**Memorandum**

**TO:** School District Superintendents

Career and Technology Education Directors

County Board Directors

**FROM:** Melissa A. Myers MAM

Director, Office of Auditing Services

**DATE:** October 30, 2017

**RE:** Annual Audit Report Submission

In accordance with Section 59-17-100 of the S.C. Code of Laws, the required due date for submission of your annual single audit report is **December 1**. Since this law is mandated by the General Assembly, the South Carolina Department of Education (SCDE) has no authority to grant an extension of the audit submission date for any circumstances. Timely submission of the annual audit report is a factor in the SCDE’s risk assessment of local education agencies (LEAs), which is used to make federal grant award decisions. In addition, per S.C. Code § 59-20-90, the State Superintendent shall declare a school district to be in a state of “fiscal caution” if a district submits an annual audit more than sixty days after the December 1 deadline as provided in § 5-17-100. Late submission of the annual audit report can also negatively affect the LEA’s accreditation and risk rating under the Uniform Grant Guidance. Transmittal of the audit report package is the responsibility of the school district.

Audited information must be submitted through the SCDE’s LEA Audit Reporting System (LARS). An account must be established within the SCDE’s member center to access the system. An instructional video on accessing and submitting the required documents can be found on the SCDE’s [website](http://www.kaltura.com/index.php/extwidget/preview/partner_id/1675021/uiconf_id/24189501/entry_id/1_yh6sz3lr/embed/auto). Please note that if you have already established an account, your password may have expired and you may need to reset the password prior to uploading data this year. Please check your account status before the due date. The SCDE Office of Auditing Services publishes its [*Annual Audit Guide*](https://ed.sc.gov/finance/auditing/manuals-handbooks-and-guidelines/annual-audit-guide-and-lars-template/fy-2016-2017/)that lists both state and federal audit requirements for the required annual audit.

The following documents must be uploaded into LARS:

1. ***The SCDE supplemental schedules for each fund type in .xlxs format***. A copy of the Excel template can be found on our [website](https://ed.sc.gov/finance/auditing/manuals-handbooks-and-guidelines/annual-audit-guide-and-lars-template/fy-2016-2017/audit-report-supplemental-schedules-template/). **Do not delete rows or columns from the template. If there is no activity in an account, please list $0.** If any errors or warnings are found after the template has been uploaded, all errors must be cleared and all warnings must be accepted before the submission will be accepted. **If your template includes data for one of your sponsored public charter schools, please be sure to select the “Both” option and select which public charter schools have been included in the schedules. If you have not blended any of your charter school data into your template, please select “LEA” only.**
2. ***Full audit report***, including the SCDE supplemental schedules, summary schedule of prior year audit findings, corrective action plan, and management letter, as one document in .pdf format.
3. ***OMB Data Collection Form*** in .pdf format.
4. ***Supportive information sheet data***, entered into the supportive information tab. We are including a copy of the form for informational purposes only. Submit the supportive information data ONLY through LARS.

The following are additional requirements:

1. ***The district’s balanced general ledger file or IN$ITE.db*** file must be submitted by e-mail to Nick Michael, Accountant/Fiscal Analyst at [nmichael@ed.sc.gov](mailto:mjinnett@). If you have any questions related to IN$ITE™ activities, the general ledger, or the IN$ITE™ data file submission, please contact Nick at 803-734-8145.
2. ***The OMB Data Collection Form and reporting package*** must also be electronically submitted by accessing the [Federal Audit Clearinghouse](https://harvester.census.gov/facweb/), as described in Section 200.512 of the Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards.

Please share these submission requirements with your independent auditor.

If you have any questions concerning the audit process, OMB requirements, or the Supportive Information Sheet, please contact me at 803-734-8453, [mmyers@ed.sc.gov](mailto:mmyers@ed.sc.gov) or Hershula Davis at 803-734-6022, [hdavis@ed.sc.gov](mailto:hdavis@ed.sc.gov).

Enclosure

cc: Hershula Davis, Audits Manager, Office of Auditing Services

Nancy Williams, CPA, Chief Financial Officer

Michael Thom, Director, Office of Finance

Nick Michael, Accountant/Fiscal Analyst, Office of Finance

School Business Officials