

State Board of Internal Control

ANNUAL REPORT TO GOVERNMENT OPERATIONS AND AUDIT COMMITTEE

August 25, 2022

Highlights



10 Subrecipient Audit Reports Reviewed

Reviewed audit findings pertaining to federal award programs administered by state agencies as required by SDCL 1-56-9



Implemented the Internal Control Framework to 5 Agencies



Updated our Internal Control Program Training Materials

Streamlined the process and adapted to a virtual model

Statewide Internal Control Office

Manages the implementation of the state internal control framework

Reviews, researches, interprets, and advises all state agencies on internal control

Creates an annual work plan and report

Staffs the South Dakota Board of Internal Control

SDCL 1-56

Subrecipient Audit Reviews

- Reviewed audit findings pertaining to federal award programs administered by state agencies as required by SDCL 1-56-9

Children's Home Society of South Dakota (DPS)

Lutheran Social Services of South Dakota (DSS)

South Dakota Network Against Family Violence and Sexual Assault, Inc. (DPS)

Brookings Area Transit Authority (DOT)

Community Transit of Watertown-Sisseton, Inc. (DOT)

Young Men's Christian Association of Rapid City, Inc (DOE)

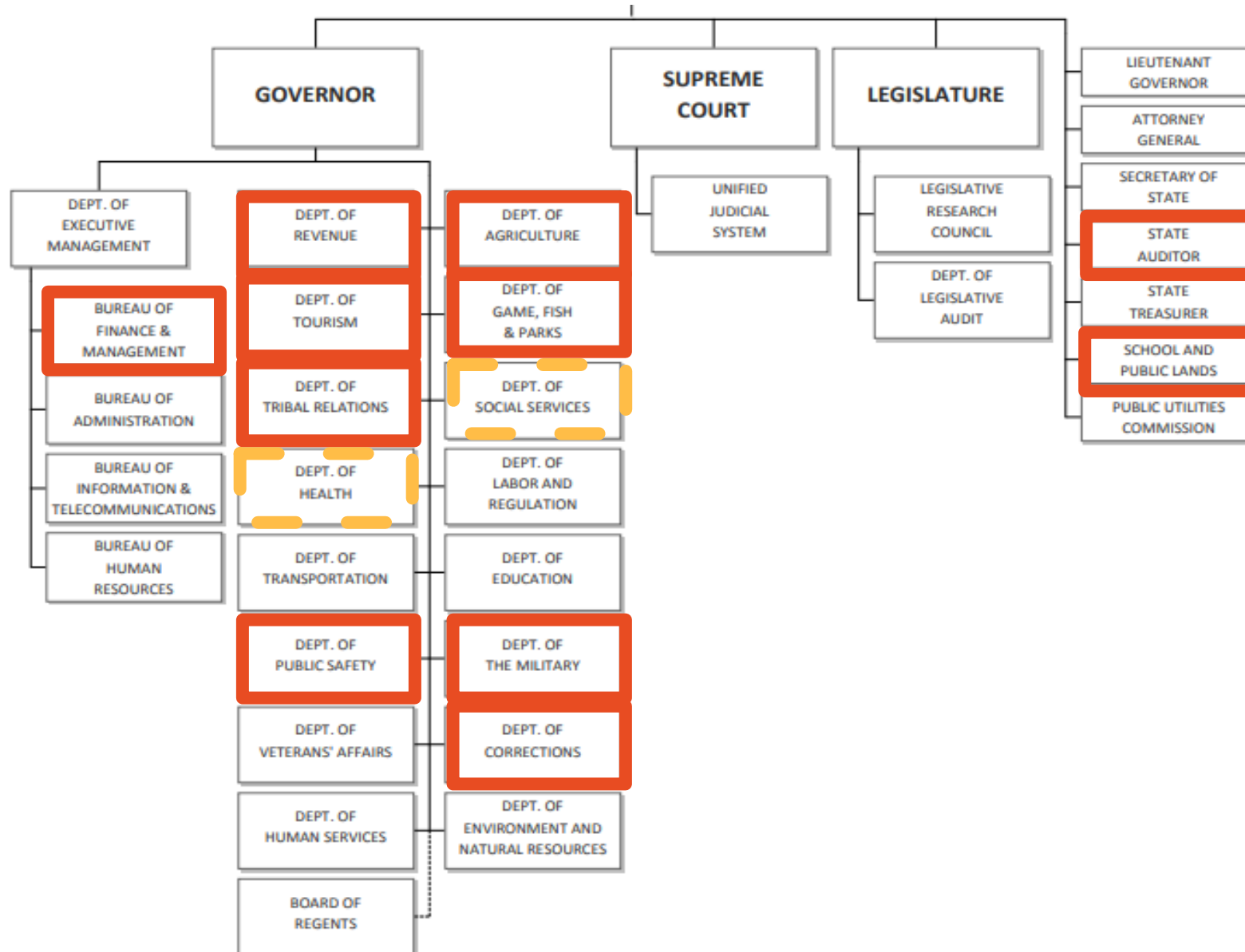
Lutheran Social Services of South Dakota (DSS, DOL, SDHDA)

East River Legal Services (DPS)

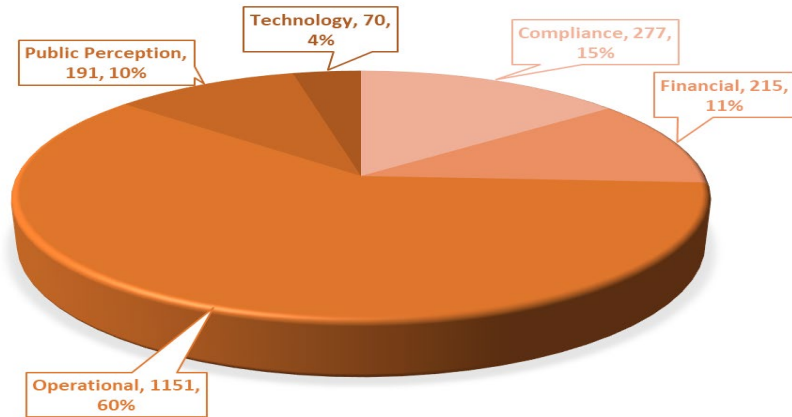
Children's Home Society of South Dakota (DPS)

Call to Freedom (DPS)

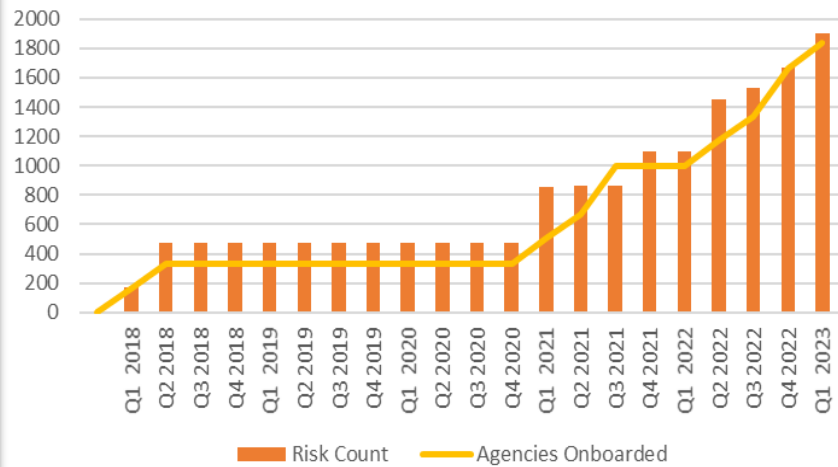
Agency Implementations



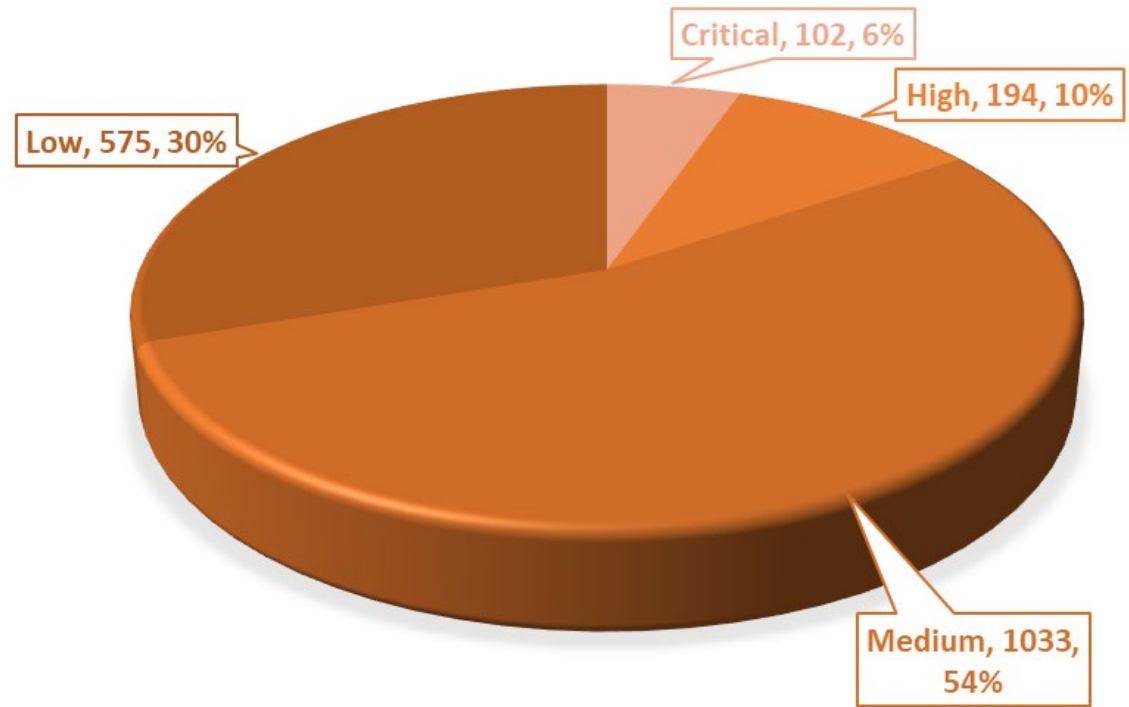
Risk by Type



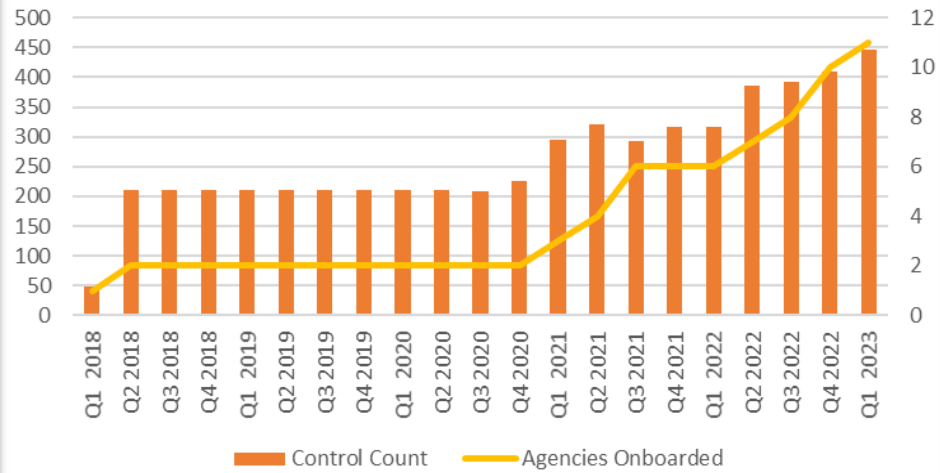
Risk Count Trends



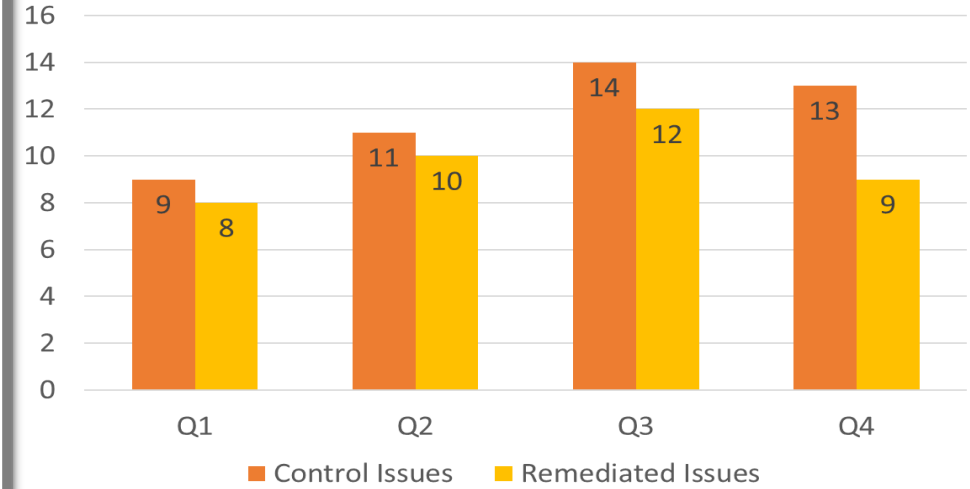
Risk by Priority



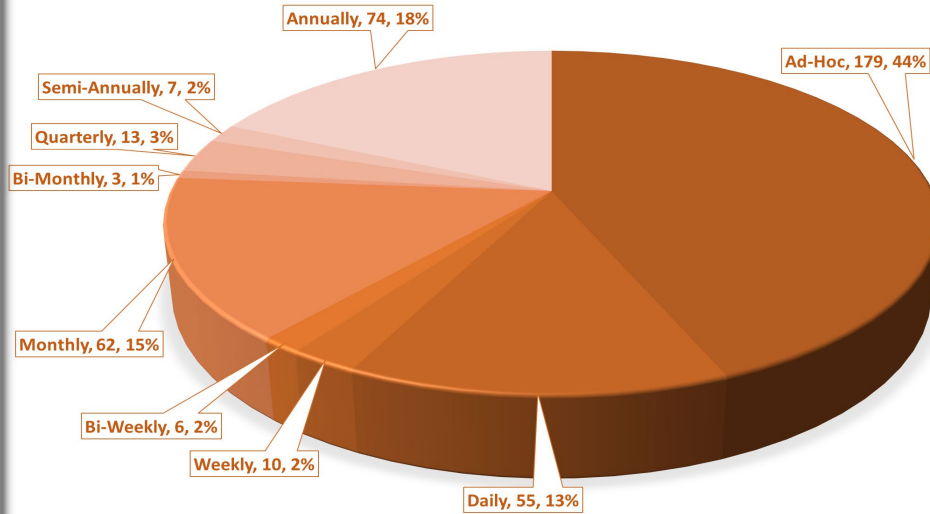
Control Count Trends



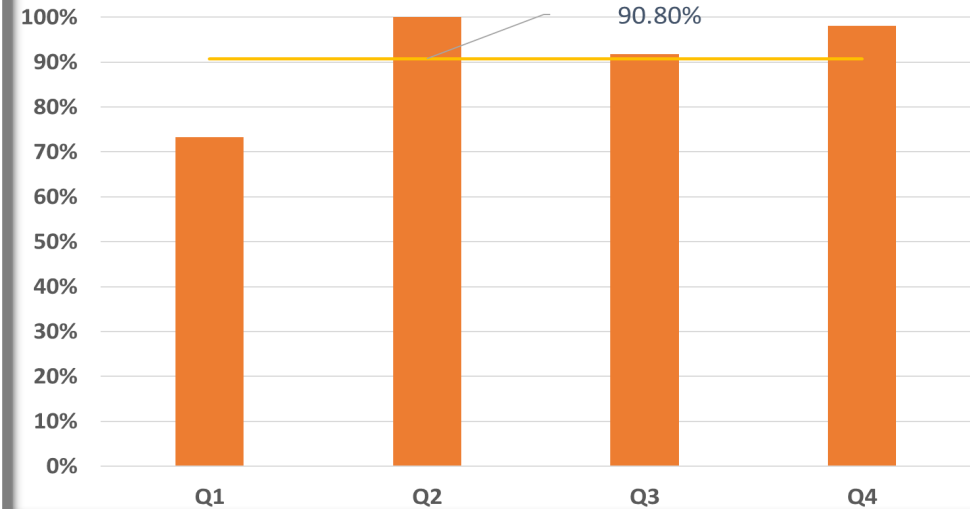
Critical/High Risks with Control Issue



Controls by Frequency



Control Attestations Completed On-Time



1st Quarter

(July - September)

- **Meeting Work**
 - Sub-recipient audit findings
 - GOAC update
 - Quarterly state/agency internal control reports
 - Discuss current and future agency framework implementations
- **Interim Work**
 - Begin framework implementation at **Department of Social Services**
 - Plan for further agency framework implementations

2nd Quarter

(October - December)

- **Meeting Work**
 - Sub-recipient audit findings
 - GOAC update
 - Quarterly state/agency internal control reports
 - Discuss current and future agency framework implementations
- **Interim Work**
 - Begin framework implementation at **Department of Health**
 - Plan for further agency framework implementations

3rd Quarter

(January - March)

- **Meeting Work**
 - Sub-recipient audit findings
 - GOAC update
 - Quarterly state/agency internal control reports
 - Discuss current and future agency framework implementations
- **Interim Work**
 - Begin framework implementation at **TBD**
 - Plan for further agency framework implementations

4th Quarter

(April - June)

- **Meeting Work**
 - Sub-recipient audit findings
 - GOAC update
 - Quarterly state/agency internal control reports
 - Single Audit Findings
 - Discuss current and future agency framework implementations
 - FY24 Work Plan
- **Interim Work**
 - Begin framework implementation at **Department of Education**
 - Plan for further agency framework implementations

FY23 Work Plan