounts receivable for certain departments and functions, including EMS, Register of Deeds, and certain property rentals are not effectively managed to ensure the highest probability of collection.

**Cause:** We were informed that no monthly or other regular schedule of accounts receivable balances is analyzed and categorized by age for the purpose of maximizing collection efforts or determining uncollectible accounts to be written off.

**Effect:** The true extent of uncollectible receivables may not be known. Also, balances that might otherwise be collectible may not be adequately pursued.

**Recommendation:** We recommend that an aging schedule be periodically prepared and reviewed to serve as a basis for following up on outstanding balances for which collection is considered probable with reasonable collection efforts. The County's review process should facilitate identification of uncollectible amounts to be written off. Write-offs should be approved by an authorized individual other than the person who performs the review of accounts receivable balances. Also, the County should utilize any available debt offset programs to recover uncollectible accounts via garnishment of state or federal income tax refunds.

**Management's response:** Management is in agreement with this finding and will include this as part of month end procedures. Historically, the Finance Department has been staffed at a critically low level, which made certain month end procedures challenging to complete. To ensure these and other processes can be appropriately executed, management is creating an overall staffing plan for the Finance Department. Preliminary plans indicate that the Finance Department will need several, additional full-time employees, as well as fill existing vacancies. With proper, qualified and sufficient staffing, procedures and guidelines can be created to address this recommendation.

**Purchasing Department**

**11) Budgetary Controls**

**Criteria or specific requirement:** The County should maintain documentation to support that the following have been properly authorized:

- Expenditures incurred in excess of the County's annual budgeted amounts
- Any amendments to the County's annual budgeted amounts

**Conditions:** We noted the findings below as a result of performing the following procedures:

*Procedure 1* - We inspected fourteen (14) total budgeted amounts by department as reported in the County's general ledger system and noted that four (4) reflected expenditures incurred in excess of departmental budgeted amounts as follows:

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

- Emergency Medical Services – Actual expenditures exceeded budget by \$740,130
- Community Development – Actual expenditures exceeded budget by \$16,648
- Hilton Head Island Airport – Actual expenditures exceeded budget by \$220,538
- Risk Management – Actual expenditures exceeded budget by \$10,554

The County did not maintain documentation to support the authorization of the above expenditures incurred in excess of budgeted amounts.

*Procedure 2* - We inspected twenty-one (21) intra-departmental budgeted amounts as reported in the County's general ledger system and noted that thirteen (13) reflected expenditures incurred in excess of the budgeted amounts ranging from \$94 to \$1,541,113. The County did not maintain documentation to support the authorization of these expenditures incurred in excess of budgeted amounts.

*Procedure 3* - We inspected twelve (12) amendments as reported in the County's general ledger system to total budgeted amounts by department and noted that documentation was not maintained to support that the amendments were authorized. The amendments ranged from \$10,544 to \$567,767.

**Cause:** Procedures and controls are not in place to document that expenditures in excess of the County's annual budgeted amounts are properly authorized. In addition, sufficient documentation is not maintained to support that amendments to the County's annual budgeted amounts are properly authorized.

**Effect:** County Council may not become aware of actual expenditures exceeding the County's approved annual budgeted amounts until funding has already been substantially committed. In addition, amendments to the approved budgeted amounts may occur without proper authorization.

**Recommendation:** We recommend that the County designate one or more individuals within the management team to monitor budget variance reports at least monthly to identify expenditures in excess of budget. Designees should follow-up on these variances to ensure that the related expenditures have been properly approved. Designees should be someone other than department heads or other individuals who typically initiate purchase requisitions. In addition, the County should implement system-based controls within Munis so that expenditures in excess of approved budgeted amounts are rejected and cannot be incurred without proper authorization.

**Management's response:** Management concurs with this finding. Management has started addressing this issue by hiring a Budget Director in January of 2021. After preparing a line item budget, and a budget book for 2022, Administration feels it will be necessary to hire additional staff in order to support the budget department.

## Beaufort County

### Report on Processes and Procedures July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

#### 12) Certificates of Insurance

**Criteria or specific requirement:** Per Paragraph 3 of the General section located on Page 5 of the *Purchasing and Finance Policy and Procedures Manual*, a *Certificate of Insurance* ("COI") is required for all construction and service contracts. The Purchasing Department is required to obtain the COI from the vendor and submit it to the Risk Management Department for review and approval before executing the contract. Contracted vendors are required to provide and maintain throughout their performance under contract, insurance in the following minimum requirements:

- a) Commercial general liability: \$1 million per occurrence and with a \$2 million aggregate
- b) Automobile liability: \$1 million per occurrence, and shall cover all vehicles owned, hired or non-owned, operated by or on behalf of the vendor in the performance of the contract
- c) Workers' compensation: South Carolina statutory limit

All COIs, whether contracted or not, should show Beaufort County as the Certificate Holder and insurance coverage should be provided by an insurer that is rated "A" or better by A.M. Best.

**Conditions:** We noted the following conditions as a result of examining a sample of nine (9) COIs:

- a) The policy period reflected on five (5) COIs was expired.
- b) Nine (9) COIs did not reflect any evidence to indicate that they were reviewed and approved by the Risk Management Department.
- c) Four (4) COIs did not reflect the minimum coverage requirements for automobile liability insurance.
- d) One (1) COI did not list Beaufort County as the Certificate Holder.

**Cause:** Internal controls over obtaining, reviewing, and maintaining current COIs containing the minimum insurance coverage requirements are not operating effectively.

**Effect:** Contracts with vendors that do not maintain adequate insurance coverage expose the County to potentially significant liability risk from third parties.

**Recommendation:** In order to effectively mitigate third party risk arising from vendor contracts, the County should have processes in place for collecting, reviewing, and verifying vendor COIs, including:

- The authenticity of the COI,
- Whether the policy limits provide adequate protection for the project at hand, and
- Whether the policy period is in line with the duration of the policyholder's expected participation in the project. This includes setting up notifications for when COIs expire and documenting the reviews and verification processes.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**Management's response:** The Finance, Purchasing, and Risk Management team have updated our Finance and Procurement Policy Manual to ensure the process for review and approval of COIs are validated, approved, tracked, and managed by Risk Management before the requisition/PO is processed for final approval. Risk Management will approve and monitor all vendor certificate of insurance (COI) and contact the appropriate vendor within a minimum of 30 days before the current vendor's COI expires.

**13) Purchase Order Management**

**Criteria or specific requirement:** Purchase orders should be tracked against vendor invoices and open purchase orders should be rolled forward to the subsequent fiscal year.

**Condition:** We inspected a sample of seventeen (17) purchase orders, and noted there were two (2) instances in which the County inadvertently rolled forward a purchase order to the subsequent fiscal year because it did not apply the vendor invoice to the purchase order during the current fiscal year.

**Cause:** Internal controls are not designed for tracking purchase orders against vendor invoices and rolling open purchase orders forward to the subsequent fiscal year.

**Effect:** For the instances described in the condition above, new purchase requisitions and purchase orders were required to be generated during the current fiscal year in order to properly apply and process the vendor invoice. In addition, the purchase order that was rolled forward to the subsequent fiscal year had to be cancelled.

**Recommendation:** We recommend that the County design sufficient internal controls for reviewing and tracking purchase orders against vendor invoices on a regular basis in order to prevent inefficiencies within the workflow of the procurement process.

**Management's response:** Purchasing Staff has updated our current Finance and Purchasing Policy Manual to include requiring monthly reports to Department Heads and their appropriate staff. Additionally, purchasing staff will continue to track and validate the approved purchase orders with the appropriate department staff before rolling them over to the next fiscal year. Note, the Purchasing Department staff have always provided reports concerning requisition/PO validation and status. In the past, a PO status report was always provided to department staff near the end of the current FY to identify purchase orders requiring closing and confirming roll over validation.

**14) Sole-Source Procurements**

**Criteria or specific requirement:** Per Section 2-518 of the Beaufort County Purchasing Ordinance (Sole Source Procurement), a contract may be awarded without competition when the Purchasing Director determines in writing, after conducting a good faith review of available sources, that there is only one source for the required supply, service, or construction item. The Purchasing Director shall conduct negotiations, as appropriate, as to price, delivery, and terms.



**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

A record of sole source procurements shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract, a listing of the items procured under each contract, and the identification number of each contract file. For these types of purchases, the County utilizes the Non-Competitive Purchases Form in order to document the types of goods or services being requested along with an explanation to support why it meets the non-competitive purchase classification.

**Condition:** From our sample of seventeen (17) purchases, two (2) were sole-source purchases. One (1) of these sole-source purchases was not supported with a *Non-Competitive Purchases Form*.

**Cause:** Internal controls are not sufficiently designed to ensure that all sole-source procurements are supported with a completed and authorized *Non-Competitive Purchases Form*.

**Effect:** Without a completed and authorized *Non-Competitive Purchases Form* to support a sole-source purchase, there is no evidence to indicate that there is only one vendor capable of providing the item or service, resulting in noncompliance with the *Beaufort County Purchasing Ordinance*.

**Recommendation:** We recommend that the County adopt sufficient procedures for identifying and supporting all sole-source procurements with a *Non-Competitive Purchases Form* that documents the types of goods or services being requested along with an explanation to support why such procurements meet the non-competitive purchase classification. We also recommend that each *Non-Competitive Purchases Form* is authorized by the Department Head and Purchasing Director before the purchase is initiated by the requisitioning department.

**Management's response:** The Finance and Purchasing Department team have updated our Finance and Procurement Policy Manual requiring Department Heads and staff to attach in Munis a copy of the Purchasing Director's signed electronic Non-competitive/Sole Source Vendor Form approving this type of purchase without competition. The requesting department head must follow this process before approving the requisitions in the Munis workflow. As soon as the requisition is electronically approved by the appropriate department head and once approved by purchasing, the requisition may be converted to a purchase order by purchasing staff.

**15) Confirmation of Budget**

**Criteria or specific requirement:** Per the *Purchasing and Finance Policy and Procedures Manual*, a *Confirmation of Budget* describing the types of goods or services being requested and the estimated project cost is required to be initiated by the Department Head and submitted to the Finance Department and Purchasing Department for approval for all *Invitations for Bids*, *Requests for Proposals*, and *Requests for Qualifications* exceeding \$24,999 before any solicitation can be created and advertised.

**Condition:** The *Confirmation of Budget* associated with *Invitation for Bid No. 080719* was completed by the Department Head and approved by the Finance Director and Purchasing Director after the solicitation was created and advertised to the public.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**Cause:** Internal controls are not sufficiently designed to ensure that all *Confirmations of Budget* are completed and authorized before a solicitation is created and advertised to the public.

**Effect:** There is the potential for the County to solicit and award a contract without having sufficient funds available in its budget.

**Recommendation:** We recommend that the County design sufficient internal controls for preparing and authorizing all *Confirmations of Budget* before any solicitation is advertised to the public. Such controls should include allowing only designated individuals to contact procurement solicitation outlets such as *South Carolina Business Opportunities*. Outreach to such outlets should be limited to a responsible member of management who is not engaged in initiating or requesting purchase or procurement activity.

**Management's response:** Purchasing Staff has updated our current Finance and Purchasing Policy Manual to include requiring Department Heads to provide an approved Budget Confirmation form before Purchasing will review the draft solicitation or publish a solicitation for construction, goods or services. We have managed the confirmation of budget electronically since July 9, 2019.

**16) Contract Approval**

**Criteria or specific requirement:** Per the *Contract Approval Process* section of the *Purchasing Threshold Quick Reference Guide*, all contracts must be processed and approved by the Purchasing Department with final approval by the County Attorney's Office.

**Condition:** The reviews and approvals of contracts by the Purchasing Department and County Attorney's Office are not documented.

**Cause:** The signature block of the County's contracts do not include sections for the Purchasing Department and County Attorney's Office; therefore, these departments do not sign the contracts.

**Effect:** Reviews and approvals of contracts by the Purchasing Department and County Attorney's Office should be documented in order to provide assurance to the County Administrator and County Council that a risk assessment was performed by these departments over all terms and conditions reflected in the contract.

**Recommendation:** We recommend that the County update its contract review procedures such that all reviews and approvals of its contracts by the Purchasing Department and County Attorney's Office are adequately documented.

**Management's response:** The Finance and Purchasing Management team have always taken the appropriate steps to ensure all contracts are approve, reviewed, and signed by the Purchasing Director and Legal Counsel before the contracts are sent to the awarded vendor and the County Administrator for signature. We have managed the contract approval electronic process, which started on August 27, 2019 by using our current contract library in SharePoint.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

As mentioned in the auditor's findings, we have updated our policies and procedures by developing an electronic form requiring electronic signatures for approval of all contracts by the Purchasing Director and Legal Counsel. Once electronically signed/approved by both departments the contract may be signed by the awarded vendor and County Administrator.

**17) Purchase Authorizations**

**Criteria or specific requirement:** Per the *Purchasing and Finance Policy and Procedures Manual*, all purchases must be made through and by the Purchasing Department, except as otherwise exempted by ordinance, resolution, or other County Council action. In accordance with the provisions contained within the *Purchasing and Finance Policy and Procedures Manual*, the Purchasing Director delegates authority to Department and Division Directors, and those designated by them, the authority to purchase goods and services when the cost of the goods and services do not exceed \$1,500. Purchases greater than this threshold require the authorization of a purchase requisition and purchase order before the Purchasing Director can order the goods or services from a vendor.

**Condition:** We inspected a sample of seventeen (17) purchases and noted that a requisitioning department purchased a service from a vendor without creating and submitting a purchase requisition through the Munis workflow system for proper authorizations.

Once the vendor performed the service and invoiced the requisitioning department for payment, a purchase requisition was created, authorized, and converted into a purchase order.

**Cause:** Internal controls are not sufficiently designed to prevent requisitioning departments from circumventing the County's procurement process and ordering goods and services directly from a vendor without creating and submitting a purchase requisition through the Munis workflow process for proper authorizations.

**Effect:** Circumventing the procurement process increases the likelihood that purchases are made for unauthorized purposes. Also, there is the potential for the County to contract with a vendor without having sufficient funds available in its budget.

**Recommendation:** We recommend that the Purchasing Department require all vendors to certify that it will not provide a good or service for the County without first receiving a purchase order authorized by the Purchasing Director or his designee. We also recommend that the Purchasing Department generate a monthly report of vendor invoices without purchase requisitions and purchase orders to assess the validity of such vendor invoices, and to determine whether corrective action is necessary.

**Management's response:** Management concurs with this finding. Administration plans to strengthen policies & procedures, and educate related personnel in order to strengthen internal controls.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

**Disabilities and Special Needs (“DSN”) Department**

**18) Recording Bank Deposits in the Deposit Register**

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, *Management of Funds for Individuals Participating in Community Residential Programs*, bank deposits must be recorded in the deposit register at the time that the bank deposit is made.

**Condition:** We inspected a sample of twenty-two (22) consumer bank deposits and identified three (3) that were not recorded in the deposit register at the time the bank deposit was made.

**Cause:** Reviews of bank statements and bank deposit slips and comparisons to entries recorded in the deposit register are not performed on a daily basis.

**Effect:** Recording deposits in the deposit register when bank deposits are made ensures that all cash receipts are recorded in the general ledger during the proper accounting period.

**Recommendation:** We recommend that management implement procedures requiring the Fiscal Operations Office’s daily review of each consumer’s banking activity and the entries recorded in the deposit register by the residential staff members. Having this activity reviewed on a daily basis by an individual who does not record the entries will help facilitate the timely recording of cash receipts and proper cutoff procedures. The recording and review process should be documented via signoffs by both the residential staff member and the individual performing the review.

**Management’s response:** The registers are kept at the homes of the individuals served. A daily review of 44 check registers at locations all over the County is not feasible. Per SCDDSN Directive 200-12-DD: “When direct deposits are scheduled, routine follow-ups should be done to verify the date and the amount of each deposit. Checkbook registers/ledgers should be updated to reflect account activity in a timely manner.” Online bank reviews are done WEEKLY and sent to the responsible House Managers, who have the check registers. Staff are trained annually that deposits should be entered at the time of deposit. Staff will be reminded to date those entries in the register. DSN is moving towards having all possible deposits made by EFT.

**19) Consumer Check Authorizations**

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, *Management of Funds for Individuals Participating in Community Residential Programs*, checks issued from a consumer’s bank account should be signed by the consumer and cosigned by an authorized signatory on the consumer’s bank account.

**Condition:** We inspected a sample of twenty-five (25) consumer disbursements and identified one (1) check that was not cosigned by an authorized signatory on the consumer’s bank account.

**Cause:** Checks are not reviewed by a second authorized individual before they are presented for payment.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

**Effect:** Checks presented for payment by the consumer without the fiduciary's signature could result in unauthorized disbursements made solely by the consumer in violation of the *SCDDSN Directive* described above.

**Recommendation:** We recommend that any financial institution holding consumer bank accounts be instructed not to process a check for payment if it has not been signed by both the consumer and the authorized signatory. We further recommend that disbursements made by check be eliminated to the extent possible and that all consumer purchases be made via a bank debit card that is controlled by a fiduciary with authorized signatory over the consumer's bank account. All bank debit cards, including the personal identification numbers, should be maintained in safekeeping by the fiduciary. Placing these restrictions on consumer disbursements will help mitigate the occurrence of unauthorized purchases.

**Management's response:** All staff are trained annually that checks must be signed by both the individual and appropriate staff. The bank signature cards show that two signatures are required. DSN has recently received debit cards for all residential individuals that for whom we are Representative Payee. Those cards are kept locked in the office of the Fiscal Operations Manager and signed out by staff as needed. Receipts are kept with the individual's other financial information and reconciled monthly.

#### 20) Maintaining Records

**Criteria or specific requirement:** Per *SCDDSN Directive 200-12-DD, Management of Funds for Individuals Participating in Community Residential Programs*, all consumer purchases are required to be supported with receipts and canceled checks, and are required to be maintained with the bank statements.

**Condition:** We inspected a sample of twenty-five (25) consumer disbursements and identified one (1) that was not supported with a canceled check and four (4) that were not supported with receipts.

**Cause:** Current procedures do not include the timely review of consumer files to ensure that copies of canceled checks and receipts are maintained to adequately support the purpose and dollar amount of consumer disbursements.

**Effect:** Disbursements without documentation to support their purpose and dollar amount could be an indication that they were unauthorized and made in violation of the *SCDDSN Directive* described above.

**Recommendation:** We recommend management to review all consumer files on a weekly basis for inclusion of all required documentation supporting the purpose and dollar amount of each purchase made with consumer funds. We further recommend that the Fiscal Operations Office investigate any transaction not supported with documentation including follow-up with the consumer and residential staff member. Procedures for verifying the validity and accuracy of the purchase should be performed such as agreeing supporting vendor invoices and/or retail receipts to disbursement amounts.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

*Management's response:* Current procedures follow SCDDSN Directive 200-12-DD require that we "reconcile bank statements to current ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month." Weekly review of receipts is not feasible, again as the registers are kept at the homes where the individual lives. Reviews are done monthly by Fiscal Staff as required by the directive. Transactions that do not meet standard (missing receipts, missing signatures) are noted monthly and sent to all House Managers, CTHI Coordinators, Residential/Deputy Director and the Executive Director for follow up. Items that can be corrected are corrected as soon as possible. Staff who consistently make errors will have additional one-on-one training with the Fiscal Operations Manager.

**21) Bank Reconciliations**

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, *Management of Funds for Individuals Participating in Community Residential Programs*, bank reconciliations are to be discussed with the consumer and signed by the consumer and residential staff member. In addition, all bank reconciliations should be reviewed and approved by a responsible individual other than the preparer.

**Condition:** We inspected a sample of twelve (12) bank reconciliations and noted that there was no indication that any of them had been reviewed and approved by someone other than the preparer. We also identified three (3) bank reconciliations that were not signed by the consumer and residential staff member.

**Cause:** Procedures have not been established to ensure that bank reconciliations are reviewed and approved by separate authorized employees within the DSN Department before they are submitted to the Finance Department for posting in the general ledger.

**Effect:** Proper segregation of duties over the preparation and review of bank reconciliations helps ensure that all cash transactions have been properly recorded and that potential errors or irregularities are discovered. In addition, an effective reconciliation process helps ensure that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations. Lack of the approval of bank reconciliations weakens control over cash receipts and disbursements and increases the likelihood that mistakes or misappropriation go undetected.

**Recommendation:** We recommend that all bank reconciliations are prepared and reviewed by separate authorized employees within the DSN Department. The review should include tests of mechanical accuracy and tracing of items on the bank reconciliation to the relevant source documents. The composition of unreconciled differences should be determined and followed up on, and any journal entries deemed necessary as a result should be recorded. If necessary, the individual who prepares the bank reconciliations should be given additional training and instruction on how to prepare them accurately and completely.

## Beaufort County

### Report on Processes and Procedures

July 1, 2019 through June 30, 2020

#### Findings and Recommendations, continued

**Management's response:** Current procedures follow SCDDSN Directive 200-12-DD: 5. Reconciliation of accounts containing personal funds should be assigned to a provider staff member with sufficient financial skills to accurately reconcile the accounts. That staff member must not have the authority to sign documents on the personal funds accounts. 6. At least once each quarter, a review of all account records must be done by a provider staff member with sufficient knowledge of each individual's financial needs and the ability to determine the reasonableness of expenditures. A report of all account activity occurring that quarter should be given to each individual with personal funds managed by the provider. Providers should develop and document a policy addressing the means and the extent to which staff are required to review the account information with each individual. 7. Documentation of all uses of personal funds must be maintained in a manner sufficient to demonstrate the amounts and purposes for all expenditures and sources of all income.

It is important to remember that these accounts are not like other County bank accounts. These are personal, individual funds. There are no journal entries. The reconciliations are done by staff that do not have signatory authority and who are thoroughly trained in how to do reconciliation. All errors are corrected monthly so therefore cannot accumulate. All reconciliations are compiled and sent for review to House Managers, CTHII Coordinators, Residential/Deputy Director and the Executive Director. Though we do quarterly reporting to the individuals separate from the bank reconciliations, staff at the homes will be reminded that all documents should be reviewed and signed monthly.

#### 22) Personal Property Records

**Criteria or specific requirement:** Per SCDDSN Directive 604-01-DD, *Individual Clothing and Personal Property*, upon the admission into the residential program, a full inventory is conducted of all the resident's belongings by two (2) staff members with the resident and a family member, and all clothing and personal property valued at \$50 or more is documented on a *Personal Property Record* and marked with appropriate identifiers, such as serial numbers or specific descriptions. On a quarterly basis during January, April, July and October, a representative from the Fiscal Operations Office will perform an inventory of the resident's clothing and personal property and update his or her *Personal Property Record* for any deletions and additions valued at \$50 or more. The *Personal Property Record* is then required to be signed by the resident, a resident staff member and representative from the Fiscal Operations Office.

**Conditions:** We requested the *Personal Property Records* for the three months ended July 15, 2019, October 15, 2019, January 15, 2020, and April 15, 2020 for five (5) consumers from management and noted the following conditions:

- a) A *Personal Property Record* for the three months ended April 15, 2020 was not provided for one resident and a *Personal Property Record* for the three months ended July 15, 2019 and October 15, 2019 was not provided for another resident. Therefore, there was no indication that an inventory observation was performed over these residents' clothing and personal property during these periods.
- b) A value was not assigned to each item included on the seventeen (17) *Personal Property Records* that were provided by management.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Findings and Recommendations, continued*

- c) Three (3) of the seventeen (17) *Personal Property Records* were not signed by a residential staff member.
- d) Eight (8) of the seventeen (17) *Personal Property Records* were not signed by a representative from the Fiscal Operations Office.

**Cause:** Procedures have not been established to ensure that the following is performed by a residential staff member and a representative of the Fiscal Operations Office:

- Each resident's clothing and personal property is counted on a quarterly basis, and
- All items with a value of \$50 or more are properly identified on the *Personal Property Records*.

**Effect:** Performing and properly documenting the quarterly inventory observations helps ensure that each resident has sufficient clothing and other personal items that are necessary for his or her well-being. Without timely inventory observations, management may not adequately identify the future needs of the residents, or items that may go missing due to loss or theft.

**Recommendation:** We recommend that management review all consumer files on a quarterly basis for inclusion of current *Personal Property Records*, and that items valued at \$50 or more are properly identified by description and date of purchase. If a fair value has not been assigned to an item, a fair value should be estimated by management and the basis for the estimation should be documented.

In addition, all *Personal Property Records* should reflect the signatures from the residential staff member and representative of the Fiscal Operations Office for indication that the inventory observations were performed and reviewed by separate authorized individuals.

**Management's response:** Residential staff were retrained July 27, 2021 at the Residential All-Staff Meeting on the critical importance of personal property. In addition, the Fiscal Operations Manager will implement the Personal Inventory module in THERAP to make documentation easier to track.



**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

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*Appendix A*

***Equity in Pooled Cash – Illustration***

This Appendix serves as supplemental information to item 9 “Equity in Pooled Cash” in the “Findings and Recommendations” section above.

An equity in pooled cash (EPC) system is generally an automated, self-balancing system that is utilized within a local government’s general ledger. An EPC system allows an entity to mitigate potential misappropriation of cash and investments by minimizing the number of bank accounts held with financial institutions.

The general ledger components of an EPC system as reflected in the illustration below are as follows:

*Central bank account* - Normally one or two bank accounts are maintained in a “Central pooled cash fund” to hold the cash and investments attributable to an entity’s multiple funds. The general ledger balance of the Central bank account should be reconciled monthly to the corresponding bank balance along with all of the entity’s other bank and investment accounts.

*Due from (to) accounts* - The due from (to) accounts within the Central pooled cash fund reflect portions of the total Central bank account balance that are either owed to or due from the entity’s other respective funds. The net total of the due from (to) accounts should always agree to the total Central bank account balance. The balances of the due from (to) accounts are the result of revenue and expenditure transactions that have occurred within the entity’s other respective funds. These transactions either add to or deplete the portion of total Central bank account balance that is held by the entity’s respective funds

*Equity in pooled cash* - Each of the entity’s funds that holds a portion of the Central bank account balance reports an EPC account balance that agrees to its corresponding due from/(to) balance reflected in the Central pooled cash fund. As revenue and expenditure transactions occur within one of the respective funds, the balance of the fund’s EPC account and it’s corresponding due from/(to) are adjusted simultaneously so that EPC account balance and due from/(to) balance continue to agree.

The table below illustrates a typical series of transactions occurring within an EPC system:

*Transaction 1* - The illustration assumes that on day one, \$900k in property tax revenue is collected and deposited in the entity’s central bank account. At the same time, the \$900k is allocated to the entity’s respective funds (based on an approved levy) to establish a beginning cash balance for each fund. The Central pooled cash fund now holds the cash reserves of the other three funds in the Central bank account, and therefore reports due (to) account balances that agree to corresponding Equity in pooled cash balances within each of the other funds.

*Transaction 2* - A total of \$350k in expenditures is incurred among all three of the entity’s funds, resulting in accounts payable being recorded in each fund. At this point, none of the Equity in pooled cash accounts or corresponding due from (to) accounts have been affected as an actual cash transaction has yet to take place.

**Beaufort County**  
**Report on Processes and Procedures**  
**July 1, 2019 through June 30, 2020**

*Appendix A, continued*

*Transaction 3* - The entity performs a weekly check run to pay the \$350k in outstanding accounts payable (generated in *Transaction 2*) resulting in the following entries:

- *Central pooled cash fund* - \$350k in disbursements are made from the Central bank account to respective vendors. Each of the due (to) balances are reduced in the amount of the expenditures incurred by each fund in *Transaction 2*.
- *General, Debt Service, and Capital Project funds* - Cash has been disbursed by the Central pooled cash fund on behalf of the other funds thus depleting the cash reserve held by each fund. As a result, the Equity in pooled cash account balance for each of the three funds is decreased so that it agrees to the corresponding due (to) balance in the Central pooled cash fund. In addition, the outstanding accounts payable balances for each of the three funds have been paid and thus reduced to zero.

Funds	Transactions (amounts in thousands)								
	Transaction 1			Transaction 2			Transaction 3		
	<i>\$900k in property tax revenue collected and allocated to funds</i>			<i>\$350k in expenditures incurred among all funds</i>			<i>Check run to pay \$350k in accounts payable</i>		
	Entry		Balance	Entry		Balance	Entry		Balance
	Debit	Credit		Debit	Credit		Debit	Credit	
<b>Central pooled cash fund</b>									
Central bank account	900	-	900	-	-	900	-	(350)	550
Due from/to General fund	-	(250)	(250)	-	-	(250)	100	-	(150)
Due from/to Debt service fund	-	(150)	(150)	-	-	(150)	50	-	(100)
Due from/to Capital project fund	-	(500)	(500)	-	-	(500)	200	-	(300)
	900	(900)	-	-	-	-	350	(350)	-
<b>General fund</b>									
Equity in pooled cash	250	-	250	-	-	250	-	(100)	150
Accounts payable	-	-	-	-	(100)	(100)	100	-	-
Revenue	-	(250)	(250)	-	-	(250)	-	-	(250)
Expenditure	-	-	-	100	-	100	-	-	100
	250	(250)	-	100	(100)	-	100	(100)	-
<b>Debt service fund</b>									
Equity in pooled cash	150	-	150	-	-	150	-	(50)	100
Accounts payable	-	-	-	-	(50)	(50)	50	-	-
Revenue	-	(150)	(150)	-	-	(150)	-	-	(150)
Expenditure	-	-	-	50	-	50	-	-	50
	150	(150)	-	50	(50)	-	50	(50)	-
<b>Capital project fund</b>									
Equity in pooled cash	500	-	500	-	-	500	-	(200)	300
Accounts payable	-	-	-	-	(200)	(200)	200	-	-
Revenue	-	(500)	(500)	-	-	(500)	-	-	(500)
Expenditure	-	-	-	200	-	200	-	-	200
	500	(500)	-	200	(200)	-	200	(200)	-
<b>Net</b>	<b>1,800</b>	<b>(1,800)</b>	<b>-</b>	<b>350</b>	<b>(350)</b>	<b>-</b>	<b>700</b>	<b>(700)</b>	<b>-</b>



# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
Presentation of Corrective Action Plan from the Report on Processes and Procedures for Finance Procurement and Disabilities and Special Needs.
<b>MEETING NAME AND DATE:</b>
Finance Committee 09/20/2021
<b>PRESENTER INFORMATION:</b>
Hayes Williams, Chief Financial Officer 30 Minutes
<b>ITEM BACKGROUND:</b>
County Council voted to hire outside consultants to review the processes and procedures in the Finance, Procurement, and Disabilities and Special Needs departments. Elliot Davis was selected to perform the analysis and report their findings to County Council.
<b>PROJECT / ITEM NARRATIVE:</b>
Administration has put together a Corrective Action Plan to address the findings observed by Elliott Davis.
<b>FISCAL IMPACT:</b>
<i>Fiscal Impact will be discussed in the staffing needs for Finance and Budgeting.</i>
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Staff recommends that Council approve the Corrective Action Plan presented by Administration.
<b>OPTIONS FOR COUNCIL MOTION:</b>
Approve the Corrective Action Plan

**BEAUFORT COUNTY, SOUTH CAROLINA  
CORRECTIVE ACTION PLAN**

Beaufort County engaged the firm Elliott Davis to evaluate certain processes and procedures occurring within designated functions of the following departments of Beaufort County (the "County") for the period July 1, 2019 through June 30, 2020 (the "Period") Finance, Purchasing and Disabilities and Special Needs. The Administration of Beaufort County felt a Corrective Action Plan with set objectives, personnel, and a time frame would be appropriate to address the needs of the County. The major themes of the Corrective Action plan will be increase in staffing, increase in training, better lines of communication and need for revision in policies.

***Finance Department***

**1) Financial Reports**

**Criteria or specific requirement:** Internal financial reporting to County Council should include sufficient format and content to allow Council members to make informed decisions on a governance level.

**Management response:** Management concurs with this finding. In November of 2020, management started presenting monthly financial reports to Beaufort County Council at the Finance Committee Meetings. The reports currently include budget to actual comparisons of the General Fund, Stormwater Utility Fund, the Beaufort Executive Airport, and the Hilton Head Airport. Administration is looking at expanding the reports in the future as our staffing levels increase.

**Personnel responsible:** The Chief Financial Officer and Finance Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of November 2020.

**2) Required Vacations**

**Criteria or specific requirement:** Considering the sensitive nature of responsibilities within the Finance Department, employees should be separated from their assigned tasks so as to allow potential errors or irregularities to surface in the employee's absence

**Management response:** Management concurs with this finding. Currently, the County provides annual paid time off and sick leave for employees. Although it is not Beaufort County policy to require employees to take minimum annual vacations, employees are strongly encouraged to take annual vacations. Current Administration would need to determine if this is a beneficial policy.

**Personnel responsible:** County Administrator, Deputy County Administrator, Chief Financial Officer and Human Resources Director.

**Timeline:** The requirement will be reviewed and addressed by Administration as appropriate.

**Findings 3, 4, 7, 9, and 10 will be addressed in one management response**

**3) General Ledger Account Reconciliations**

**Criteria or specific requirement:** All general ledger control accounts should be reconciled to subsidiary ledgers or other detailed support throughout the fiscal year, specifically: capital assets, accounts receivable, accounts payable and revenues.

**4) Bank Reconciliations**

**Criteria or specific requirement:** Bank reconciliations should be prepared on a monthly basis within a reasonable number of days following month end. In addition, all monthly reconciliations should be reviewed and approved by a responsible individual other than the preparer.

**7) Recording Capital Assets**

**Criteria or specific requirement:** All purchases, transfers, sales, or dispositions of capital assets, including scrapped or destroyed items, should be accurately recorded in the accounting system in a timely manner.

**9) Equity in Pooled Cash**

**Criteria or specific requirement:** the County utilizes an equity in pooled cash (“EPC”) system to account for and report cash and investment balances by fund. See **Appendix A** for an illustration of how transactions occur within an EPC system.

**10) Review of Delinquent Accounts and Write-Offs**

**Criteria or specific requirement:** All balances due and payable to the County should be monitored for past due amounts and to identify balances deemed uncollectible.

**Management’s response to comments 3, 4, 7, 9 and 10 in the Report on Processes and Procedures for Finance, Procurement and Disabilities and Special Needs:**

As of the date of this report, the Chief Financial Officer/ Finance Director is working on month end closing procedures for the County. Administration feels that this will take dedicated staff and is in the process of implementing and hiring a reconciliation team within finance that would include a senior accountant, two staff accountants, and a capital asset auditor. The reconciliation team would be responsible for reconciling all balance sheet accounts including bank reconciliations, equity in pooled cash, and capital assets within the general ledger and have an effective close within fifteen to twenty business days after a month end.

The Finance Department and the Treasurer’s office are collaborating to automate the Wells Fargo bank reconciliations for those reconciliations performed by the Finance Department for which we have responsibility and control. The goal was to proactively

seek ways to streamline and automate bank reconciliations within our general ledger package. Munis has a bank reconciliation package that allows daily imports to match transactions from the bank account to the general ledger. Other external offices, such as elected officials, will perform their own reconciliations at their own discretion without the review from Finance.

Although not properly documented at the time of the review of Beaufort County's Processes and Procedures, all bank reconciliations were reviewed by supervisors. The reviewers of bank statements were not signing the bank reconciliations after their review. Management has put procedures in place to make sure rectify the finding.

As of the date of this report, Administration has several positions posted and is looking for qualified applicants. Administration will be looking at alternative ways to fill Beaufort County's staffing needs such as community volunteers and temporary staffing from outside agencies. It will be critical for Finance to work with other departments to achieve the necessary results.

**Personnel responsible:** Chief Financial Officer, Finance Director, Finance Staff, Risk Assessment Staff and Human Resources.

**Timeline:** Administration and Finance have been working to diligently to improve processes and policies. Administration hopes to have the positions filled by qualified applicants by February of 2022. Administration will strive to have the criteria rectified by the close of fiscal year 2023.

## 5) Approval of Journal Entries

**Criteria or specific requirement:** All journal entries should be reviewed and approved by someone other than the individual who initiated or prepared the journal entry. Supporting documentation for all journal entries should include identification of the preparer and reviewer.

**Management response:** Management concurs with this finding. Management will make this a standard accounting policy. Management also plans to implement safeguards within Munis that would not allow for an authorized employees to prepare and post their own journals.

**Personnel responsible:** Chief Financial Officer, IT, and Finance Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of July 1, 2021.

## 6) Physical Inventories of Capital Assets

**Criteria or specific requirement:** Capital assets should be periodically observed and inventoried by individuals who do not maintain custody or control of such assets.

**Management response:** Management concurs with this finding. As part of the Administration's corrective action plan, the Finance Department intends to hire a Capital

Assets Auditor. Administration will direct the Capital Assets Auditor to coordinate with the Risk Assessment Department and schedule a biannual observation of the County's fixed assets. The process would include a random sample of assets to be identified over various departments and have the staff go out and observe these assets in person.

**Personnel responsible:** Finance Director, Capital Assets Auditor, Risk Assessment Staff.

**Timeline:** The Capital Asset Auditor is a new position and would need to be developed by Human Resources Department and Finance. Administration hopes to have the position filled by qualified applicant by February of 2022. Administration will strive to have the criteria rectified by the close of fiscal year 2023.

## 8) Approval of Vendor Invoices

**Criteria or specific requirement:** Per Paragraph 5 of the *Invoice Processing* section located on *Page 19* of the *Purchasing and Policy Manual*, vendor invoices are prepared and reviewed for posting and payment at the requisitioning department by a department staff employee and a Department Head, respectively, before they are submitted to the Finance Department for final review and payment.

**Management response:** Management will take this under advisement. The current Purchasing and Finance Policy and Procedures Manual *Paragraph 5 Page 19* reads as follows:

5. Invoices need to be processed for payment once a week. The invoice needs to be stamped with the AP stamp, or a stamp copy may be cut out and taped to the invoice in a blank area and filled out. If there is no blank area available, stamp a blank piece of paper, fill out the stamp and paper clip the paper to the invoice. Be sure to fill it out completely to include the purchase order number, date of invoice processing, organization and object code (<http://bcweb/BCForms> – Finance, Organization and Object Codes), *name of preparer, and have it signed and dated by department head or his/her designee*. If an invoice is being processed against a purchase order and it's a partial order circle the "N" on the LIQ section indicating that the purchase order should not yet be closed. If it is the last payment against that purchase order then circle "Y". (Attachment 8).

The policy in effect at the time of this report allows for a department head to designate personnel to approve invoices. The Finance Department keeps a detail listing of all department heads with their appointed designees, as well as signatures for approving invoices. Administration feels that the current policy allows needed flexibility to process invoices and continue running the business operations of Beaufort County. Administration feels that having a department head sign each individual invoice would be a hindrance to Beaufort County achieving its overall mission.

**Personnel responsible:** County Administrator, Deputy County Administrator and Chief Financial Officer.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of July 1, 2021.

### ***Purchasing Department***

#### **11) Budgetary controls**

**Criteria or specific requirement:** Expenditures incurred in excess of the County's approved annual budget should be authorized in accordance with the County's budget ordinance and applicable South Carolina Statutes.

**Management's response:** Management concurs with this finding. The Finance and Purchasing Departments have updated the County's *Purchasing and Finance Policy and Procedures Manual* to include budgetary controls in Munis. In addition, the County hired a Budget Director whose responsibility is to manage and approve any budget changes or requests.

**Personnel responsible:** Budget Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon February of 2021.

#### **12) Certificates of Insurance**

**Criteria or specific requirement:** Per Paragraph 3 of the *General* section located on Page 5 of the *Purchasing and Finance Policy and Procedures Manual*, a *Certificate of Insurance* ("COI") is required for all construction and service contracts. The Purchasing Department is required to obtain the COI from the vendor and submit it to the Risk Management Department for review and approval before executing the contract. Contracted vendors are required to provide and maintain throughout their performance under contract, insurance in the following minimum requirements:

- a) Commercial general liability: \$1 million per occurrence and with a \$2 million aggregate
- b) Automobile liability: \$1 million per occurrence, and shall cover all vehicles owned, hired or non-owned, operated by or on behalf of the vendor in the performance of the contract
- c) Workers' compensation: South Carolina statutory limit

All COIs, whether contracted or not, should show Beaufort County as the Certificate Holder and insurance coverage should be provided by an insurer that is rated "A" or better by A.M. Best.

**Management's response:** Management concurs with this finding. The Finance and



Purchasing Departments have updated the County's *Purchasing and Finance Policy and Procedures Manual* to ensure the process for reviewing and approving COIs are validated, tracked, and managed by the Risk Management Department before a purchase requisition is converted in Munis by purchasing staff to an approved purchase order. Department staff entering the requisition will attach a valid COI certified by Risk Management and attach the document electronically to the requisition in Munis. The Department Head will review the released requisition for approval and only approve the requisition in Munis if a valid COI is attached to the requisition. Purchasing staff will not convert the requisition to a purchase order until they verify the valid COI is attached to the requisition in Munis. The Risk Management Department will approve and monitor all vendor COIs by reviewing the current fiscal year requisition in Munis and will maintain a certified COI list on SharePoint for all active vendors requiring COIs for staff to access and use. The Risk Management Department will contact the appropriate vendor within a minimum of thirty (30) days before the current vendor COI expires.

**Personnel responsible:** Department Heads, Purchasing Director, and Risk Management Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

### 13) Purchase Order Management

**Criteria or specific requirement:** Purchase orders should be tracked against vendor invoices and open purchase orders should be rolled forward to the subsequent fiscal year.

**Management's response:** Management concurs with this finding. The Finance and Purchasing Departments have updated the County's *Purchasing and Finance Policy and Procedures Manual* to include procedures for reviewing and tracking purchase orders against vendor invoices and reporting the results to Department Heads and their appropriate staff on a monthly basis. Additionally, the Purchasing Department will track and validate the approved purchase orders against the vendor invoices with the Department Heads before rolling them forward to the next fiscal year.

**Personnel responsible:** Chief Financial Officer, Finance Director, and Purchasing Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

### 14) Sole-Source Procurements

**Criteria or specific requirement:** Per Section 2-518 of the *Beaufort County Purchasing Ordinance (Sole Source Procurement)*, a contract may be awarded without competition when the Purchasing Director determines in writing, after conducting a good faith review of available sources, that there is only one source for the required supply, service, or

construction item. The Purchasing Director shall conduct negotiations, as appropriate, as to price, delivery, and terms. A record of sole source procurements shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract, a listing of the items procured under each contract, and the identification number of each contract file.

**Management's response:** Management concurs with this finding. The Finance and Purchasing Departments have updated the County's *Purchasing and Finance Policy and Procedures Manual* to include procedures that require Department Heads and their staff to attach in Munis a copy of the Purchasing Director's signed *Non-Competitive Purchases Form* that validates a purchase without competition. The requesting Department Head must follow this process before approving a purchase requisition in Munis. As soon as the Department Head and Purchasing Department approve the purchase requisition, the purchase requisition will be converted into a purchase order by the Purchasing Department. Additionally, the Purchasing Department will provide refresher training to all departments on a quarterly basis and provide new employee training for departments when requested by Department Heads.

**Personnel responsible:** Department Heads and Purchasing Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

#### **15) Confirmation of Budget**

**Criteria or specific requirement:** Per the *Purchasing and Finance Policy and Procedures Manual*, a *Confirmation of Budget* describing the types of goods or services being requested and the estimated project cost is required to be initiated by the Department Head and submitted to the Finance Department and Purchasing Department for approval for all *Invitations for Bids*, *Requests for Proposals*, and *Requests for Qualifications* exceeding \$24,999 before any solicitation can be created and advertised.

**Management's response:** Management concurs with this finding. The Finance and Purchasing Departments have updated the County's *Purchasing and Finance Policy and Procedures Manual* to include procedures that require Department Heads to provide an approved *Confirmation of Budget* before the Purchasing Department will review the draft solicitation and publish a solicitation for construction, goods, or services. The Purchasing Department created an electronic budget approval form signature process on the County's SharePoint Library for departments to use in January 2019. The process is working well provides a good process for Purchasing to validate the budget approval quickly and efficiently. The Purchasing staff will not begin any work on a solicitation or advertise the project until an approved and signed form is confirmed online.

**Personnel responsible:** Budget Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

## 16) Contract Approval

**Criteria or specific requirement:** Per the *Contract Approval Process* section of the *Purchasing Threshold Quick Reference Guide*, all contracts must be processed and approved by the Purchasing Department with final approval by the County Attorney's Office.

**Management's response:** Management concurs with this finding. The Finance and Purchasing Departments have always taken the appropriate steps to ensure all contracts are reviewed, approved, and signed by the Purchasing Director and Legal Counsel before the contracts are sent to the awarded vendor and the County Administrator for signature.

The County has managed the contract approval process electronically since August 27, 2019 by using a contract library located in SharePoint. The *Purchasing and Finance Policy and Procedures Manual* has been updated to include procedures for developing an electronic form requiring electronic signatures for the approval of all contracts by the Purchasing Director and Legal Counsel. Once this form is electronically signed by the Purchasing Director and Legal Counsel, the contract will be submitted to the awarded vendor and County Administrator for review and signature.

**Personnel responsible:** Purchasing Director and Contract Specialist.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

## 17) Purchase Authorizations

**Criteria or specific requirement:** Per the *Purchasing and Finance Policy and Procedures Manual*, all purchases (with the exception of P-Card purchases) must be made through and by the Purchasing Department, except as otherwise exempted by ordinance, resolution, or other County Council action. In accordance with the provisions contained within the *Purchasing and Finance Policy and Procedures Manual*, the Purchasing Director delegate's authority to Department and Division Directors, and those designated by them, the authority to purchase goods and services when the cost of the goods and services do not exceed \$1,500. Purchases greater than this threshold require the authorization of a purchase requisition and purchase order before the Department may order the goods or services from a vendor. The Purchasing Director must electronically sign the Purchase order and the purchase order date must be dated before the invoice date.

**Management's response:** Management concurs with this finding. In order to ensure this finding does not reoccur, our Finance, Purchasing, Legal, and Risk Management Team will schedule additional training to all department employees responsible for purchasing construction, goods and services. Additionally, new Department Heads and applicable employees will receive procurement training as part of their employee orientation. The Purchasing County Web page has been updated reminding vendors to not provide goods

or services to County Departments or Employees before receiving a purchase order signed by the Purchasing Director.

**Personnel responsible:** Department Heads and Purchasing Director.

**Timeline:** The requirement has been properly addressed and appropriately acted upon as of September 10, 2021.

### ***Disabilities and Special Needs***

#### **18) Recording Bank Deposits in the Deposit Register**

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, Management of Funds for Individuals Participating in Community Residential Programs, bank deposits must be recorded in the Deposit Register at the time that the bank deposit is made.

**Recommendation:** We recommend that management implement procedures requiring the Fiscal Operations Office's daily review of each consumer's banking activity and the entries recorded in the Deposit Register by the residential staff members. Having this activity reviewed on a daily basis by an individual who does not record the entries will help facilitate the timely recording of cash receipts and proper cutoff procedures. The recording and review process should be documented via sign-offs by both the residential staff member and the individual performing the review.

**Management's response:** The registers are kept at the homes of the individuals served. A daily review of 44 check registers at locations all over the County is not feasible. Per SCDDSN Directive 200-12-DD: "When direct deposits are scheduled, routine follow-ups should be done to verify the date and the amount of each deposit. Checkbook registers/ledgers should be updated to reflect account activity in a timely manner." Online bank reviews are done WEEKLY by the Fiscal Operations Manager and sent to the responsible House Managers, who hold the check registers. Staff are trained annually that deposits should be entered at the time of deposit.

**Personnel Responsible:** Fiscal Operations Manager and CTHII House Managers

**Timeline:** Audit findings were reported to Residential Staff at the July 27, 2021 staff meeting. Staff was reminded at that time of the requirements to enter deposits at the time the deposit is made. In addition, all staff are re-trained annually on those requirements.

#### **19) Consumer Check Authorizations**

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, Management of Funds for Individuals Participating in Community Residential Programs, checks issued from a consumer's bank account should be signed by the consumer and cosigned by an authorized signatory on the consumer's bank account.

**Recommendation:** We recommend that any financial institution holding consumer bank accounts be instructed not to process a check for payment if it has not been signed by both the consumer and the authorized signatory. We further recommend that disbursements by check be eliminated to the extent possible and that all consumer purchases to be made via a bank debit card that is controlled by a fiduciary with authorized signatory over the consumer's bank account. All bank debit cards, including the personal identification numbers, should be maintained in safekeeping by the fiduciary. Placing these restrictions on consumer disbursements will help mitigate the occurrence of unauthorized purchases.

**Management's response:**

All staff are trained annually that checks must be signed by both the individual and appropriate staff. The bank signature cards clearly indicate that two signatures are required. Debit cards for all residential individuals for whom we are Representative Payee were ordered and received in December 2020. Those cards are kept locked in the office of the Fiscal Operations Manager and signed out by Residential staff on behalf of the individual as needed. Receipts are kept with the individual's other financial information and reconciled monthly.

**Personnel Responsible:** Fiscal Operations Manager and Residential Staff

**Timeline:** Completed December 2020

## 20) Maintaining Records

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, Management of Funds for Individuals Participating in Community Residential Programs, all consumer purchases are required to be supported with receipts and canceled checks are required to be maintained with the bank statements.

**Recommendation:** We recommend management to review all consumer files on a weekly basis for inclusion of all required documentation supporting the purpose and dollar amount of each purchase made with consumer funds. We further recommend that the Fiscal Operations Office investigate any transaction not supported with documentation including follow-up with the consumer and residential staff member. Procedures for verifying the validity and accuracy of the purchase should be performed such as agreeing supporting vendor invoices and/or retail receipts to disbursement amounts.

**Management's response:** Current procedures that follow SCDDSN Directive 200-12-DD require that we "reconcile bank statements to current ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month." Weekly review of receipts is not feasible, again as the registers are kept at the home where the individual lives. Reviews are done monthly by Fiscal Staff as required by the directive. Transactions that do not meet standard (missing receipts, missing signatures) are noted monthly and sent to all House Managers, CTHH Coordinators, Residential/Deputy Director and the Executive Director for follow up. Items that can be corrected are corrected as soon as possible.

**Personnel Responsible:** Fiscal Operations Manager and Residential Staff

**Timeline:** Ongoing re-training

## 21) Bank Reconciliations

**Criteria or specific requirement:** Per SCDDSN Directive 200-12-DD, Management of Funds for Individuals Participating in Community Residential Programs, Bank Reconciliations are to be discussed with the consumer and signed by the consumer and residential staff member. In addition, all Bank Reconciliations should be reviewed and approved by a responsible individual other than the preparer.

**Recommendation:** We recommend that all Bank Reconciliations are prepared and reviewed by separate authorized employee within the Disabilities and Special Needs Department. The review should include tests of mechanical accuracy and tracing of items on the Bank Reconciliation to the relevant source documents. The composition of unreconciled differences should be determined and followed up on, and any journal entries deemed necessary as a result should be recorded. If necessary, the individual who prepares the Bank Reconciliations should be given additional training and instruction on how to prepare them accurately and completely.

**Management's response:** Current procedures follow SCDDSN Directive 200-12-DD: "5. Reconciliation of accounts containing personal funds should be assigned to a provider staff member with sufficient financial skills to accurately reconcile the accounts. That staff member must not have the authority to sign documents on the personal funds accounts. 6. At least once each quarter, a review of all account records must be done by a provider staff member with sufficient knowledge of each individual's financial needs and the ability to determine the reasonableness of expenditures. A report of all account activity occurring that quarter should be given to each individual with personal funds managed by the provider. Providers should develop and document a policy addressing the means and the extent to which staff are required to review the account information with each individual. 7. Documentation of all uses of personal funds must be maintained in a manner sufficient to demonstrate the amounts and purposes for all expenditures and sources of all income "

It is important to remember that these accounts are not like other County bank accounts. These are personal, individual funds. Beaufort County is the Representative Payee and Fiduciary only to protect the individuals who cannot manage their own funds. There are no journal entries. The reconciliations are done by staff that do not have signatory authority and who are thoroughly trained in how to do reconciliation. All errors are corrected monthly so therefore cannot accumulate. All reconciliations are compiled and sent for review to House Managers, CTHII Coordinators, Residential/Deputy Director and the Executive Director. Though we do quarterly reporting to the individuals separate from the bank reconciliations, staff at the homes will be reminded that all documents should be reviewed and signed monthly.

**Personnel Responsible:** Fiscal Operations Manager and Fiscal Tech

**Timeline:** n/a

## 22) Personal Property Records

**Criteria or specific requirement:** Per SCDDSN Directive 604-01-DD, Individual Clothing and Personal Property, upon the admission into the residential program, a full inventory is conducted of all the resident's belongings by two (2) staff members with the resident and a family member, and all clothing and personal property valued at \$50 or more is documented on a Personal Property Record and marked with appropriate identifiers, such as serial numbers or specific descriptions. On a quarterly basis during January, April, July and October, a representative from the Fiscal Operations Office will perform an inventory of the resident's clothing and personal property and update his or her Personal Property Record for any deletions and additions valued at \$50 or more. The Personal Property Record is then required to be signed by the resident, a resident staff member and representative from the Fiscal Operations Office.

**Recommendation:** We recommend that management review all consumer files on a quarterly basis for inclusion of current Personal Property Records, and that items valued at \$50 or more are properly identified by description and date of purchase. If a fair value has not been assigned to an item, a fair value should be estimated by management and the basis for the estimation should be documented. In addition, all Personal Property Records should reflect the signatures from the residential staff member and representative of the Fiscal Operations Office for indication that the inventory observations were performed and reviewed by separate authorized individuals.

**Management's response:** Residential staff were retrained July 27, 2021 at the Residential All-Staff Meeting on the critical importance of personal property. In addition, the Fiscal Operations Manager will implement the Personal Inventory module in THERAP to make documentation easier to track.

**Personnel Responsible:** Fiscal Operations Manager and Residential Staff

**Timeline:** THERAP module has been implemented and House Managers were trained on the module on August 26, 2021.



# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

Item 12.

<b>ITEM TITLE:</b>
Resolution to accept Federal Grant: Award # 1H79TI084543-01 in the amount of \$1,934.988
<b>MEETING NAME AND DATE:</b>
Finance Committee September 20, 2021
<b>PRESENTER INFORMATION:</b>
Steve Donaldson, Director, Beaufort County Alcohol & Drug Abuse Department <i>5 Minutes</i>
<b>ITEM BACKGROUND:</b>
N/A
<b>PROJECT / ITEM NARRATIVE:</b>
BC First Responders Project will serve the entire county of Beaufort. The project will employ three distinct phases: 1.) Increase access to naloxone to first responders; 2.) to educate the responders as well as the community with regards to the availability of Naloxone. Its function, and administration protocol; 3.) conduct training to first responders with regard to safe handling of dangerous substances such as fentanyl and carfentanyl; and 4.) secure staffing to conduct outreach, education, training, and implementation of Community Outreach Paramedic Education Teams (COPE) comprised of first responders and treatment professionals to conduct home visits within 3 days of a overdose event to offer support, referrals, with the goal of securing recovery services to individuals with opioid use disorders.
<b>FISCAL IMPACT:</b>
N/A
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Approve acceptance of Federal Grant: Award # 1H79TI084543-01
<b>OPTIONS FOR COUNCIL MOTION:</b>
Motion to approve acceptance of Federal Grant: Award #1H79TI084543 or Motion to disapprove the acceptance of Federal Grant: Award # 1H79TI084543-01



Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: 05/17/2021	4. Applicant Identifier: follyboy2	
5a. Federal Entity Identifier: 57-6000311	5b. Federal Award Identifier: TI-21-009	
<b>State Use Only:</b>		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
<b>8. APPLICANT INFORMATION:</b>		
* a. Legal Name: County of Beaufort		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 576000311	* c. Organizational DUNS: 0807753310000	
<b>d. Address:</b>		
* Street1: po drawer 1228	<input type="text"/>	
Street2:	<input type="text"/>	
* City: beaufort	<input type="text"/>	
County/Parish: Beaufort	<input type="text"/>	
* State:	SC: South Carolina	
Province:	<input type="text"/>	
* Country:	USA: UNITED STATES	
* Zip / Postal Code: 29901-1228	<input type="text"/>	
<b>e. Organizational Unit:</b>		
Department Name: Beaufort County	Division Name: EMS	
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>		
Prefix: <input type="text"/>	* First Name: Howell	
Middle Name: <input type="text"/>	<input type="text"/>	
* Last Name: Youmans	<input type="text"/>	
Suffix: <input type="text"/>	<input type="text"/>	
Title: <input type="text"/>		
Organizational Affiliation: COUNTY OF BEAUFORT		
* Telephone Number: 18432556008	Fax Number: <input type="text"/>	
* Email: howelly@bcgov.net		

<b>Application for Federal Assistance SF-424</b>			
<b>* 9. Type of Applicant 1: Select Applicant Type:</b>			
<input type="text" value="B: County Government"/>			
<b>Type of Applicant 2: Select Applicant Type:</b>			
<input type="text"/>			
<b>Type of Applicant 3: Select Applicant Type:</b>			
<input type="text"/>			
<b>* Other (specify):</b>			
<input type="text"/>			
<b>* 10. Name of Federal Agency:</b>			
<input type="text" value="Substance Abuse and Mental Health Services Adminis"/>			
<b>11. Catalog of Federal Domestic Assistance Number:</b>			
<input type="text" value="93.243"/>			
<b>CFDA Title:</b>			
<input type="text" value="Substance Abuse and Mental Health Services Projects of Regional and National Significance"/>			
<b>* 12. Funding Opportunity Number:</b>			
<input type="text" value="TI-21-009"/>			
<b>* Title:</b>			
<input type="text" value="First Responders-Comprehensive Addiction and Recovery Act Grants"/>			
<b>13. Competition Identification Number:</b>			
<input type="text" value="TI-21-009"/>			
<b>Title:</b>			
<input type="text" value="FR-CARA"/>			
<b>14. Areas Affected by Project (Cities, Counties, States, etc.):</b>			
<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
<b>* 15. Descriptive Title of Applicant's Project:</b>			
<input type="text" value="Abstract Attached."/>			
Attach supporting documents as specified in agency instructions.			
<input type="button" value="Add Attachments"/>	<input type="button" value="Delete Attachments"/>	<input type="button" value="View Attachments"/>	

## Application for Federal Assistance SF-424

## 16. Congressional Districts Of:

\* a. Applicant SC-001

\* b. Program/Project SC-001

Attach an additional list of Program/Project Congressional Districts if needed.

1235-Congressional 006.pdf

Add Attachment

Delete Attachment

View Attachment

## 17. Proposed Project:

\* a. Start Date: 10/01/2021

\* b. End Date: 09/30/2025

## 18. Estimated Funding (\$):

* a. Federal	1,934,988.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	1,934,988.00

## \* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

## \* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)

Yes  No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

 \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

## Authorized Representative:

Prefix: Ms. \* First Name: Shannon

Middle Name:

\* Last Name: Milroy

Suffix:

\* Title: Grants Accountant

\* Telephone Number: 18432552302 Fax Number: 

\* Email: shannon.milroy@bcgov.net

\* Signature of Authorized Representative: Shannon Milroy \* Date Signed: 05/17/2021

## ABSTRACT

The Beaufort County First Responders Project will serve the entire county of Beaufort in South Carolina, a population of 186,000 (69% white, 11% Hispanic, 3% Asian, and 18% African American). Special consideration will be given to those populations identified as at greater risk for prescription painkiller use and ultimately overdoses (senior citizens, veterans, individuals in jail, and low-income populations). The project will employ three distinct phases: 1) increase access to naloxone to first responders throughout the county; 2) education responders as well as the general community with regards to availability of naloxone, its function, and administration protocol; 3) conduct training to first responders with regards to safe handling of dangerous substances including carfentanyl; and 4) secure staffing to conduct outreach, education, training, and implementation of Community Outreach Paramedic Education Teams (COPE) comprised of first responders and treatment professionals to conduct home visits **within 3 days of an overdose event** to offer support and referrals, with the goal of securing **recovery services** to individuals with opioid misuse disorder.

SC-006 Application Area

SC-006 Project Area

**BUDGET INFORMATION - Non-Construction Programs**

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		Total (g)
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
1. TI-21-009	93.243	\$	\$	496,683.00	\$ 0.00	496,683.00
2. N/A					0.00	0.00
3. N/A					0.00	0.00
4. N/A					0.00	0.00
<b>5. Totals</b>		\$	\$	496,683.00	\$ 0.00	496,683.00

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	TI-21-009	N/A	N/A	N/A	
<b>a. Personnel</b>	\$ 280,839.00	\$ 280,839.00	\$ 280,839.00	\$ 280,839.00	\$ 1,123,356.00
<b>b. Fringe Benefits</b>	90,796.00	90,796.00	90,796.00	90,796.00	363,184.00
<b>c. Travel</b>	15,948.00	13,300.00	13,300.00	13,300.00	55,848.00
<b>d. Equipment</b>	0.00	0.00	0.00	0.00	0.00
<b>e. Supplies</b>	66,100.00	51,500.00	51,500.00	51,500.00	220,600.00
<b>f. Contractual</b>	43,000.00	43,000.00	43,000.00	43,000.00	172,000.00
<b>g. Construction</b>	0.00	0.00	0.00	0.00	0.00
<b>h. Other</b>	0.00	0.00	0.00	0.00	0.00
<b>i. Total Direct Charges (sum of 6a-6h)</b>	496,683.00	479,435.00	479,435.00	479,435.00	1,934,988.00
<b>j. Indirect Charges</b>	0.00	0.00	0.00	0.00	0.00
<b>k. TOTALS (sum of 6i and 6j)</b>	\$ 496,683.00	\$ 479,435.00	\$ 479,435.00	\$ 479,435.00	\$ 1,934,988.00
<b>7. Program Income</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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Prescribed by OMB (Circular A -102) Page 1A

Item 12.

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8. TI-21-009	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
9.					
10.					
11.					
12. TOTAL (sum of lines 8-11)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

SECTION D - FORECASTED CASH NEEDS				
Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal \$ 496,683.00	\$ 124,170.75	\$ 124,170.75	\$ 124,170.75	\$ 124,170.75
14. Non-Federal \$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
15. TOTAL (sum of lines 13 and 14)	\$ 124,170.75	\$ 124,170.75	\$ 124,170.75	\$ 124,170.75

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. TI-21-009 yr 2	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75
17. TI-21-009 yr 3	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75
18. TI-21-009 yr 4	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75	\$ 119,858.75
19.				
20. TOTAL (sum of lines 16 - 19)	\$ 359,576.25	\$ 359,576.25	\$ 359,576.25	\$ 359,576.25

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	na
22. Indirect Charges:	na
23. Remarks:	Thank you for your consideration!

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### Project/Performance Site Location(s)

**Project/Performance Site Primary Location**  I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

\* Street1:

Street2:

\* City:  County:

\* State:

Province:

\* Country:

\* ZIP / Postal Code:  \* Project/ Performance Site Congressional District:

**Project/Performance Site Location 1**  I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

\* Street1:

Street2:

\* City:  County:

\* State:

Province:

\* Country:

\* ZIP / Postal Code:  \* Project/ Performance Site Congressional District:

**Additional Location(s)**

# Project Abstract Summary

**Program Announcement (CFDA)**

93.243

**Program Announcement (Funding Opportunity Number)**

TI-21-009

**Closing Date**

05/17/2021

**Applicant Name**

County of Beaufort

**Length of Proposed Project**

4

**Application Control No.**

TI-21-009

**Federal Share Requested (for each year)**

**Federal Share 1st Year**

\$ 496,683

**Federal Share 2nd Year**

\$ 479,435

**Federal Share 3rd Year**

\$ 479,435

**Federal Share 4th Year**

\$ 479,435

**Federal Share 5th Year**

\$ 0

**Non-Federal Share Requested (for each year)**

**Non-Federal Share 1st Year**

\$ 0

**Non-Federal Share 2nd Year**

\$ 0

**Non-Federal Share 3rd Year**

\$ 0

**Non-Federal Share 4th Year**

\$ 0

**Non-Federal Share 5th Year**

\$ 0

**Project Title**

Abstract Attached.

## Project Abstract Summary

### Project Summary

The Beaufort County First Responders Project will serve the entire county of Beaufort in South Carolina, a population of 186,000 (69% white, 11% Hispanic, 3% Asian, and 18% African American). Special consideration will be given to those populations identified as at greater risk for prescription painkiller use and ultimately overdoses (senior citizens, veterans, individuals in jail, and low-income populations). The project will employ three distinct phases: 1) increase access to naloxone to first responders throughout the county; 2) education responders as well as the general community with regards to availability of naloxone, its function, and administration protocol; 3) conduct training to first responders with regards to safe handling of dangerous substances including carfentanyl; and 4) secure staffing to conduct outreach, education, training, and implementation of Community Outreach Paramedic Education Teams (COPE) comprised of first responders and treatment professionals to conduct home visits within 3 days of an overdose event to offer support and referrals, with the goal of securing recovery services to individuals with opioid misuse disorder.

**Estimated number of people to be served as a result of the award of this grant.**

1400

## Project Narrative File(s)

---

\* **Mandatory Project Narrative File Filename:**

---

To add more Project Narrative File attachments, please use the attachment buttons below.

# Beaufort County EMS

## SECTION A: STATEMENT OF NEED

### A1. Population of Focus—Geographic Catchment Area

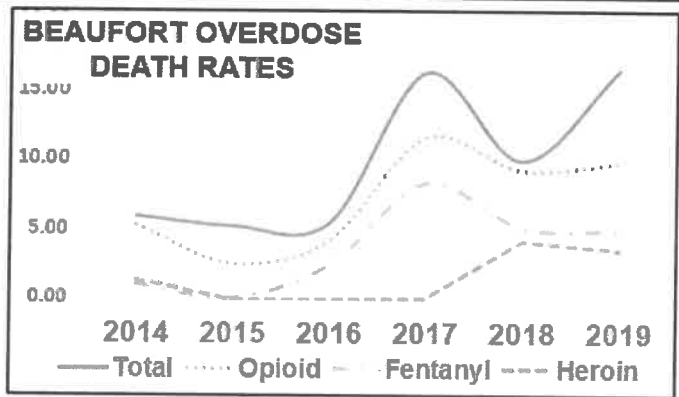
The population of focus is **Beaufort County, South Carolina**—one of the **fastest growing counties** in the state, although this comes with staggering levels of **distress, social and economic division**, and upheaval. **Opioids have made it worse**. The total population is 186,095 (69% white, 11% Hispanic, 3% Asian, and 18% African American U.S. Census, 2019). With a **limited public transportation system**, the County is bifurcated by the **Broad River**, separating the area into two distinct regions. **North of the river: high poverty, aging, highest source of overdose calls in the county** (SC Alcohol and Drug Services, 2020). **South of the river, more affluent, with the highest Narcan administration** (SC Alcohol & Drug Services, 2020).



The proposed project is based on a rigorous community needs assessment with input and archival data derived from **law enforcement, health department, addiction services, emergency medical services, fire department, and school district**. Based on this analysis, the population of focus will include the **entire 923 square mile county** (a micro-statistical area as defined by the Office of Management & Budget), although **still primarily rural in nature**. Of special emphasis will be placed on a 22.1 square mile area, comprised of **census tracts 2 and 6**, home to **8,424 residents**. This area, now a federal **Opportunity Zone**, represents the overwhelming majority of **drug-related crime, addiction, poverty, and social distress**.

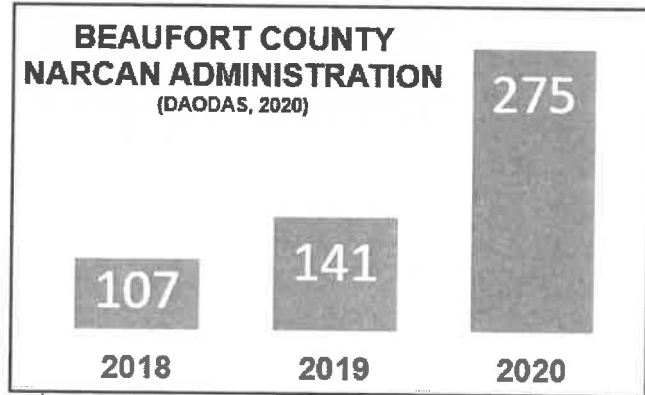
### A2. Extent of Problem in The Catchment Area, Service Gaps.

It is no surprise that over the past five years, national attention to **opioid misuse, especially overdose**, has occupied the national discourse, overshadowed with the onset of Covid-19. While every state has seen massive rises in the abuse of opioids, **South Carolina is currently grappling with the largest heroin death rate in the country at a 57% increase between 2014 and 2015**. Since 2016, **Opioid overdoses in Beaufort have increased 430%**, (SC Dept. of Health, 2020) along with a **linear increase in total deaths, opioid deaths, fentanyl deaths, and heroin**. While the increase is comparable across substance, the sheer scope of **opioid deaths in most cases overshadows that of fentanyl or heroin, in some cases, double or even trip the rate**. Local detention center data reveals an **average of 50 inmates with drug related histories enrolled each month**.

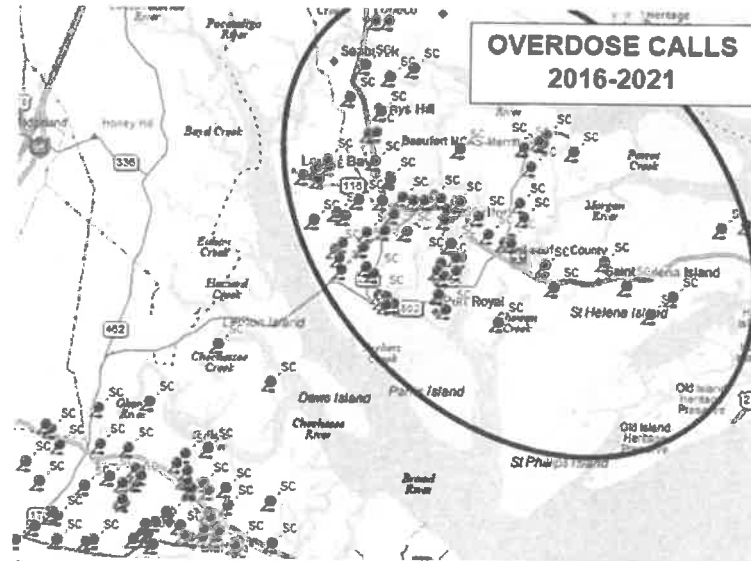


# Beaufort County EMS

In addition, medical staff report an average of **20 inmates a month** that are assessed for **withdrawal**. Despite this growth in both overdose and exponential increase in NARCAN administrations, the sad and staggering result: last year, **only 21 MAT Clients** were served by the sole public treatment agency in the county (Beaufort County Alcohol and Drug Abuse Department). Access to MAT is currently being addressed with plans to implement addiction's treatment within the county detention center, increased clinical staff, creation of a satellite office in the targeted Opportunity Zone, and application for Buprenorphine practitioner waivers.

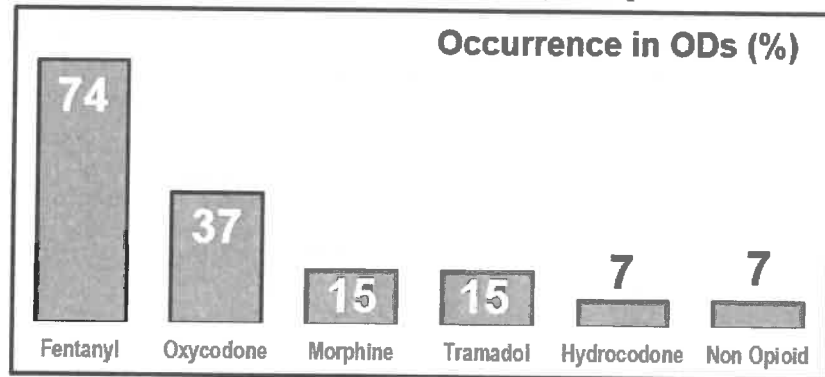


However, the needs assessment reveals significant service gaps and obstacles with regards to **access to naloxone, training on its administration, safety protocols for handling fentanyl or carfentanyl, and concerted efforts to facilitate referrals into treatment** represent significant service gaps. For example, since 2016, Beaufort County first responders have provided **no training to staff related to Narcan administration and only three hours of safety training** related to fentanyl handling.



Likewise, while the number of Narcan administrations have steadily increased over the past three years, Beaufort County maintains one of the lowest rates (.76 per 1,000) in the state, **ranked 39 of 44 counties** (SC Department of Alcohol and Drug Addiction Services, 2019).

Much of this is the result of the state's late move to embrace naloxone and some hesitancy among first responders to carry and administer the device for fear of liability. In 2015, the state legislature amended the **Overdose Prevention Act** to include naloxone administration to what is commonly known as the Good Samaritan Law.

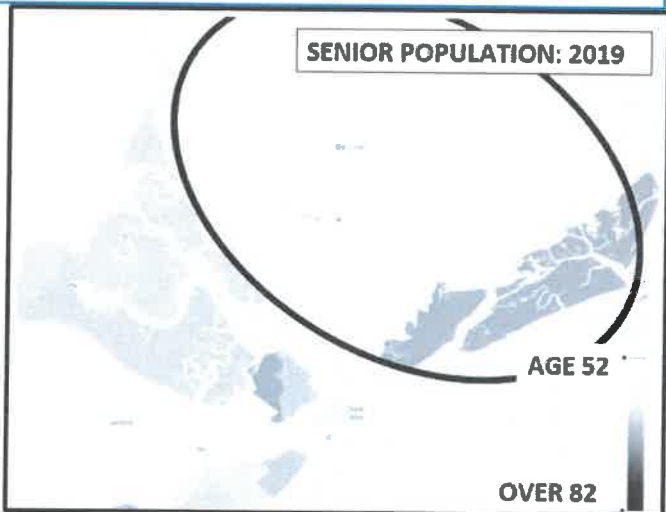


# Beaufort County EMS

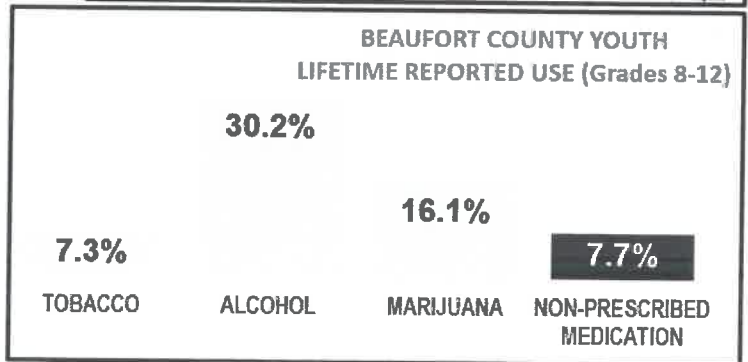
Unfortunately, the incidence of fatal and non-fatal overdose in Beaufort County continues to increase at a staggering rate. Project leaders conducted a **Geographic Information Systems (GIS)** mapping to determine the where the problem was most acute and specific populations most vulnerable. The results depicted on the previous page suggest that the area north of the Broad River, **highest poverty, distress**, and location of the aforementioned Opportunity Zone represented the **majority of overdose calls**. In addition, GIS mapping was also used to analyze the incidence of overdose calls by census tract and aligned with data relevant to the potential risk for opioid use and misuse. National trend data related to the incidence and prevalence of opioid misuse and overdoses has spotlighted several high-risk target populations:

- **Homes with senior citizens** (most likely to suffer falls or illness requiring painkillers)
- **Veteran Status** (often linked in literature as a risk factor)
- **Disability Status** (likewise a potential risk factor associated with misuse<sup>1</sup>)

In each case, the analysis reveals the highest density of at-risk individuals reside in the target area north of the broad river, also a **Medically Underserve Area** by Health Resources and Services Administration (HRSA).



Unfortunately, while overdose in youth is currently rare, the reported use of drugs among Beaufort County students is alarmingly high, with the incidence of prescription drug misuse almost **double the national average**<sup>2</sup>.



Finally, based on the data collected during the needs assessment, during development of the proposed project, significant attention was placed on a review of **research literature** to identify intervention strategies with strong empirical evidence. A recent publication by the Police Executive Research Forum<sup>3</sup>, highlighted several key recommendations that have been embedded in the action plan:

<sup>1</sup> When Addictions, Opioid and Disability Meet; Wilson, National Center on Disability and Journalism  
<sup>2</sup> Miech R, Schulenberg J, Johnston L, Bachman J, O'Malley P, Patrick M. *Monitoring the Future National Adolescent Drug Trends in 2017: Findings Released*. Ann Arbor, MI: Institute for Social Research, The University of Michigan; 2017.  
<sup>3</sup> Policing on the Front Lines of the Opioid Crisis, Community Oriented Policing Services, U.S. Department of Justice, 2021.

# Beaufort County EMS

- Establish and **participate in a multi-agency and cross-disciplinary collaborations** to develop new response options and make more efficient use of limited resources.
- Facilitate the **availability of Naloxone** to the general public, as well as to first responders.
- Help victims of opioid abuse to receive **appropriate and timely treatment and recovery** supports.
- Ensure that first responders **understand how opioids affect a person’s body and mind**, as well as the role and effectiveness of the full continuum of treatment strategies.

Data from the community assessment detailing areas of concern and service gaps, aligned with this research served as the template that guided development of the proposed project.

## SECTION B: PROPOSED APPROACH

### B1. Goals & Objectives of Project and Alignment with Statement of Need in A.2.

Three goals and commensurate set of objectives have been established for the proposed project:

**GOAL 1:** Increase the capacity of first responders to reduce Opioid overdose, including training on the appropriate administration of naloxone, safety protocol with fentanyl and other dangerous drugs, and promotions of laws governing bystander response to overdose (i.e., Good Samaritan)

**GOAL 2:** Establish a protocol to help victims of opioid misuse to receive appropriate and timely treatment and recovery supports through post non-fatal overdose home visits conducted by first responders teamed with a treatment professional.

**GOAL 3:** Conduct outreach awareness and engagement strategies to connect individuals receiving Opioid overdose reversal drugs to follow-up services, including treatment and recovery

In addition, the following eleven objectives have been devised and will be tracked and monitored bi-weekly, with the projected number served outlined to the right.

<b>Number Unduplicated Individuals Trained with Grant Funds</b>					
	Year 1	Year 2	Year 3	Year 4	Total
First Responders	100	100	100	100	400
General Community	350	350	350	350	1,400

**Objective 1:** Finalize membership of the **multi-agency, cross sector partnership** to serve as **Project Advisory Team** to monitor implementation, management, and evaluation of the project, including design of community awareness activities

**Objective 2:** Secure and distribute an **inventory of Naloxone** for use by the **First Responders Network** comprised of Emergency Medical Services, Fire Departments, and Law Enforcement, as measured by monthly inventory checklists.

**Objective 3:** Within four months of grant award, **all new staff positions will be fully installed and trained**, as outlined in project narrative and budget and as measured by signed and executed employment contracts



**Objective 4:** 90% of all First Responder Network members (Emergency Medical Services, Fire Departments, Law Enforcement) will participate in **annual training on the naloxone administration**, with the first wave completed with six months of grant award. Ongoing training will be conducted quarterly over the tenure of the four-year grant period to accommodate to new hires. As measured by quarterly reports collected by the Program Coordinator, with sign-in sheets completed at the completion of each training session.

**Objective 5:** 90% of all First Responder Network members (Emergency Medical Services, Fire Departments, Law Enforcement) will complete **training related to safety protocols** around fentanyl, carfentanil, and other dangerous drugs to reduce exposure risk, with first wave completed within 6 months of award, and ongoing training conducted quarterly over four years to accommodate new hires. As measured by quarterly reports collected by Program Coordinator, with sign-in sheets completed at each training session.

**Objective 6:** First Responder Network members staff will be **trained in COPE** (Community Outreach Paramedic Education Program) and SCOERP (South Carolina Opioid Emergency Response Plan) within 90 days of grant funding, as measured by quarterly reports collected by Program Coordinator, with sign-in sheets completed at the completion of each training session.

**Objective 7:** Each COPE teams will **conduct home visits within 3 days of an overdose event** to offer support and referrals, serving a minimum of 80% of all incidents in the first year, as measured by the MIS system at emergency medical services unit

**Objective 8:** A minimum of 20% of all COPE outreach home visits will result in **enrollment in treatment or recovery services** within 21 days of first contact, as measured by COPE Progress Tracking forms.

**Objective 9:** A range of **community awareness and engagement** resources will be developed for distribution and include public service announcements, editorials, interviews, flyers, community forums, and presentations, within ninety days of grant award.

**Objective 10:** There will be a **15% reduction in overdose deaths** related to Opioid class drugs by the end of the second year of grant tenure, as measured by Department of Health and Environmental Controls (DHEC) annual reports.

**Objective 11:** There will be a 15% increase in community awareness of the purpose and administration of naloxone, availability of treatment resources, safe storage and disposal of prescription medication and reported incidence of sharing medications by the end of year two as measured by a household survey conducted on a stratified random sample of 1,000 households.

**B2. How You Will Implement the Required Activities as Stated in Section 1.2.**

The proposed project represents an expansion of services that the applicant organization is well experienced in which significantly enhances the overall implementation process. The applicant is also well experienced in each of the proposed evidenced based services, licensure and reporting requirements, assessment protocols, and the importance of fidelity reviews. The overall implementation process will be defined by five distinct steps, as outlined on the following page

## **Beaufort County EMS**

**STEP 1: Formation of Cross-Sector Advisory Team**—To assist with planning, implementation, management and evaluation, a number of key stakeholders have agreed to serve, and include the Director of **Emergency Medical Services, Sheriff, Beaufort Addiction Services, and two Fire Departments and Evaluation Team**. The Council will meet bi-monthly in the first three months of the project, and then monthly thereafter throughout the tenure of the grant.

**STEP 2: Staff the Project** - Based on a review of the required activities outlined in the RFP and a community gap analysis, **six new positions** will be hired to accomplish target objectives: 1) A full time Program Coordinator will be secured to assist with implementation, management, and evaluation; 2) three full time Field Support positions will be secured for EMS, and two full time case managers will be hired at the sole public addiction treatment agency in the county; to work with the Field Support Coordinators in connecting individuals receiving opioid overdose reversal drugs to follow-up services. **Job descriptions** have been devised and if funded, positions will be advertised, interviewed, and selections made with careful attention to **education, experience, and understanding of local culture, language, and conditions**.

**STEP 3: Professional Development** – In addition to the standard training and orientation provided for **all staff** and accordance with **accreditation standards (First Responders) and state licensure (Addiction Services)**, two key areas for training will be conducted: 1) **Naloxone Administration, Handling, and Documentation**. Training will be conducted by the South Carolina Department of Alcohol and Other Drug Addiction Services (DAODAS) derived from a state protocol based in part on SAMHSA’s **Opioid Overdose Prevention Toolkit, Using Naloxone to Reverse Opioid Overdose** from the Centers for Disease Control. The four-hour workshop will be conducted for all new grant hires, as well as every first responder in the county. 2) **Risk Management Protocol in the Handling of Fentanyl, and other substances** will also be conducted to the same individuals, by DAODAS, based on a state approved protocol recommended by the CDC (Fentanyl Safe Operating Procedures and Workplace Guidelines).

**STEP 4: Naloxone Distribution & Inventory Management**- Although a state NARCAN contract is in place, the cost per dose (\$37.50) has had a staggering financial impact. With grant funds, an inventory of NARCAN will be purchased, based on **utilization projections**, and distributed to all first responder partners—EMS, Fire Department, enforcement, and treatment.

**STEP 5: Formation of COPE Teams** – The South Overdose Prevention Act calls for the formation of Community Outreach Paramedic Education Teams (COPE) comprised of first responders and treatment professionals to conduct home visits **within 3 days of an overdose event** to offer support and referrals, with the goal of securing **recovery services** to individuals with opioid misuse disorder. Unfortunately, funding for this initiative was exhausted in 2019. **Three teams will be formed** and trained by the Department of Environmental Health and Environmental Controls (DHEC), with projected 300 cases served each year of the project.

**STEP 6: Ongoing Assessment and Quality Improvement**- A **Project Advisory Council** will meet as per the schedule outlined earlier to conduct an **implementation review** and monitor objectives. This will then continue monthly over the tenure of the grant as part of the **CQI process**. In addition, given the importance of ongoing professional development, funds are also allocated to allow staff to participate in **two national conferences**: National Opioid Conference and the National Rural Substance Abuse Prevention Conference.

## **Beaufort County EMS**

**STEP 7: Community Naloxone Education and Support** – As indicated earlier, it is only recently that MAT has become accepted as a best practice in the treatment of substance misuse disorders. As such the local treatment agency is working to educate clients and their family members on overdose risks and use of Naloxone. Members of the planning team have devised a public education campaign to create awareness around the **availability of Narcan** and proper **administration protocol**. In addition to family members of individuals in treatment, the plan calls for outreach to the families of individuals preparing for release from the county detention center, frontline workers at the health department and social services, and to peer support programs. An estimated 300 individuals are targeted each year for education and support.

**STEP 8: Public Awareness and Engagement** – Over the past five years, there has been considerable progress in addressing stigma associated with addiction, medically assisted treatment, the use of NARCAN, and general harm reduction approaches. There still exists however, concerns that addiction is a choice or moral failure, that MAT is simply replacing one drug for another, and confusion as to the purpose and protocol for administering naloxone. For reason, a nationally recognized advocacy center (**Addiction Policy Forum**) will assist with the development of a community awareness and engagement campaign to increase understanding of the **importance of NARCAN** in reversal of Opioid overdose, proper **administration of the device**, **Good Samaritan laws** governing administration, and **availability of treatment services**, program location, hours of operation, and how treatment is structured. The plan calls for a combination of **traditional media, social media, flyers, and community forums**. In addition, Addiction Policy Forum will assist with the development and dissemination of a series of **public service announcements** and other broadcast programs for distribution throughout the community. The importance of the partnership with Addiction Policy Forum cannot be overstated. This organization has an exemplary record of building consensus. Support, and education of law enforcement, drug courts, prosecutors, penal institutions, and general public.

It is important to also note, that the growing Opioid misuse in the county has dramatically impacted the public treatment system in Beaufort County. This is critical given the importance of transitioning individuals into recovery, as planned within the COPE home visitation component. To address this gap, significant attention has already begun. First, the state has authorized funding to cover the **cost of MAT prescriptions** to indigent patients, and the Beaufort County Alcohol and Drug Department is working to assist individuals in enrolling in the AFC (Affordable Care Act) services to help qualify for this assistance. In addition, the agency is working to secure additional **MAT waiver** to facilitate capacity to provide the treatment to an expanded population. Finally, the proposed **Community Outreach Paramedic Education Teams (COPE)** element is a state priority, although resources were not made available to counties interested in adopting the model. The proposed 1<sup>st</sup> Responders Project will provide resources to strengthen partnership between first responders and treatment providers, to collaboratively address the problem in Beaufort County.

**B3. Chart Depicting Timeline for 4 Years--Dates, Key Activities, & Responsible Staff**  
 An abridged program management implementation plan has been devised that includes key activities as outlined with Section 1-2, individual(s) responsible for each task, and target date. This includes assurance that the project will be fully implemented no later than four months following the grant award. To minimize space, each key participant has been assigned a number and referenced in the key below:

ACTIVITY	YEAR 1				YEAR 2				YEAR 3				YEAR 4			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Notification of funding (SAMHSA)																
Finalize membership of Project Advisory Team (1,4,5,6,7,8,9)																
Advertise Field Support & PRSS positions, interview, & hire (1,4, 6,7,8)																
Establish evaluation data collection protocol (1,5,9) begin collection and review																
Finalize subcontracts (1)																
Project fully staffed by all partners (1,4,6,7,8)																
COPE / SCOERP Training (1,2,3,4,6,7,8,9)																
NARCAN inventories in place with first responder partners (2,5,6,7,8,10)																
Implementation of COPE / SCOERP (1,2,3,4,6,7,8)																
Billboard and public transit advertising (1,6,9)																
Training for Storage, Administration and Documentation of NARCAN (1,2,3,6,7,8)																
Safety Training to Reduce Exposure to Fentanyl and other substances (1,2,3,6,7,8)																
Continuous Quality Monitoring Review Sessions (1,2,3,6)																
Drug Abuse and Heroin Summit (2,3)																
Conduct regular follow ups with COPE Clients (2)																
Conduct budget review meetings (1,4,5,6)																
Annual report to SAMHSA (5)																
Community forums and town halls (1,4,6,7,8)																
Annual Programmatic Adjustment and Review Meeting (1,4,5,6,7,8,9)																
NARCAN Inventory Monitoring (3,4)																

Responsible Parties	
Project Director (1)	EMS Dept (4)
PRSS (2)	Fire Dept (7)
Field Support (3)	Evaluator (5)
	Sheriff's Office (8)
	BCADAD (6)
	Advisory Council (9)

## Beaufort County EMS

### SECTION C: STAFF, MANAGEMENT, AND RELEVANT EXPERIENCE

**C1. Experience of Organization with Similar Projects/ Partners** The grant applicant is the Beaufort County Emergency Medical Services with the EMS Director serving as Project Director, with support of a full time Coordinator. The county is well experienced with similar projects including the **Just Plain Killers** and **Naloxone Saves SC** initiatives in partnership with local treatment and health departments. Beaufort County was one of the **first in the state** to aggressively address the problem and first to file suit against opioid manufacturers. Likewise, the partnership has worked together over the past year to **expand MAT** services, implement **treatment services in the county detention center**, and development of a **satellite treatment center** in the northern section of the county. All of this work has involved a cross sector partnership, strong evaluation methodologies, and evidence-based intervention strategies.

In addition to the County, several other key partners have played a critical role in the development of the proposed project and will continue to participate in implementation, management and evaluation of the effort. The following entities, with attached Memorandum of Understanding, will serve on an Advisory Council and facilitate the following additional roles:

### **C2. Staff Positions for The Project, Key Personnel, Project Director, And Others**

Key positions and partner stakeholders are significant experience and include:

**Howell Youmans** is the Deputy Director of Beaufort County EMS and will serve as Program Director at 20% FTE. Mr. Youmans has over 40 years of professional experience with extensive state recognition, including champion paramedic four years, and EMS Professional of the Year.

**Program Coordinator (VACANT)** – A full time Project Coordinator will be hired to oversee the grant, operating under the direct supervision of EMS and Advisory Team. Tasks include planning, management, data collection, training, reporting, and subcontract management.

**1st Response COPE Team (VACANT)**- Five full time Field Support and Training positions will be hired; three first responders and two treatment partners. This cohort will implement the COPE team model (**Community Outreach Paramedic Education**), **providing home visits within 3 days of an overdose event** to offer support and referral services for treatment.

**Steve Donaldson** is the Executive Director of BCADAD and will oversee the treatment team element of COPE. With over 25 years of experience in roles as a Director over treatment services, Mr. Donaldson has a wealth of knowledge and expertise in running and managing treatment programs similar to the ones proposed in the grant narrative.

**Dr. Michael D George** (Lead Evaluator) holds a Ph.D. in Public Policy & Administration and manages evaluation projects in South Carolina through the Pacific Institute for Research & Evaluation (PIRE) and Southeast Center for Strategic Community Development (SCSCD), especially related to substance abuse misuse and with an emphasis on opioids. Dr. George, with support from his team, will oversee process and outcome evaluation, lead the Continuous Quality Improvement monitoring sessions, manage the project data dashboard, and assist with reporting.

**Section D: Data Collection and Performance Measurement**

**D1. How Data will be Collected & Utilized to Manage, Monitor, & Enhance Program**

All required data and other

programmatic indicators will be collected and reviewed by the Project Advisory Council as per the schedule discussed earlier. It is important to note that no personal, protected, or confidential information will be shared at any time during the evaluation or CQI process. Only aggregate data related to service levels will be discussed. The following data collection protocol will be employed:

Data Element	Foci	Frequency & Methodology
Staffing	# and function of staff hired for the project and timeline	Employment records, collected annually
Training & Support	Number of training sessions for partners, date, scope, & dosage.	Employment records, sign in sheets.
COPE Teams	Number, composition, home visits conducted, treatment referrals	COPE logs completed weekly
Operational Status	Service delivery no later than 4 months of grant award	Executed employment contract review
NARCAN	# of NARCAN administrations conducted.	Logs completed weekly, reviewed monthly
Treatment Access	# of treatment admissions for drug misuse recovery	Monthly; aggregate DAODAS query
Treatment Duration	Average length of time for patients in opioid treatment	Monthly; aggregate records from CSL
Access to MAT	# of Medically Assisted Treatment (MAT) active cases	Monthly; aggregate records from CSL
Overdose Deaths	Deaths from Prescription Drugs by drug class	Collected monthly, coroner, DHEC
Comm. Awareness	# of media messages concerning service availability	Monthly; Electronic media counts
Comm. Concern	Public concern regarding nonmedical use of prescription drugs	Annual; As part of Community Survey
Comm. Norms	Safe storage, disposal, medication sharing, Narcan awareness	Annual Community Household survey

All proposed activities, community awareness campaign, and implementation will be carefully monitored with both process and outcome protocols. Data collection will be facilitated by the **Project Coordinator, Project Staff, EMS Director, and Evaluator**. As indicated earlier, during planning meetings, project partners discussed the required metrics necessary to comply with reporting and evaluation protocol. All public agencies that administer Naloxone are required to keep a record of the event, including time, date, location, victim, and circumstances. Law enforcement, coroner, EMS, fire department, and all treatment providers agreed to provide the aforementioned data, with all personal identifiers stripped to maintain confidentiality protections. Likewise, the local treatment provider will provide quarterly reports detailing the number of admissions, duration, and outcome (i.e., completion, departure against recommendation, referral for continuation, etc.). The review of process and outcome data, along with the discussion on feedback issues will enable program staff to track overall impact and fidelity with the program models. In cases where significant progress has been delayed, corrective action plans will be devised and monitoring by project leaders and Advisory Council.

## Budget Narrative File(s)

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\* **Mandatory Budget Narrative Filename:**

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To add more Budget Narrative attachments, please use the attachment buttons below.

## BUDGET JUSTIFICATION

### A. PERSONNEL

Position (1)	Name (2)	KeyStaff(3)	Annual Salary / Rate(4)	Level of Effort (5)	Total Salary Charge to Award (6)
(1) Project Director	Vacant, to be hired within 60 days of award date	Yes	\$65,000	100%	\$65,000
(2) Field Support for COPE x 3	Vacant, to be hired within 60 days of award date	Yes	\$48,613 each Or \$145,839	100%	\$145,839
(3) Case Manager/ Peer Support x 2	Vacant, to be hired within 60 days of award date	Yes	\$35,000 each Or \$70,000	100%	\$70,000
<b>FEDERAL REQUEST (enter in Section B column 1, line 6a of SF-424A)</b>					<b>\$280,839</b>

### FEDERAL REQUEST –Justification for Personnel

- The Project Director would be a full-time position to oversee all aspects of operation including ODMAP mapping, scheduling, project management, coordination of public awareness and overdoes prevention campaign, convene CQI meetings, performance measure submission, data collection, and reporting.
- Paramedic (3) Full time positions to conduct training, serve on outreach team to support response and connecting individuals to treatment and follow up services, training in safe handling, reporting. Assist with data collection and sever on Advisory Council.
- Case Manager/ Peer Support (2) Full time positions to conduct training, serve on outreach team to support response and connecting individuals to treatment and follow up services, training in safe handling, reporting. Assist with data collection and sever on Advisory Council.



**B. FRINGE BENEFITS**

Position(1)	Name(2)	Rate (3)	Total Salary Charged to Award(4)	Total Fringe Charged to Award (5)
(1) Project Director	Vacant, to be hired within 60 days of award date.	32.33%	\$65,000	\$21,015
(2) Paramedic x 3	Vacant, to be hired within 60 days of award date.	32.33%	\$145,839	\$47,150
(3) Case Manager/ Peer Support x 2	Vacant, to be hired within 60 days of award date.	32.33%	\$70,000	\$22,631
<b>FEDERAL REQUEST (enter in Section B column 1, line 6b of SF-424A)</b>				<b>\$90,796</b>

**FEDERAL REQUEST –Justification for Fringe Benefits**

Fringe Category	Rate
Retirement	15.56%
FICA	6.20%
Insurance	10.56%
Tort Liability	.013
Total	32.33%

Organization’s Fringe benefits are comprised of:

**C. TRAVEL**

Purpose(1)	Destination (2)	Item (3)	Calculation(4)	Travel Cost Charged to the Award (5)
Peer Training *	Columbia, SC	Mileage	@.56 @221 mi round trip= 123.76 x 2= \$248	\$248
		Hotel	\$150 per night x five nights = \$750 x 2 individuals	\$1,500
		Per Diem	\$30 per day x 5 days x 2 individuals= \$300	\$300
		Registration	\$300 x 2 individuals	\$600
Local Mileage Reimbursement	Years 1-4	Local Mileage	\$1,625 per year	\$1,625

Purpose(1)	Destination (2)	Item (3)	Calculation(4)	Travel Cost Charged to the Award (5)
RX Drug Abuse and Heroin Summit	Atlanta Ga	Airfare	\$200 x 7 individuals	\$1,400
		Per-Diem	\$30 per day x 5 days = \$150 x 7 individuals = \$1,050	\$1,050
		Registration	\$525 per person x 7 individuals = \$3,675	\$3,675
		Hotel	\$150 per night x five nights = \$750 x 7 individuals = \$5,250	\$5,250
		Ground Transportation	Roundtrip shuttle from airport to hotel = \$75 x hour individuals = \$300	\$300
<b>FEDERAL REQUEST - (enter in Section B column 1, line 6c of SF-424A)</b>				Year 1

**FEDERAL REQUEST: Justification for Travel**

1. Two staff (Peer Support) to attend week long class on Peer Support, Columbia, SC.
2. Local mileage reimbursement is needed to attend local meetings, project activities, and training.
3. Seven individuals to attend RX Drug and Heroin Summit. This to include hotel, Per Diem, ground transport, airfare and registration.
- 4.

**D. EQUIPMENT**

Item(1)	Quantity(2)	Amount (3)	% Charged to the Award (4)	Total Cost Charged to the Award (4)
<b>FEDERAL REQUEST - (enter in Section B column 1, line 6d of SF-424A)</b>				\$0

**E. SUPPLIES**

Item(s)	Rate	Cost
Info USA *	\$2000	\$2,000
Peer Cell Phones *	2 x \$300	\$600
Body Armor *	5 x \$1200	\$6,000
Computers *	6 units x \$1,000	\$6,000
Office Supplies	\$1,000	\$1,000
Training Supplies	\$375 per training x4 quarters	\$1,500
Cell Service	\$62.50 per month x12 months x 2 phones	\$1,500
NARCAN	1,000 doses x \$40 per dose	\$40,000
Fentanyl Strips	.75 per strip x 10,000	\$7,500
<b>FEDERAL REQUEST - (enter in Section B column 1, line 6e of SF-424A)</b>		<b>Year 1 \$66,100</b>

**FEDERAL REQUEST -Justification for Supplies**

1. Info USA \*- marketing database for use in public awareness.
2. Peer cell phones \* and cell service for peer support to have contact with clients and other staff members.
3. Body Armor \* to be issued to staff for safety at home visit follow ups.
4. Computers \*- Computers/Laptops to be used by all project staff. Included is software, hardware, docking stations, case, ups and any taxes/shipping.
5. Office supplies to be used by project staff. Including file folders, printer cartridges, labels, pens, postage, paper and etc. (general office supplies)
6. Training Supplies- cost of materials for conducting quarterly workshops to first responders regarding administration of NARCAN and handling fentanyl related substance. This includes printing, handouts, binding.
7. NARCAN to be issued to first responders.
8. Fentanyl Strips to be used by EMS staff and to be used at safety training demos.

**Year 1 (one) only \***

## F. CONTRACTUAL

Name (1)	Service (2)	Rate (3)	Other	Cost (4)
(1) To be Announced	PSA	Advertising on buses, billboards \$8,000 per year		\$ 8,000
(2) To be Announced	Addiction Policy Forum	\$10,000 per year that includes on site and virtual support each year.		\$10,000
(3) Southeast Center for Strategic Community Development LLC	Evaluators	\$6,250 per quarter	12-month period	\$25,000
<b>FEDERAL REQUEST – (enter in Section B column 1, line 6f of 424A)</b>				Year 1 \$43,000

### FEDERAL REQUEST –Justification for Contracts

1. Advertising for MAR Services on Palmetto Breeze buses, billboards, electronic signs, PSA productions and distribution cost and other multimedia use and etc.
2. Addiction Policy Forum- Assistance with implementation planning and support for community awareness. Includes on site and virtual support throughout project.
3. The Evaluation Team is an experienced team with expertise in substance abuse, law enforcement, research and evaluation, is knowledgeable about the population of focus, and will be responsible for all data collection and reporting.

## G. CONSTRUCTION: Construction or major alternation and renovation are not authorized under this program.

## H. OTHER

Item	Rate	Cost
<b>FEDERAL REQUEST (enter in Section B column 1, line 6h of SF-424A)</b>		\$0

**I. TOTAL DIRECT CHARGES**

<b>FEDERAL REQUEST – TOTAL DIRECT CHARGES - Section B column 1, line 6i of SF-424A</b> (The Total Direct Charges will sum automatically on the form)	\$
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**J. INDIRECT COST RATE**

<b>Calculation (1)</b>	<b>Indirect Cost Charged to the Award (2)</b>
<b>FEDERAL REQUEST – (enter in Section B column 1, line 6j of SF-424A)</b>	<b>\$0</b>

Proposed Project Period

a. Start Date: 09/30/2021      b. End Date: 09/29/2025

**BUDGET SUMMARY**

Category	Year 1	Year 2*	Year 3*	Year 4*	Year 5*	Total Project Costs
Personnel	\$280,839	\$280,839	\$280,839	\$280,839	0	\$1,123,356
Fringe	\$90,796	\$90,796	\$90,796	\$90,796	0	\$363,184
Travel	\$15,948	\$13,300	\$13,300	\$13,300	0	\$55,848
Equipment					0	
Supplies	\$66,100	\$51,500	\$51,500	\$51,500	0	\$220,600
Contractual	\$43,000	\$43,000	\$43,000	\$43,000	0	\$172,000
Other						
<b>Total DirectCharges</b>						
<b>Indirect Charges</b>						
<b>Total ProjectCosts</b>	<b>\$496,683</b>	<b>\$479,435</b>	<b>\$479,435</b>	<b>\$479,435</b>		<b>\$1,934,988</b>

**\*FOR REQUESTED FUTURE YEARS:**

1. Travel differs in years 2-4. The travel to a training for the peer support to be held out of town is only a need for year one. Once the peer support personnel is trained, training will be just updates during the next years of funding and should be able to be held within our area.
2. Supplies differ from year to year. Computers, Body armor and cell phones are a one-time purchase.

**ASSURANCES - NON-CONSTRUCTION PROGRAMS**

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

<p>SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL</p> <p>Shannon Milroy</p>	<p>TITLE</p> <p>Grants Accountant</p>
<p>APPLICANT ORGANIZATION</p> <p>County of Beaufort</p>	<p>DATE SUBMITTED</p> <p>05/17/2021</p>

Standard Form 424B (Rev. 7-97) Back



### Other Attachment File(s)

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\* **Mandatory Other Attachment Filename:**

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To add more "Other Attachment" attachments, please use the attachment buttons below.

## **Appendix D – Confidentiality and SAMHSA Participant Protection/Human Subjects Guidelines**

Confidentiality and Participant Protection:

### **1. Protect Clients and Staff from Potential Risks**

- **Identify and describe the foreseeable physical, medical, psychological, social, and legal risks or potential adverse effects participants may be exposed to as a result of the project.**

The proposed **Beaufort County, South Carolina FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grant (hereafter called “The Beaufort County 1<sup>st</sup> Responders Project”)** entails a collaboration between Beaufort County first responders (Beaufort County EMS, partner fire and EMS services, Beaufort County Sheriff’s Office, and other law enforcement in Beaufort County), Beaufort County Alcohol and Drug Abuse Department (the county substance abuse treatment and prevention authority, also known as BCADAD), and other community stakeholders. As such, the target population is likely to be under the influence of one or more substances and engaged in some level of activity in Beaufort County. It is therefore the aim of the proposed project to provide trained treatment support to help address substance misuse issues and prevent further criminal or legal complications. There are no foreseeable physical, medical, psychological, social, or legal risks or adverse effects as the result of any data collection activity. All data collected is either derived from archival sources or collected as a regular part of the county partners working under the proposed **Beaufort County, South Carolina FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grant (hereafter called “The Beaufort County 1<sup>st</sup> Responders Project”)**. A working group of Beaufort County partners formed “The Beaufort County Opioid Taskforce Consortium” because all partners saw the strategic need to work together collaboratively and in partnership to eradicate the harm done through opioid use disorders to substance users and the community.

- **Identify and describe the foreseeable physical, medical, psychological, social and legal risks or potential adverse effects staff may be exposed to as a result, of the project.**

There are no foreseeable physical, medical, psychological, social, or legal risks or adverse effects as the result of any data collection activity. All data collected is either derived from archival sources or collected as a regular part of the county partners working under The Beaufort County 1<sup>st</sup> Responders Project.

- **Describe the procedures you will follow to minimize or protect participants and staff against potential risks, including risks to confidentiality.**

The evaluation plan for the proposed project has been designed to meet all federal and state requirements governing client confidentiality. As such, no personal or confidential information will be made available to members of the evaluation team. Individual treatment cases will not be reviewed by the evaluation team, and only aggregate numbers reported (e.g., number of treatment admissions, number of administrations of NARCAN, etc.) for use in the evaluation protocol.

- **Identify your plan to provide guidance and assistance in the event there are adverse effects to participants and/or staff.**

The project evaluators will meet regularly with The Beaufort County Opioid Taskforce Consortium. If an adverse effect is observed, the plan calls for immediate referral to a qualified provider to assist with any concerns identified.

## **2. Fair Selection of Participants**

- **Explain how you will recruit and select participants.**

Participants eligible for participation are those with a primary issue related to Opioid misuse or overdose who meet in any situations involving community partners on the proposed project.

- **Identify any individuals in the geographic catchment area where services will be delivered who will be excluded from participating in the project and explain the reasons for this exclusion.**

No one with an Opioid misuse disorder that fits within the project requirements will be excluded from treatment services. Individuals can refuse services including substance abuse treatment.

## **3. Absence of Coercion**

- **If you plan to compensate participants, state how participants will be awarded incentives (e.g., gift cards, bus passes, gifts, etc.) If you have included funding for incentives in your budget, you must address this item. (A recipient or treatment or prevention provider may provide up to \$30 non-cash incentive to individuals to participate in required data collection follow up. This amount may be paid for participation in each required follow-up interview.)**

Not applicable. No compensation employed.

- **Provide justification that the use of incentives is appropriate, judicious, and conservative and that incentives do not provide an “undue inducement” that removes the voluntary nature of participation.**

Not applicable. No compensation employed.

- **Describe how you will inform participants that they may receive services even if they chose to not participate in or complete the data collection component of the project.**

Individuals enroll in program services, with no requirements related to data collection. Treatment agency partners provide aggregate summary reports detailing overall service levels. This is the same data that is reported to the state and available as part of state reports summarizing service levels.

## **4. Data Collection**

- **Identify from whom you will collect data (e.g., participants, family members, teachers, others).**

For clarity, the description of the identification of individuals from which data will be collected and the data collection procedures are combined in the next bulleted item.

- Describe the data collection procedures and specify the sources for obtaining data (e.g., school records, interviews, psychological assessments, questionnaires, observation, or other sources). Identify what type of specimens (e.g., urine, blood) will be used, if any. State if the specimens will be used for purposes other than evaluation.

Data collection is confined to three elements:

### 1. Archival sources

This data is obtained from local and state sources regarding treatment admissions, treatment discharges, NARCAN administrations, law enforcement response calls, Opioid overdose cases, prescription, mortality rate, and other indicators. All data is in the aggregate form, with no personal identifiers.

### 2. Media Reports Related to Use

A media dashboard will be devised that involves monthly queries conducted of the Beaufort Gazette, The Island News, Lowcountry Weekly, Bluffton Today, El Informador (Spanish language newspaper), Island Packet, Live 5 News, WHHI Television, and other applicable media outlets with specific keywords identified at the beginning of the project. Because Beaufort County is situated approximately 36 miles from Savannah, Georgia, Beaufort County happenings are covered by the Savannah media market. Additionally, Beaufort County residents receive Charleston television stations and occasionally, news events in Beaufort County are covered by Charleston television stations. The number of stories is collected each month and categorized as to relating to opioid and other substance abuse or misuse (public awareness, enforcement, and related topics). Reports are provided to the evaluator and evaluation team each month.

### 3. Anonymous Electronic and Paper Surveys Collected in the Community

A survey instrument will be deployed in the community that queries residents about substance use and misuse issues. The survey will be deployed in paper form and electronically. Survey completion is voluntary and anonymous. No personal information such as name, address, or any contact information will be collected. Paper forms will be returned to the project offices and the responses will be entered by hand into a database. Responses to the electronic version of the survey will be submitted directly to an online database that is secure. Preliminary analyses will occur monthly.

- In Attachment 2, "Data Collection Instruments/Interview Protocols," you must provide copies of all available data collection instruments and interview protocols that you plan to use (unless you are providing the web link to the instrument(s)/protocol(s)).

### 5. Privacy and Confidentiality

- Explain how you will ensure privacy and confidentiality. Describe 1) where data will be stored, 2) who will have access to the data collected, and 3) how the identity of participants will be kept private, for example, through the use of a coding system on data records, limiting access to records, or storing identifiers separately from data.

Data collected is primarily archival data that is reported to state agencies by police, sheriff's office, emergency medical services, fire department, health department, hospital, mental health department, and substance abuse treatment agencies. No information is to be collected with

personally identifiers from any participant. Archival and survey data will be stored on private computers, again, with no personal identifiers included. All data is readily available for public download through state sources. All project personnel will adhere to the provisions of Title 42 of the Code of Federal Regulations, Part II, which in part assures the confidentiality of alcohol and drug abuse client records.

#### **6. Adequate Consent Procedures**

• **Include, as appropriate, sample consent forms that provide for: (1) informed consent for participation in service intervention; (2) informed consent for participation in the data collection component of the project; and (3) informed consent for the exchange (releasing or requesting) of confidential information. The sample forms must be included in Attachment 3, "Sample Consent Forms", of your application. If needed, give English translations.**

According to the model to be employed in the proposed **The Beaufort County 1<sup>st</sup> Responders Project**, The Beaufort County Opioid Taskforce Consortium or any other project partner can provide individuals the opportunity to participate in the project. If the individual agrees, a treatment provider case manager is contacted and the consent to treatment form completed. Any individual who refuses to give consent, is not enrolled in the program. All participation is strictly voluntary. Any individual may elect to discontinue treatment services at their discretion. No specific harms are identified with participation, although leaving treatment services may be associated with ongoing harm associated with substance misuse.

• **Explain how you will obtain consent for youth, the elderly, people with limited reading skills, and people who do not use English as their first language. Describe how the consent will be documented. For example: Will you read the consent forms? Will you ask prospective participants questions to be sure they understand the forms? Will you give them copies of what they sign?**

The project is not structured to serve youth or actively engage their participation. All project partners will employ existing protocol for dealing with youth, elderly, people with limited reading skills, and those who do not use English as their second language. Project personnel will never imply that the participant waives or appears to waive any legal rights, may not end involvement with the project, or releases your project or its agents from liability for negligence.

#### **7. Risk/Benefit Discussion**

• **Discuss why the risks you have identified in Element 1. (Protect Clients and Staff from Potential Risks) are reasonable compared to the anticipated benefits to participants involved in the project.**

The two most significant risks for individuals in the target population is substance related (overdose, deteriorating health, etc.) or legal (arrest, incarceration, etc.). The benefit to participation however is important and provide resources to help ameliorate those concerns.

#### **Protection of Human Subjects Regulations**

SAMHSA expects that most recipients funded under this announcement will not have to comply with the Protection of Human Subjects Regulations (45 CFR 46), which requires Institutional

Review Board (IRB) approval. According to 45 CFR 26, a human subject is "a living individual about whom an investigator (whether professional or student) conducting research:

- Obtains information or biospecimens through intervention or interaction with the individual, and uses, studies, or analyzes the information or biospecimens; or
- Obtains, uses, studies, analyzes, or generates identifiable private information or identifiable biospecimens."

The data collected for the project is expected from three sources; 1) Anonymous Electronic and Paper Surveys Collected in the Community, 2) Media Reports Related to Use, and 3) Archival sources. Following the definition provided in 45 CFR 46, the proposed project described in the application does not involve human subjects' research. Therefore, Institutional Review Board (IRB) approval is not needed.

**APPENDIX G –  
BIOGRAPHICAL SKETCHES AND POSITION DESCRIPTIONS**

**BIOGRAPHICAL SKETCHES**

- 1. Name:** John Howell Youmans III  
**2. Educational background:** EMS Management, Technical College of the Lowcountry, 1977; Associate of Science, University of South Carolina – Beaufort, 1985; Business Administration, University of North Carolina at Charlotte, 2003  
**3. Professional experience:**  
-South Carolina Emergency Medical Technician - Paramedic  
December, 1978 - Current  
-National Registry of Emergency Medical Technicians - Paramedic  
June 1986 - Current  
*American Heart Association*  
-Basic Cardiac Life Support Provider/Instructor  
-Advanced Cardiac Life Support Provider/Instructor  
-Pediatric Advanced Life Support -Provider  
-FEMA, Various roles 1998-2010  
-South Carolina Paramedic Competition - State Champion 1991, 1992, 1994, 1995  
-2000 Harmony Lodge EMS Professional of the Year  
- 1997 S.C. Emergency Medical Services -Jack Niles, M.D. Award for Excellence in Education  
**4. Recent relevant publications:** N/A

- 
- 1. Name:** Steve W. Donaldson  
**2. Educational background:** Bachelor of Arts, University of South Carolina, 1990; Masters of Education and Addiction Studies, summa cum laude, University of South Carolina, 1994  
**3. Professional experience:**  
· 2004- 2018 Commissioner and Chair of the South Carolina Alcohol and Drug Counselor Certification Commission  
· Chair of the Clinical and Medical Platform and committee member for the DAODAS/BHSA 301 System's Electronic Health Record – State of South Carolina  
· National Standards Committee Member for the Development of Technology Based Clinical Supervision through the University of Nevada at Reno  
· 1996-1997- Co-founded the Salvation Army start an alcohol and drug abuse program for the homeless (Columbia, SC)  
· 2018-Present – Executive Director – Beaufort County Alcohol and Drug Abuse Department  
· 2010-2018 – Treatment Director – Charleston Center  
· 1997-2010 – Program Administrator, Inpatient Services – Charleston Center  
· 1988-1997 – Chief Addiction Specialist/Clinical Supervisor – Morris Village  
**4. Recent relevant publications:** N/A

**1. Name:** Michael D. George, PhD

**2. Educational background:** BA, Birmingham-Southern College, 1980; MS, Justice and Public Safety, Auburn University, 1991; PhD, Public Policy and Administration, Walden University, 2016

**3. Professional experience:**

- Program Evaluator, Pacific Institute of Research & Evaluation, 2007-Present
- Senior Law Enforcement Liaison, SC Department of Public Safety, 2004-2007
- Project Coordinator, SC Department of Public Safety, 2000-2003
- Statewide Coordinator, UGA Occupant Safety Program, 1999-2000
- Project Coordinator OP-STEP, SC Department of Public Safety, 1997-1999
- Investigator, Tallahassee Department of Public Safety, 1995-1997

**4. Recent relevant publications:**

- George, M. D., Holder, H.D., McKenzie, P.N., Faile, B.S, Mueller, H.R., & Stover-Blair, L. (2021). Reducing Underage Drinking through Visible Home Visits by Law Enforcement: An Efficacy Case Study over 29 Months. Submitted for publication.
- George, M. D., Holder, R., Shamblen, S., Nienhius, M. M., & Holder, H. D. (2021). Alcohol Compliance Checks and Underage Alcohol-Involved Crashes: Evaluation of a Statewide Enforcement Program in South Carolina from 2006 to 2016. *Alcoholism: Clinical and Experimental Research*, n/a(n/a). doi: <https://doi.org/10.1111/acer.14507>
- George, M. D. (2019). Building Community Support for Impaired Driving Enforcement. (Solicitation No. DTNH-22-14-R-00782). Washington, DC: National Highway Traffic Safety Administration.
- George, M. D., Bodiford, A., Humphries, C., Stoneburner, K. A., & Holder, H. D. (2019). Media and education effect on impaired driving associated with alcohol service. *Journal of Drug Education*, 48(3-4):86-102. <https://doi.org/10.1177/0047237919859658>
- George, M., Holder, H., McKenzie, P., Mueller, H., Faile, B., Herchek, D. (2018). Replication of a controlled community prevention trial: Results from a local implementation of science-based intervention to reduce impaired driving. *Journal of Primary Prevention*, 39, 47-58. <https://doi.org/10.1007/s10935-017-0499-y>
- George, M. D. (2016). A study of collaborative leadership in South Carolina Alcohol Enforcement Teams. (Ph.D. Doctoral Dissertation), Walden University, Ann Arbor. ProQuest Dissertations & Theses Global database. (1799913739).



**POSITION DESCRIPTIONS**

**1. Title of position:** Field Support and Training Coordinator

**2. Description of duties and responsibilities:** Implement the CORE team model by providing home visits within three days of an overdose event and offering support and referral services for treatment. In addition, this position will conduct training, train in safe handling of opioids, provide reporting, assist with data collection, and serve on Advisory council

**3. Qualifications for position:** Associates degree in a related field or equivalent experience, understanding of opioid epidemic and best treatment options available

**4. Supervisory relationships:** Report to their respective Fire or EMS departments and in regular contact with Project Director

**5. Skills and knowledge required:** Thorough understanding of opioid epidemic and best treatment options available, ability to build rapport with clients, provide life-saving emergency care

**6. Amount of travel and any other special conditions or requirements:** Must be willing and able to travel to client homes with CORE first responder team for follow ups and referrals

**7. Salary range:** \$35,000 - \$40,000

**8. Hours per day or week:** 40 hours per week

**1. Title of position:** Peer Recovery Support Staff

**2. Description of duties and responsibilities:** Implement the CORE team model by providing home visits within three days of an overdose event and offering support and referral services for treatment. In addition, this position will conduct training, train in safe handling of opioids, provide reporting, assist with data collection, and serve on Advisory council. The PRSS will also be responsible for maintaining relationships with all partners in the referral network as well as all clients served in order to ensure the best pathway for treatment.

**3. Qualifications for position:** A history of an opioid use or other substance use disorder with two years of sustained and verifiable recovery. Preferred candidates have already taken the Peer Recovery Support Training that is approved by the single state substance abuse authority. Peers also are required to have a high school education of GED equivalence.

**4. Supervisory relationships:** The PRSS team will be supervised by BCADAD and in regular contact with the Project Director

**5. Skills and knowledge required:** Skills required for the position are the four pillars of peer recovery support, which is the industry standard; ability to read, write, communicate effectively within the context of a fast-paced community-oriented team. Computer skills are also essential to track data and to compile reports, as directed.

**6. Amount of travel and any other special conditions or requirements:** Travel is also involved for the position since this position will be working in the field or co-located at a first responder location. A valid driver's license is required, in view of responsibilities to travel between the BCADAD, EMS locations assigned, and to the homes of suspected overdose survivors.

**7. Salary range:** \$33,000-\$37,000

**8. Hours per day or week:** 40 hours per week

1. **Title of position:** Project Director
  2. **Description of duties and responsibilities:** Oversee all aspects of operation including scheduling, project management, coordination of public awareness and overdoes prevention campaign, convene CQI meetings, performance measure submission, data collection, and reporting.
  3. **Qualifications for position:** Current Beaufort County EMS Deputy Director
  4. **Supervisory relationships:** Will manage the CORE team and Project Coordinator
  5. **Skills and knowledge required:** Thorough understanding of opioid epidemic and best treatment options available, ability to manage a team, at least 10 years of experience in a first responder position
  6. **Amount of travel and any other special conditions or requirements:** No travel required
  7. **Salary range:** \$45,000-\$50,000
  8. **Hours per day or week:** 40 hours per week
- 

1. **Title of position:** Project Coordinator
  2. **Description of duties and responsibilities:** Assist with implementation, budget oversight, management and evaluation of project. Help facilitate data collection, aggregation and analysis, with support from a Research Team for local decision-making use and federal reporting. Submit all required Performance Measures into the online reporting system, as well as all necessary reports to funder. Convene the Continuous Quality Improvement meetings with opioid consortium members and liaison with each member of the team.  
Assist with development and implementation of the safety training, community awareness and education campaign. Work with team to assist with sustainability plans. Assist with dissemination activities, public awareness, and media exposure.
  3. **Qualifications for position:** Bachelors Degree in Human Services field.
  4. **Supervisory relationships:** Report to Beaufort County EMS Deputy Director
  5. **Skills and knowledge required:** Ability to read, write, communicate effectively within the context of a fast-paced community-oriented team. Computer skills are also essential to track data and to compile reports, as directed.
  6. **Amount of travel and any other special conditions or requirements:** No travel
  7. **Salary range:** \$65,000
  8. **Hours per day or week:** 40 hours per week
-



Steve Donaldson  
Beaufort Alcohol and Drug Abuse Director  
PO Drawer 1228. Beaufort, SC 29901  
[sdonaldson@bcgov.net](mailto:sdonaldson@bcgov.net)  
843-255-6008

May 6, 2021

Re: Funding Opportunity Announcement (FOA) No. TI-21-009

To: Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration,

The Beaufort County Alcohol and Drug Abuse Department is pleased to commit to working with the Beaufort County Emergency Management Services Department (EMS) and other rural located first responders on the FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grants Project. The EMS department is a opioid taskforce consortium member, and the consortium's goal is to work together collaboratively and in partnership to eradicate the harm done through opioid use disorders to substance users and the community.

A partnership with first responders through the work plan proposed in this project with Beaufort County EMS, as the lead agency, is fully supported. Innovative interventions are deemed necessary to help to curb the trend of rising overdoses and fatalities in Beaufort County and Beaufort County Alcohol and Drug Abuse Department (BCADAD) is pleased to be a grant partner.

The BCADAD commits to participating in the scope of work as appropriately identified in the work plan, and also to support process improvement activities that may be identified throughout the project.

Should you have any questions, please do not hesitate to reach out and ask them.

Steven Donaldson, CCS, MAC, LAC, AADC  
Executive Director  
Beaufort County Alcohol and Drug Abuse Department

Should you have any questions or concerns, please contact me. I would be happy to discuss further.

*Steve Donaldson*

Steve Donaldson, Director  
Beaufort County Alcohol and Drug Abuse Department

Mailing Address: Post Office Drawer 1228 • Beaufort, SC 29901-1228 • [www.beaufortcountysc.gov](http://www.beaufortcountysc.gov)  
Human Services Building • 1905 Duke Street, Suite 270 • Beaufort, SC 29902 • 843.255.6000  
Bluffton Government Center • 4819 Bluffton Parkway, Suite 303 • Bluffton, SC 29910 • 843.255.6020



LADY'S ISLAND - ST. HELENA FIRE DISTRICT  
146 LADY'S ISLAND DRIVE  
BEAUFORT, SOUTH CAROLINA 29907  
PHONE: 843-525-7692



BRUCE KLINE, CHIEF

MELINDA ELLIS, CHAIRWOMAN

May 10, 2021

Re: Funding Opportunity Announcement (FOA) No. TI-21-009

To: Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

The Lady's Island - St. Helena Fire District is pleased to commit to working with the Beaufort County Emergency Medical Services Department (EMS) and other rural local located first responders on the FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grants Project. The EMS department is an opioid taskforce consortium member, and the consortium's goal is to work together collaboratively and in partnership to eradicate the harm done through opioid use disorders to substance users and the community.

A partnership with first responders through the work plan proposed in this project, with Beaufort County EMS as the lead agency, is fully supported. Innovative interventions are deemed necessary to help curb the trend of rising overdoses and fatalities in Beaufort County and the Lady's Island - St. Helena Fire District is pleased to be a grant partner.

The Lady's Island - St. Helena Fire District commits to participating in the scope of work as appropriately identified in the work plan, and also to support process improvement activities that may be identified throughout the project.

Should you have any questions, please do not hesitate to contact me by phone at 843-525-7692, or by email at Chiefkline@staff.lishfd.org.

Sincerely,

  
Bruce Kline  
Fire Chief

**HARRY G. ROUNTREE  
FIRE CHIEF**

**WORK: (843) 255-8011**



**36 BURTON HILL RD  
BEAUFORT, SC 29906**

**FAX: (843) 521-5540**

**DUTY ♦ HONOR ♦ PRIDE**

<http://www.Burtonfd.org>

**ISO CLASS 2**

May 13, 2021

To: Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration,

From: Assistant Chief Brian Wagner

Re: Funding Opportunity Announcement (FOA) No. TI-21-009

To whom it may concern:

The Burton Fire District realizes the gravity of the opiate crisis in America, which has not spared the resources and lives here in Beaufort County. Therefore, the Burton Fire District is committed to working with the Beaufort County Emergency Management Services Department (EMS) and other rural located first responders on the FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grants Project.

The Burton Fire District is an opioid taskforce consortium member, and the consortium's goal is to work together collaboratively and in partnership to eradicate the harm done through opioid use disorders to substance users and the community.

A partnership with first responders through the work plan proposed in this project with Beaufort County EMS, as the lead agency, is fully supported. Innovative interventions are deemed necessary to help to curb the trend of rising overdoses and fatalities in Beaufort County and Burton Fire District is pleased to be a grant partner.

The Burton Fire District commits to participating in the scope of work as appropriately identified in the work plan, and to support process improvement activities that may be identified throughout the project as part of the advisory council.

Should you have any questions, please do not hesitate to reach out and ask them.

Sincerely,

Brian Wagner B.S., NRP, EMT-T  
Assistant Chief/Paramedic  
Emergency Medical Program Director  
Burton Fire District  
Beaufort, South Carolina



P. J. Tanner  
Sheriff

**OFFICE OF SHERIFF  
BEAUFORT COUNTY**  
POST OFFICE BOX 1758  
BEAUFORT, SOUTH CAROLINA 29901

AREA CODE **Item 12.**

SHERIFF	255-3200
CHIEF DEPUTY	255-3192
CRIMINAL RECORDS	255-3232
CRIMINAL WARRANTS	255-3228
CIVIL RECORDS	255-3188
JUDGMENTS	255-3189
FAX #	255-9405
WEB SITE	www.bcsos.net

From: Sheriff P. J. Tanner

May 11, 2021

Re: Funding Opportunity Announcement (FOA) No. TI-21-009

To: Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration,

The Beaufort County Sheriff's Office (BCSO) realizes the gravity of the opiate crisis in America, which has not spared the resources and lives here in Beaufort County. Therefore, the BCSO is committed to working with the Beaufort County Emergency Medical Services (EMS) and other rural located first responders on the FY 2021 First Responders-Comprehensive Addiction and Recovery Act Grants Project.

The BCSO is an opioid taskforce consortium member, and the consortium's goal is to work together collaboratively and in partnership to eradicate the harm done through opioid use disorders to substance users and the community.

A partnership with first responders through the work plan proposed in this project with Beaufort County EMS, as the lead agency, is fully supported. Innovative interventions are deemed necessary to help to curb the trend of rising overdoses and fatalities in Beaufort County, and the Beaufort County Sheriff's Office (BCSO) is pleased to be a grant partner.

The BCSO commits to participating in the scope of work as appropriately identified in the work plan, and also to support process improvement activities that may be identified throughout the project as part of the advisory council

Should you have any questions, please do not hesitate to reach out to me for clarification and edification.

  
Sincerely,



*Beaufort County Sheriff's Office... "Dedicated, Professional Service"*

**APPENDIX C – STATEMENT OF ASSURANCE**

The authorized representative of the applicant organization (whose signature appears on the Face Page of the application, SF-424) must complete and sign this Assurance, which validates that the information submitted is accurate. Applicants must specify the geographic catchment area in which the project will be implemented. Rural applicants must specify if the project will be implemented in a community of high need.

The project will be implemented in the following census tracts designated rural:

<b>Beaufort County Eligible Census Tracts</b>		
45013000100	45013000400	45013000503
45013000200	45013000501	45013000600
45013000300	45013000502	45013000700
45013000800	45013000902	45013000903
45013000901	45013001101	45013001000

Please check the appropriate box:

The organization will be implementing the project in a **rural geographic area** not located in a metropolitan statistical area (as defined by the Office of Management and Budget).

The organization will be implementing the project in a **non-rural geographic area** located in a metropolitan statistical area (as defined by the Office of Management and Budget).

If you are applying as a rural applicant, please check the appropriate box:

The project will be implemented in a community of high need.

The project will not be implemented in a community of high need.

John H. Youmans III Deputy Director Beaufort County EMS  
Name and Title of Authorized Representative

  
Signature of Authorized Representative

May 12, 2021  
Date of Signature





## DEPARTMENT OF HEALTH AND HUMAN SERVICES

**ASSURANCE OF COMPLIANCE**

ASSURANCE OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, SECTION 504 OF THE REHABILITATION ACT OF 1973, TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, THE AGE DISCRIMINATION ACT OF 1975, AND SECTION 1557 OF THE AFFORDABLE CARE ACT

The Applicant provides this assurance in consideration of and for the purpose of obtaining Federal grants, loans, contracts, property, discounts or other Federal financial assistance from the U.S. Department of Health and Human Services.

THE APPLICANT HEREBY AGREES THAT IT WILL COMPLY WITH:

1. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
2. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 84), to the end that, in accordance with Section 504 of that Act and the Regulation, no otherwise qualified individual with a disability in the United States shall, solely by reason of her or his disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
3. Title IX of the Education Amendments of 1972 (Pub. L. 92-318), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 86), to the end that, in accordance with Title IX and the Regulation, no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any education program or activity for which the Applicant receives Federal financial assistance from the Department.
4. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 91), to the end that, in accordance with the Act and the Regulation, no person in the United States shall, on the basis of age, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
5. Section 1557 of the Affordable Care Act (Pub. L. 111-148), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 92), to the end that, in accordance with Section 1557 and the Regulation, no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any health program or activity for which the Applicant receives Federal financial assistance from the Department.

The Applicant agrees that compliance with this assurance constitutes a condition of continued receipt of Federal financial assistance, and that it is binding upon the Applicant, its successors, transferees and assignees for the period during which such assistance is provided. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Department, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant for the period during which it retains ownership or possession of the property. The Applicant further recognizes and agrees that the United States shall have the right to seek judicial enforcement of this assurance.

The person whose signature appears below is authorized to sign this assurance and commit the Applicant to the above provisions.

5/14/2021

Date

Whitney Richland

Signature of Authorized Official

Whitney Richland, ACA/Chief Financial Officer

Name and Title of Authorized Official (please print or type)

Please mail form to:

U.S. Department of Health & Human Services

Office for Civil Rights

200 Independence Ave., S.W. Room 509F

Washington, D.C. 20201

Beaufort County

Name of Agency Receiving/Requesting Funding

106 Industrial Village Rd., Building 2

Street Address

Beaufort, SC 29906

City, State, Zip Code



# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
Resolution to Repurpose Community Foundation of the Lowcountry's 2021 Local ATAX Grant Award
<b>MEETING NAME AND DATE:</b>
Finance Committee, September 20, 2021
<b>PRESENTER INFORMATION:</b>
Shannon Milroy, Grants Administrator 10 minutes
<b>ITEM BACKGROUND:</b>
Finance Committee Vote: February 25, 2021 Council Vote: Third Reading and Approval – April 12, 2021
<b>PROJECT / ITEM NARRATIVE:</b>
Request to repurpose 2021 Local ATAX Grant Award made to Community Foundation of the Lowcountry. See attached letter from Billy Keyserling explaining the requested change.
<b>FISCAL IMPACT:</b>
No fiscal impact
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Allow Community Foundation of the Lowcountry to repurpose their award
<b>OPTIONS FOR COUNCIL MOTION:</b>
Motion to approve a resolution to repurpose Community Foundation of the Lowcountry's 2021 Local ATAX Grant Award  Motion to deny a resolution to repurpose Community Foundation of the Lowcountry's 2021 Local ATAX Grant Award



August 23, 2021

Dear Chairman Lawson:

On behalf of Brick Baptist Church and Grand Army Hall and our team at "Second Founding of America" working to support the Reconstruction Era National Historical Park and the Reconstruction Era Historic Network (of related sites across the country), I want to thank you, the Finance Committee and Beaufort County Council for awarding ATAX funding for the restoration of the Deacon's Study Cottage at Brick Baptist Church and foundation work at the Grand Army Hall of the Republic. We are about to commence work on the cottage and soon thereafter the Hall.

Before we make a first draw on our ATAX award, I would like to make a request to modify and repurpose our grant award as follows:

1. We would like to use \$106,000 of the county ATAX grant for its initially awarded purpose - phase I of the Brick Church cottage restoration.
2. We would like the balance of the award (\$276,455) to be designated as a match towards the purchase of the Robert Smalls house.

To give a little background and explain further, in addition to the Beaufort County Local ATAX Program, we applied to multiple sources for the restoration projects, which included the Stokes Family Cottage. We were not awarded a portion of our ask to Beaufort County, because of an ownership issue we withdrew that portion of our request because we did not want to tie up county funds until we had a sure project.

The good news is that we received funding from the National Park Service (NPS) for the same projects, which includes Brick Baptist Church, Grand Army Hall of the Republic and the Stokes Cottage, but the award requires a \$106,000

match. The total award with the match earns us \$480,000 that covers all costs including the Stokes cottage on which we are still working with the owners.

I am requesting permission to invest the \$106,000 in the Brick Baptist Church project as the match for the NPS Grant, which in turn will lead to completion of the three properties contained in this project using federal dollars. The timing of this change, if approved, potentially allows us to use the remainder of our Local ATAX Award for another project.

"Second Founding of America", with financial backing from my brother Paul and I borrowing \$1.7 million, purchased the iconic Robert Smalls House because we believe it's a generational opportunity for the people of Beaufort County. The Reconstruction Era National Historical Park, Mitchellville and the many other known (and to be found sites) throughout Beaufort, Bluffton, Port Royal, Hilton Head Island and unincorporated parts of the county will be a large tourist draw to Beaufort County.

Through a memorandum of understanding with the National Trust for Historic Preservation (NTHP):

1. Paul and I borrowed the money and have possession of the Robert Smalls House;
2. Paul and I are collaborating with the NTHP to raise \$2 million required to retire the debt and create a maintenance endowment of \$300,000 as quickly as possible;
3. Once the debt is retired, Paul and I will deed the property to the NTHP;
4. All Funds raised for the project will be directed to and held by the NTHP - Robert Smalls Restricted Account. This assures the donors that Paul and I have no conflict of interest, but more importantly it gives donors the comfort that their funds are in the hands of one of the nation's largest and most effective preservation organizations;
5. The ultimate goal is for the NTHP to transition the property to the National Park Service to become, what is likely, the most iconic site within the Reconstruction Era National Historical Park. In terms of ATAX, this will likely draw more visitors who will also visit our other great cultural and heritage sites/organizations. The transfer will require a line item in the federal budget that ensures the NPS has the resources to operate and maintain the Robert Smalls House in perpetuity. This is being worked on in Congress for next fiscal year.

To ensure the county that the funds will be used as a match for the Smalls' House, we request that the County's contribution to be sent to the Community Foundation of the Lowcountry (SFA's fiscal agent) Reconstruction Account and then, as dollars for a match are received, CFLC will direct the funds to the NTHP "Robert Smalls Account."

We would like to get this change in the works as soon as possible because the sooner the NTHP sees local buy in, the more motivated they will be to accomplish the mission as a priority.

I realize that what I am asking will require an ordinance change because ATAX allocations are authorized by ordinances. I talked briefly with the County Administrator and County Finance Director and believe I understood them correctly as to the process.

I hope you will agree that this is an exciting opportunity and that by making the adjustment, we will be leveraging the county's ATAX allocation to exponentially have an even greater impact than originally proposed. I will be happy to answer any questions and hope to hear from you or staff as to next steps to get our request before the Committee and hopefully achieve support to take it to the full council.

Thanks again.

Be Safe. Stay Well. With best wishes

Sincerely,



Billy Keyserling

[billyk@islc.net](mailto:billyk@islc.net)

843-521-2600

CC: Eric Greenway  
Hayes Williams

ORDINANCE NO. 2021/ \_\_\_\_

AN ORDINANCE TO APPROPRIATE GRANT AWARDS TO LOCAL ENTITIES FROM THE COUNTY'S LOCAL (3%) ACCOMMODATIONS TAX AND LOCAL HOSPITALITY TAX COLLECTIONS FOR THE YEAR ENDING JUNE 30, 2021.

WHEREAS, Beaufort County Council ("County Council") is authorized to utilize Local Accommodations Tax ("Local A-Tax") Funds for limited tourism-based purposes described in Beaufort County Code Ordinance Sec. 66-44; and

WHEREAS, Beaufort County Ordinance Sec. 66-534 describes permitted uses of the hospitality tax fund

WHEREAS, Beaufort County Code Ordinance Sec. 66-44(b) states "authorization to utilize any funds from the 'County of Beaufort, South Carolina, Local Accommodations Tax Account' shall be by ordinance duly adopted by the County Council; and

WHEREAS, Section 66-534(b) states "authorization to utilize any funds from the "County of Beaufort, South Carolina Hospitality Tax Account," shall be by ordinance duly adopted by the county council; and

WHEREAS, Beaufort County started the Local Accommodation Tax and Local Hospitality Tax application process in September of 2020, with the closing of applications on December 31, 2020. The applications were reviewed by the Local Accommodation Tax and Local Hospitality Tax Committee for compliance with the Local Statutes and their individual need and merit; and

WHEREAS, County Council finds that it is in the best interest of its citizens, residents, visitors and tourists to provide the recommended funds to local entities and projects as set forth in the attached "Exhibit A" which is incorporated herein by reference.

NOW, THEREFORE, BE IT ORDAINED BY BEAUFORT COUNTY COUNCIL, that appropriations shall be made in the form of grant awards to local entities from Beaufort County's Local Accommodations Tax Funds and Hospitality Tax Funds as set forth in the attached Exhibit A.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: \_\_\_\_\_

Joseph Passiment, Jr.

ATTEST:

Sarah Brock, Clerk to Council

Chronology:  
Third and Final Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Second Reading: \_\_\_\_\_  
First Reading: \_\_\_\_\_

Beaufort County  
2021 Local Accommodations and Hospitality Tax

Event	Sponsor	Requested Source of Funding	Amount Requested	Group Award	Reason
Whitehall Boardwalk	City of Beaufort	Local Atax	\$ 350,000.00	\$ 350,000.00	Bridge to connect to Whitehall Park Resolution 2019/31 states "Applicants must submit final accounting reports for an award before receiving a subsequent award". Penn Center still has \$800,000 remaining in Phase I that they have not spent.
Phase II Penn Center Website Development	Penn Center	Local Atax	\$ 968,000.00	\$ -	Penn Center will need to apply next year.
Reconstruction Era Park - Porter's Chapel	Historic Port Royal Foundation & Museum Website	Local Atax	\$ 5,000.00	\$ 5,000.00	The only amount included in the budget
	Town of Port Royal	Local Atax	\$ 240,500.00	\$ 240,500.00	Reconstruction Era Park town put in an additional \$60,000
Southeast Business Summit	Beaufort County Black Chamber of Commerce	Local Atax	\$ 11,700.00	\$ -	Resolution 2019/31 states "Applicants must submit final accounting reports for an award before receiving a subsequent award".
Kentucky Derby	Beaufort County Black Chamber of Commerce	Local Atax	\$ 11,700.00	\$11,700 rolled over from prior year	Resolution 2019/31 states "Applicants must submit final accounting reports for an award before receiving a subsequent award".
Gullah Christmas Jazz & Art Festival	Beaufort County Black Chamber of Commerce	Local Atax	\$ 11,700.00	\$ -	Resolution 2019/31 states "Applicants must submit final accounting reports for an award before receiving a subsequent award".
Broad River Fishing Pier	Beaufort County Capital Projects	Local Atax	\$ 114,000.00	\$ 114,000.00	95,000 plus 20% contingency
Beaufort Oyster Festival	Beaufort Area Hospitality Association	Local Htax	\$ 10,000.00	\$ 2,460.00	Only for marketing and promotional , police fire & security
Beaufort Oyster Festival	Beaufort Area Hospitality Association	Local Atax	\$ 10,000.00	\$3,186 rollover from prior year	Only marketing in Local Accommodations tax is allocated to DMO's
Stokes Cottage (1313 Congress Street)	Community Foundation of the Lowcountry	Local Atax	\$ 149,850.00	\$ -	These are privately owned, the owners will not transfer property
Brick Baptist Church Study House	Community Foundation of the Lowcountry	Local Atax	\$ 267,255.00	\$ 267,255.00	Reconstruction Era Park
Grand Army Hall	Community Foundation of the Lowcountry	Local Atax	\$ 115,200.00	\$ 115,200.00	Reconstruction Era Park
Dixie Jr. Boys and Dixie Boys State	Beaufort County Parks & Recreation	Local Atax	\$ 28,500.00	\$ 28,500.00	Marketing and promotional needs for the tournament
Dixie Softball State Tournament	Beaufort County Parks & Recreation	Local Atax	\$ 28,500.00	\$ 28,500.00	Marketing and promotional needs for the tournament
Marketing	Hilton Head Island Airport	Local Htax	\$ 30,000.00	\$ 30,000.00	Marketing and promotional items
Annual Boat Landing Maintenance	Beaufort County Public Works	Local Htax	\$ 250,000.00	\$ 200,000.00	Boat landing improvements and study
Beaufort Executive Terminal Renovation	Beaufort Executive Airport	Local Htax	\$ 80,000.00	\$ 80,000.00	Needed improvements to bring new tourism
Spanish Moss Trail Battery Creek Bridge Repair	Beaufort County Capital Projects	Local Htax	\$ 359,500.00	\$ 359,500.00	
Coastal Discovery Museum	Building of a Museum on HHI	Local Htax	\$ 750,000.00	\$ 750,000.00	
Renovation of Boundary Street Tennis Courts	Beaufort County Parks & Recreation	Local Htax	\$ 384,741.00	\$ 384,741.00	
Mitchellville Freedom Park	Building of a Museum on HHI	Local Htax	\$ 575,000.00	\$ 575,000.00	Awarded from HTAX
			\$ 4,751,146.00	\$ 3,530,656.00	
			\$ 3,632,533.00	\$ 3,632,533.00	
			\$ (1,118,613.00)	\$ 101,877.00	



# BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

<b>ITEM TITLE:</b>
A request to authorize the County Administrator to enter into mediation to attempt to establish the purchase price of two parking lots at the old courthouse from the G.G. Dowling Family Partnership, LP.
<b>MEETING NAME AND DATE:</b>
Finance Committee September 20, 2021
<b>PRESENTER INFORMATION:</b>
Kurt Taylor, County Attorney Time Needed for Item Discussion- 5 minutes
<b>ITEM BACKGROUND:</b>
<i>Council previously indicated a preference for ownership of the lots, and directed staff to order an appraisal.</i>
<b>PROJECT / ITEM NARRATIVE:</b>
County Council previously directed that the County Administrator pursue acquisition of the two parking lots connected to the old courthouse, which is being renovated for use by the Sheriff's Office. Staff received an appraisal establishing the value of the two lots at \$1,250,000. The owners received an appraisal establishing the value of the two lots at \$2,030,000.
<b>FISCAL IMPACT:</b>
<i>The mediation will attempt to reach an agreed-upon price for the two lots. Staff will return to council for final authorization for funding and purchase of the lots.</i>
<b>STAFF RECOMMENDATIONS TO COUNCIL:</b>
Recommend authorizing the Administrator to enter into non-binding mediation to attempt to establish an agreed-upon purchase price for the two parking lots at the old courthouse.
<b>OPTIONS FOR COUNCIL MOTION:</b>
Motion to approve/deny recommendation to council for entering into mediation Move forward to Council for approval