STATE OF SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30,

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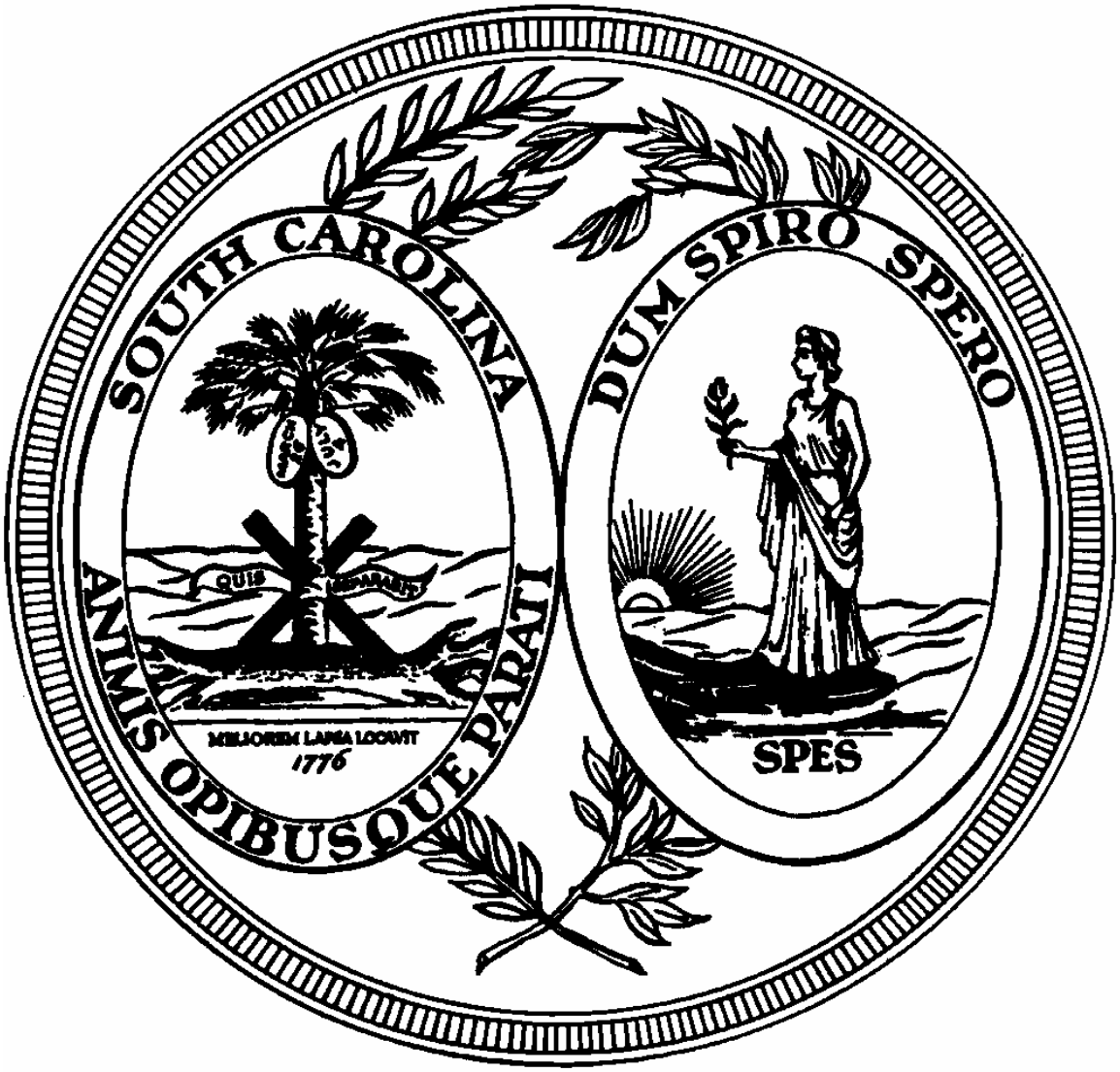
Prepared by the Comptroller General's Office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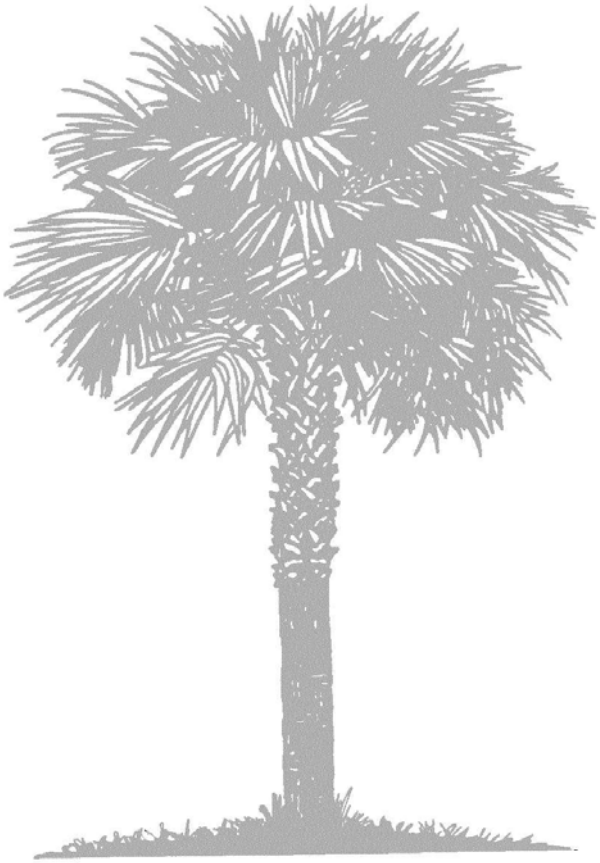
Introductory Section



Letter of Transmittal
Certificate of Achievement
Principal State Officials
Organization Chart

State of South Carolina
Office of Comptroller General

1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

Telephone: (803) 734-2121
Fax: (803) 734-1765
E-Mail: cgoffice@cg.sc.gov

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

JAMES M. HOLLY
CHIEF OF STAFF

December 17, 2010

To the Citizens, Governor and Members of the South Carolina General Assembly

I am pleased to present to the citizens of South Carolina this Comprehensive Annual Financial Report for the State of South Carolina for the fiscal year ended June 30, 2010. The report provides financial information about the State's operations during the year and describes its financial position at the end of the year. For the convenience of users, we have divided the report into three sections as follows:

- The Introductory Section, containing this letter of transmittal; the Certificate of Achievement for Excellence in Financial Reporting that we received for our report as of June 30, 2009; a list of State officials; and an organizational chart of State government.
- The Financial Section, including the report of the independent auditors, management's discussion and analysis, government-wide financial statements, fund financial statements, required supplementary information, other combining financial statements, and schedules.
- The Statistical Section, presenting comparative financial data and other non-financial data.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that was established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The State Auditor and Clifton Gunderson LLP, an independent certified public accounting firm, jointly performed an independent audit of the State's basic financial statements for the fiscal year ended June 30, 2010. The auditors have issued an unqualified opinion, the most favorable outcome of the audit process.

This letter of transmittal is designed to complement management's discussion and analysis that immediately follows the report of the independent auditors.

PROFILE OF THE GOVERNMENT

South Carolina extends from the Atlantic Ocean westward to the Blue Ridge Mountains, containing over 30,000 square miles. Fortieth in geographic area among the fifty states, South Carolina ranks twenty-fourth in population with approximately 4.5 million citizens. The State's rate of population growth is presently the tenth fastest in the nation.

As shown in the organizational chart on page 15, State government is divided into three separate branches: legislative, executive, and judicial. The State's citizens elect the legislative and executive branch officials. The General Assembly elects certain members of the judicial branch, including the Supreme Court. The principal State officials currently in office are listed on page 14.

State government provides a full range of services to South Carolina's citizens including educational, health, social/human, transportation, public safety, regulatory, and conservation/natural resources services. In addition, the State provides grants and loans to assist local governments, including school districts.

Certain legally separate entities are included in these financial statements because they function, in essence, as part of State government. The Governor appoints the governing boards for the Public Service Authority, a public utility company, and the State Ports Authority. The Connector 2000 Association, Inc. contracts with the State's Department of Transportation to operate a toll road project. The Lottery Commission transfers its net proceeds to the State for educational programs. Other entities benefit and support institutions of higher education, provide medical malpractice insurance, and address medical and educational needs of South Carolina's children. Additional information on these legally separate entities can be found in the notes to the financial statements.

South Carolina's annual Appropriations Act includes legally adopted budgets for the Budgetary General Fund and for Total Funds. The initial budget appears in the annual Appropriations Act. After the budget year begins, the State Budget and Control Board, comprised of five key executive and legislative officials, may order spending cuts if revenue collections fail to reach predicted levels. Departments and agencies may request transfers of appropriations among programs if the transfer request does not exceed 20% of the program budget. The Budget and Control Board has the authority to approve additional transfers of appropriations between personal service and other operating expense accounts. For additional information, see the notes to the required supplementary information - budgetary.

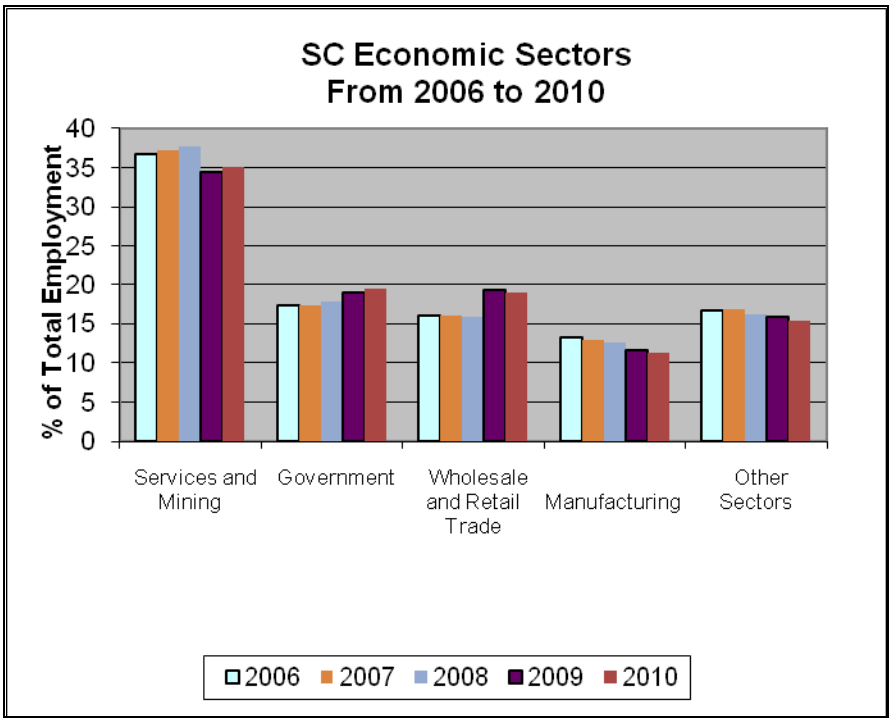
STATE ECONOMY

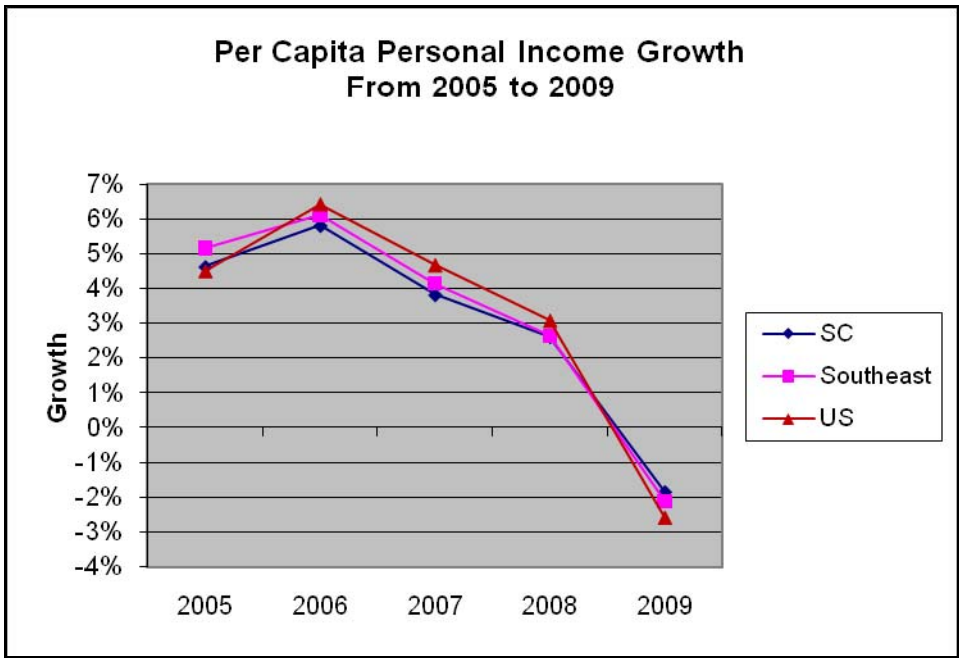
South Carolina has a diverse economic base, including manufacturing, trade, healthcare, services, and leisure/hospitality. Businesses have migrated here from all over the world to take advantage of the State's skilled labor force, competitive wages, lower-priced land, excellent port facilities, and accessibility to markets, and in recent years, substantial tax incentives.

During the fiscal year 2010, South Carolina gained 14,100 jobs over the same period in 2009; however, the State has yet to recover from the tremendous overall 92,700 job loss that occurred in 2009. Despite a 23.0% increase in real estate closings and a 9.1% increase in residential building permits, construction job losses remain at 10.0% while foreclosures are up 38.9% over the prior year. Manufacturing job losses have improved slightly to 1.88% as opposed to 12.2% a year ago. The strongest boost in job gains was the Federal government sector that experienced a 17.0% increase and administrative support/waste management sector that experienced a 12.13% increase over the prior year.

The State's September 2010 unemployment rate of 11.0% has improved 0.7% over the prior year; however, it continues to be higher than the national unemployment rate of 9.6%. Out of 46

counties in South Carolina, only Aiken, Beaufort, Charleston, Dorchester, Lexington, Edgefield, and Saluda counties were below the national unemployment rate.





South Carolina's per capita income for 2009 decreased to $32,338, or 1.8% below 2008. The decrease was consistent with the decreases experienced per capita nationally, (2.6%), and by the southeast region (2.1%).

Despite continued difficult economic times, the South Carolina Department of Commerce was involved in recruiting 18,000 new jobs during calendar year 2009, including the decision by The Boeing Co. to locate a final assembly site in North Charleston which will provide 3,800 jobs and $750.0 million in new capital investment to the State. Of all the 2009 projects recruited, 28.0% of the jobs and 30.0% of the projects went to rural areas of the State where only 21.8% of the State's labor force resides.

LONG-TERM FINANCIAL PLANNING

State law requires agencies receiving 1% or more of the total annual General Fund appropriations to provide an estimate of their general fund expenditures for the next three fiscal years. The State Budget Office combines these expenditure estimates with long-term revenue estimates made by the State's Board of Economic Advisors (BEA) to create a three-year financial plan. The three-year financial plan assists the State in strategically assessing its future financial commitments. The plan is updated annually and provided to the State's Budget and Control Board, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate during the second quarter of each fiscal year.

Principal financial challenges facing state government include anticipated future spending increases for Medicaid, health and social services benefits, State retirement and health benefits (including post employment benefits), and elementary and secondary education.

The State's long-term financial management practices include a five–year capital improvement plan, which requires funding to be in place before beginning construction on any capital improvement projects.

RELEVANT FINANCIAL POLICIES

The State's legislature is required to adopt a balanced budget annually based on revenue projections provided by the BEA. State law requires the BEA to meet at least quarterly to review how actual revenue collections compare with its earlier projections and to adjust its projections if necessary. If the BEA reduces revenue projections significantly once the budget year begins, the State's Budget and Control Board (Board) is responsible for taking appropriate action to keep the State's budget in balance. If the Board anticipates a year-end operating deficit as a result of the BEA reducing its revenue projections, it must first reduce amounts set-aside in the Annual Appropriations Act for the 2% Capital Reserve Fund. If the anticipated deficit is greater than the 2% Capital Reserve Fund, then the Board must reduce most agency appropriations evenly across-the-board. The State also is required to maintain a 3% General Reserve Fund that can be used only for eliminating a year-end operating deficit. If the State's budgetary General Fund subsequently experiences a year-end operating deficit even after applying all the actions described above, the Board is required to meet within sixty days of August 31 to adopt a plan to eliminate the deficit and restore a balanced budget.

Legislation also exists directing that in closing the books each year the Comptroller General shall suspend, to the extent necessary, any budgetary surplus appropriations in a general or supplemental act or Capital Reserve Fund appropriations, if the State's Generally Accepted Accounting Principles-basis General Fund reports a negative unreserved fund balance.

Budgetary General Fund revenues continued to be erratic during this fiscal year. Actual revenues were $310.106 below revenue projections used to generate the FY10 General Fund budget. In response to the decline, the Budget and Control Board ordered two mid-year agency spending cuts and drawing down the Capital Reserve Fund. As a result of these actions and the continued

monitoring of revenue collections, the State ended the year with a positive General Fund balance of $246.167 million comprising of the FY10 surplus of $71.001 million, legislatively-approved agency carryover appropriations of $64.283 million, and the General Reserve Fund balance of $110.883 million.

MAJOR INITIATIVES

Finance and Budgeting

Due to the economic downturn and the continued use of the General Reserve Fund and the Capital Reserve Fund to finance year-end deficits, the Legislature proposed and the general electorate passed a state constitutional amendment in the November 2, 2010, election to increase the funding requirement of the General Reserve Fund and revise the use of the Capital Reserve Fund. The amendment provides for the amount required to be held in the General Reserve Fund to be increased gradually from three percent to five percent of state general fund revenue in the latest completed fiscal year. The amendment also revises the use of the Capital Reserve Fund so that it can be used more effectively for replenishing revenue shortfalls.

The Legislature also adopted legislation revising the procedures for handling state revenue shortfalls that currently authorizes the Board to implement across-the-board budget cuts in situations when revenue collection falls below four percent of forecasts. The Board is now authorized to act when revenue collection falls two percent below the forecasts. The legislation also authorizes reductions in the third quarter of the fiscal year in addition to the first and second quarters and shortens the time period in which the board is required to take action to avoid a year-end deficit from fifteen days to seven days. The legislation also provides for automatic budget cuts by requiring the Director of the Office of State Budget to reduce general fund appropriations uniformly by the requisite amount if the Budget and Control Board does not take timely and appropriate action.

The State's cigarette tax was legislatively increased from seven cents to fifty cents per cigarette pack, devoting the majority of the revenue generated to a newly created Medicaid Reserve Fund and authorizing cancer research, smoking prevention and cessation, and agricultural assistance.

Economic Development and Employment

The Legislature approved the "South Carolina Economic Development Competitiveness Act of 2010" in order to implement numerous private sector recommendations for fostering an economic development climate in the state that attracts global business and industry investment. Notably, the legislation revises provisions for fee in lieu of property taxes agreements so as to reduce the minimum investment requirement for a business and increase the number of years a fee is available. Under the legislation, manufacturers are eligible for a reassessment of their property in a way that will decrease their tax burden. The legislation modernizes and brings greater uniformity to the state's jobs tax credits, investment tax credits, revitalization agreements, and numerous other economic development incentives.

The Department of Employment and Workforce was established as a cabinet level agency to perform workforce development functions and replace the Employment Security Commission in the administration of unemployment compensation. In addition, the legislation transferred to the Department the Workforce Investment Act Program previously assigned to the Department of Commerce.

The Legislature approved remedies for the insolvency of the Unemployment Insurance Trust Fund that is used to provide unemployment compensation. The legislation revises the contributions that the state's employers are required to make to the trust fund in order to satisfy new solvency targets. Administrative changes were approved to provide, among other things, that individuals are ineligible for jobless benefits if they have been dismissed for certain types of misconduct.

Education

The Legislature authorized South Carolina to join the Interstate Compact on Educational Opportunity for Military Children. The purpose of the compact is to remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents by enhancing the transfer of education records and improving coordination among member states so that varying attendance requirements and methods of scheduling, sequencing, grading, course content and assessment will not place children of military families at a disadvantage when they must relocate.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of South Carolina for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2009. This was the twenty-second consecutive year that the State of South Carolina has achieved this recognition. In order to be awarded a Certificate of Achievement, a government must publish a timely, easily readable, and efficiently organized CAFR. The CAFR must comply with both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Production of the CAFR was made possible only by the support of all State agencies and component units that supplied financial data to our office on a timely basis. We extend special appreciation to Mr. Larry Pearce, Director of Publications and Printing at the University of South Carolina, for providing the CAFR's attractive cover.

Sincerely,

Richard Eckstrom, CPA
Comptroller General

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

Principal State Officials

LEGISLATIVE—THE GENERAL ASSEMBLY

André Bauer, President of the Senate and Lieutenant Governor
Glenn F. McConnell, President Pro Tempore of the Senate
Robert W. Harrell, Jr., Speaker, House of Representatives

EXECUTIVE

STATE BUDGET AND CONTROL BOARD
Marshall (Mark) Clement Sanford, Jr., Chairman, Governor
Converse Chellis, State Treasurer
Richard Eckstrom, Comptroller General
Hugh K. Leatherman, Sr., Chairman, Senate Finance Committee
Daniel T. Cooper, Chairman, House Ways and Means Committee

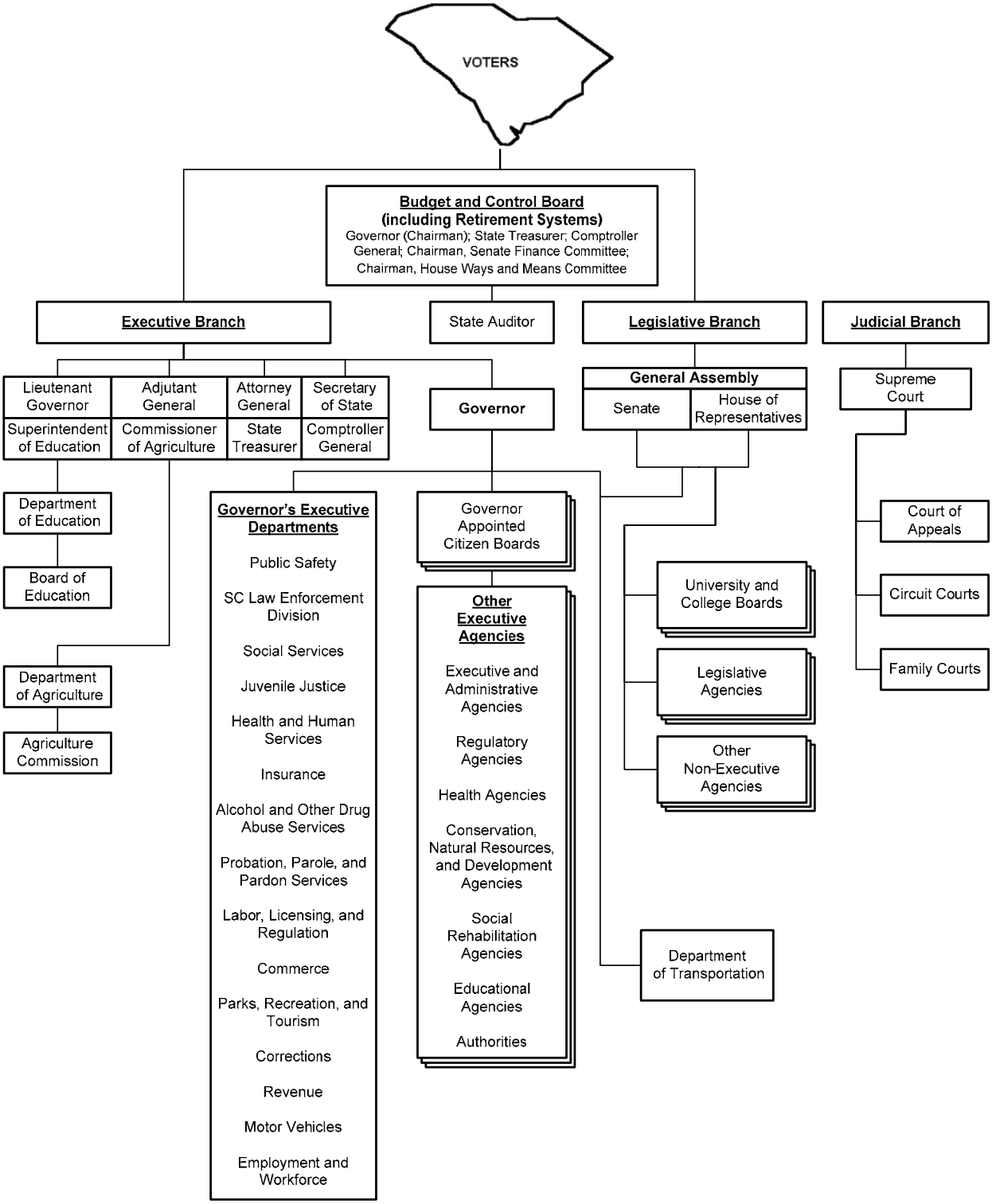
Mark Hammond, Secretary of State
Henry McMaster, Attorney General
James Rex, State Superintendent of Education
Major General Stanhope S. Spears, Adjutant General
Hugh E. Weathers, Commissioner of Agriculture

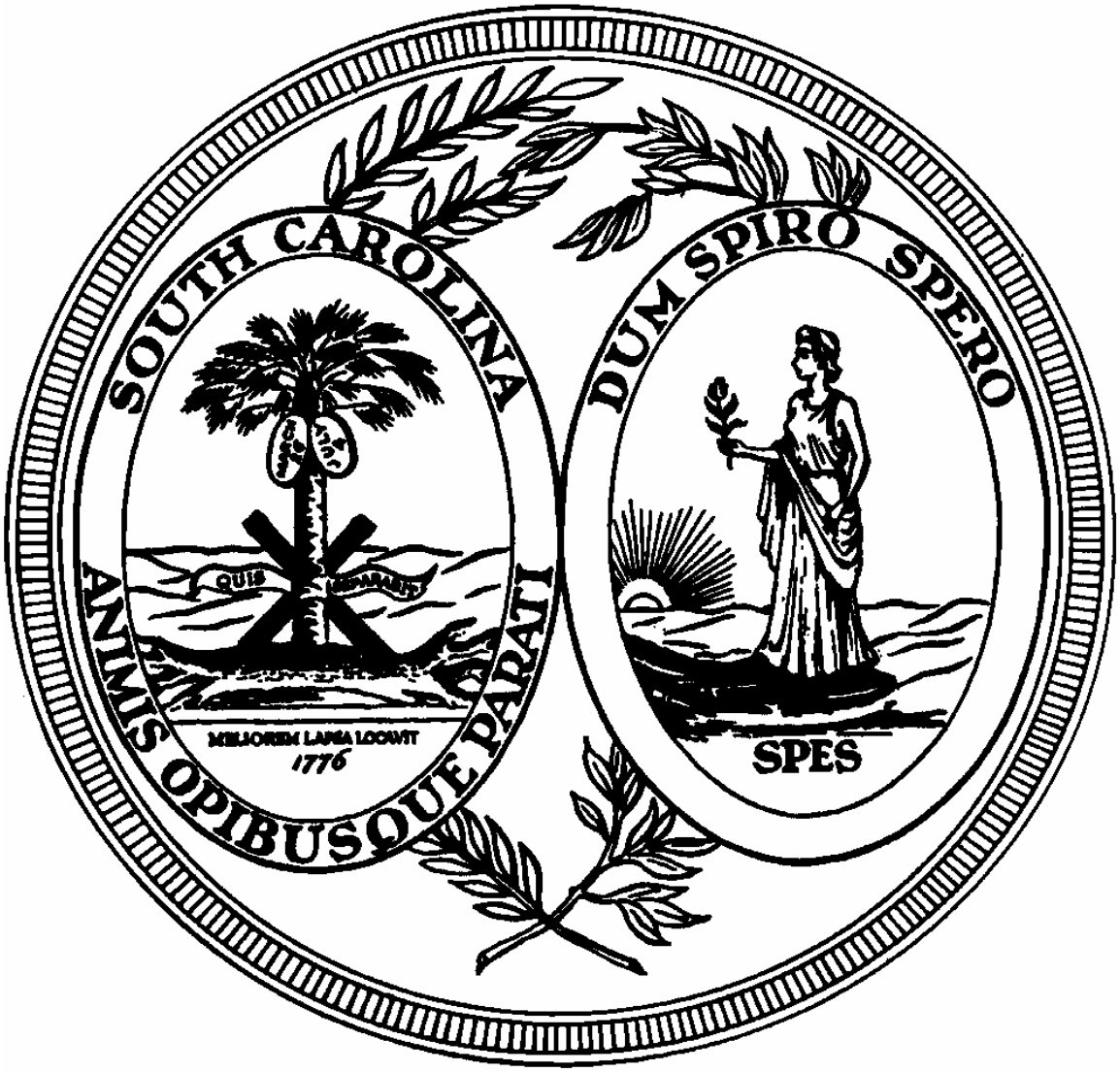
JUDICIAL

Jean H. Toal, Chief Justice, Supreme Court

The State's citizens elect the legislative and executive branch officials named above. The General Assembly elects certain members of the judicial branch, including the Supreme Court.

Organizational Chart




SOUTH CAROLINA
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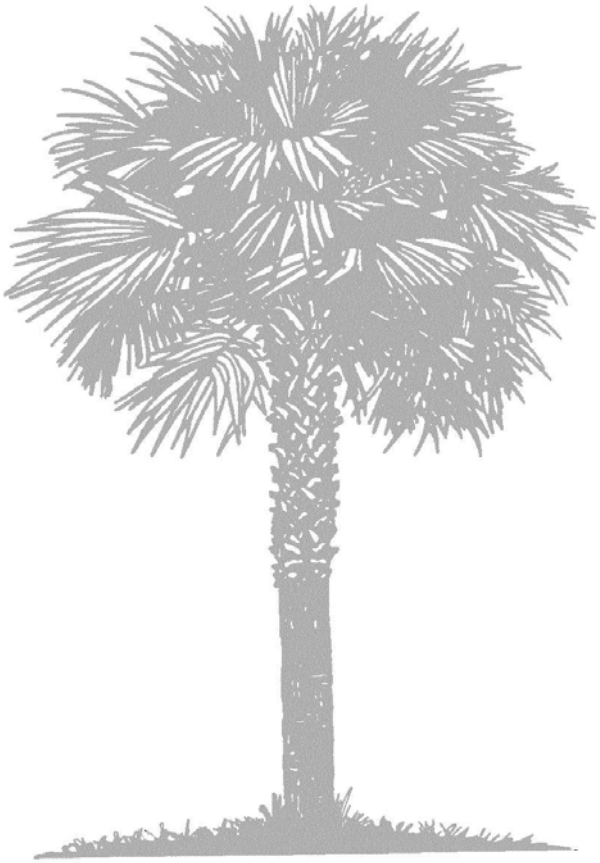
Financial Section



Independent Auditors' Report
Management's Discussion and Analysis (Unaudited)
Basic Financial Statements
Required Supplementary Information (Unaudited)
Supplementary Information

State of South Carolina

Office of the State Auditor

Clifton Gunderson LLP
Certified Public Accountants & Consultants

Independent Auditors' Report

The Honorable Mark Sanford, Governor
and Members of the General Assembly
State of South Carolina
Columbia, South Carolina

We have jointly audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina (the State), as of and for the year ended June 30, 2010, which collectively comprise the State's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not jointly audit the financial statements of certain agencies and component units of the State of South Carolina, which represent the indicated percent of total assets and total revenues as presented in the table below. Those financial statements were audited by other auditors, including Clifton Gunderson LLP acting separately, whose reports thereon have been furnished to us, and our opinion, insofar as it related to the amounts included for those agencies and component units, is based solely on the reports of the other auditors.

	Percentage Audited by Clifton Gunderson Separately		Percentage Audited by Other Auditors	
	Total Assets	Total Revenue	Total Assets	Total Revenue
Government-wide				
Governmental activities	-	-	67	18
Business-type activities	-	-	98	99
Component units	-	-	100	100
Fund Statements				
Governmental Funds	-	-	18	10
Enterprise Funds	-	-	98	100
Internal Service Funds	-	-	84	96
Fiduciary Funds	84	41	14	59

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the discretely presented component units identified in Note 1(a) were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in paragraph one present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards,* we have also issued our report dated December 17, 2010 on our consideration of the State's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

The management's discussion and analysis and required supplementary information, listed in the accompanying table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The introductory section, supplementary information to the financial statements and the statistical section as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information to the financial statements has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Columbia, South Carolina
December 17, 2010

Clifton Henderson LLP

Baltimore, Maryland
December 17, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS—

Required Supplementary Information (Unaudited)

Management's Discussion and Analysis

In this section of the State of South Carolina's annual report, we provide a narrative overview and analysis of the State's financial performance for its accounting year (*fiscal year*) that ended June 30, 2010. Please read it together with the Comptroller's *Letter of Transmittal* at the front of this report and also the financial statements that follow this section.

Overview of the Financial Statements

This discussion and analysis provides an introduction to the State of South Carolina's basic financial statements, which include the following parts: (1) *government-wide financial statements*, (2) *fund financial statements*, (3) *component unit financial statements*, and (4) *notes to the financial statements*. This annual report also contains certain *required supplementary information* and other *supplementary information*.

Government-wide Financial Statements

The government-wide statements present a long-term view of the State's finances *as a whole*, using *accrual-basis accounting*—the same accounting methods that most businesses use. The basic government-wide financial statements are presented on pages 34 through 39 of this report.

There are two government-wide financial statements:

Statement of net assets: This statement presents information on *all* of the State's assets and liabilities, both short-term (*current*) and long-term (*non-current*). In addition, the statement reports the difference between assets and liabilities as *net assets*. Over time, the comparison of net assets to liabilities may indicate whether the State's financial health is strengthening or weakening. However, the statement of net assets does not tell the whole story. To assess the State's overall financial health, you would also need to consider factors such as the State's economy and the condition of its *capital assets* such as its buildings and *infrastructure* (roads and bridges).

Statement of activities: This statement presents information showing how the State's overall net assets changed during the year. The State reports a change in its net assets as soon as an underlying event occurs that causes a change. The statement of activities accounts for all current-year revenues and expenses, regardless of when the State received or paid cash. Although governments compile the statement of activities using accounting methods similar to businesses, the format of this statement is quite different from the format of a business's profit and loss statement. The statement of activities helps to show how much it costs the State to provide various services. It also helps to show the extent to which each government function covers its own costs through user fees, charges, or grants. The *net revenues (expenses)* column on the far right of this statement on page 38 shows how much a particular function relies on taxes and other general revenues as opposed to program revenues to finance its programs.

The government-wide statements present three different kinds of *activities*:

Governmental activities: Most of the State's basic services are included here, such as general government, education, health and environment, social services, administration of justice, and transportation. Taxes (primarily income and sales taxes) and federal grants finance most of these services.

Business-type activities: These activities usually recover all, or a significant portion, of the costs of their services or goods by charging fees to customers. Higher education (State-supported colleges and universities), unemployment compensation benefits, and financing of housing facilities are the most significant of South Carolina's business-type activities.

Component units: Although component units are legally separate from the State, the State's elected officials are financially accountable for them. The Public Service Authority (Santee-Cooper, an electric utility company), the State Ports Authority, the Connector 2000 Association, Inc. (which operates the Southern Connector, a toll road), and the Lottery Commission are the State's major component units. Some financial information for these component units is included in this report. You also can obtain complete financial statements for these component units from their respective administrative offices (see Note 1a of the notes to the financial statements on page 71).

Fund Financial Statements

The fund financial statements on pages 40 through 63 of this report provide detailed information about the State's most significant funds—not the State as a whole. Funds are accounting designations that the State uses to track specific funding sources and spending for particular purposes. South Carolina, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The State reports three types of *funds*:

Governmental funds: The State reports most of its basic services in governmental funds. Governmental funds account for activities that the State reports as *governmental activities* in its government-wide statements. These funds focus on *short-term* inflows and outflows of expendable resources. The balances remaining at the end of the year help determine whether a fund has more or less financial resources available to spend in the near future. Because the governmental fund statements lack the additional long-term focus of the government-wide statements, we provide a reconciliation that explains the relationship (or differences) between the two kinds of statements. By comparing the two kinds of statements and examining the reconciliation, you may better understand the long-term impact of the State's near-term financing decisions.

The basic governmental fund statements are on pages 40 through 47 of this report.

Proprietary funds: Proprietary funds charge customers for the services they provide—whether they are provided to outside customers (*enterprise funds)* or other State agencies and other governments (*internal service funds)*. Proprietary funds use the *accrual basis of accounting* like businesses use. The State reports all of its enterprise funds (proprietary funds providing services to outside customers) as *business-type activities* in the government-wide statements. However, because our internal service fund operations primarily benefit other State agencies or other governments, these proprietary funds are included as *governmental activities* in the government-wide financial statements.

The basic proprietary fund statements are on pages 48 through 61 of this report.

Fiduciary funds: The State is the trustee, or *fiduciary*, for its employees' retirement and other post-employment benefit plans. The State also is responsible for other assets that, because of a trust agreement, it is to use only for trust beneficiaries such as an investment pool operated on behalf of local governments. We *exclude* these activities from the State's government-wide financial statements because the State is not to use these assets to finance its operations. The State has an obligation to ensure that the net assets it reports in fiduciary funds are used for their intended purposes.

The basic fiduciary fund statements are on pages 62 and 63 of this report.

Component Unit Financial Statements

The *Government-wide Financial Statements* section on the preceding page identifies the State's major component units under the *Component units* subheading. More detailed financial statements which include these component units are on pages 64 through 67 of this report.

Notes to the Financial Statements

Immediately following the financial statements are *notes* that help explain some of the information in the financial statements and provide more detailed data. The notes on pages 68 through 146 are necessary to fully understand the financial statements.

Required Supplementary Information

This section addresses budgetary matters and provides certain *required* reporting information that supplements the basic financial statements. Included in this section is a schedule that compares the State's legally adopted General Fund budget with actual revenues collected and expenditures paid for the year. Note 5 on page 153 to the required supplementary information is a reconciliation that helps explain differences between the changes in fund balance of certain funds when presented on the budgetary-basis and the changes in fund balance of these funds when presented on the GAAP-basis as reported in the governmental fund statements. This required supplementary information is on pages 147 through 153 of this report.

Government-wide Financial Analysis

Exhibits 1 and *2* summarize the State's overall financial position and results of operations for the past two years based on information included in the government-wide financial statements.

Exhibit 1
Government-wide Net Assets
As of June 30, 2010
(Expressed in Thousands)

	Governmental Activities		Business-type Activities		Totals—Primary Government		Total Percentage Change
	2010	Restated 2009	2010	Restated 2009	2010	Restated 2009	2009-2010
Assets							
Current and other assets	$ 8,061,151	$ 7,989,303	$ 5,480,890	$ 5,105,500	$ 13,542,041	$ 13,094,803	3.4%
Capital assets	14,212,229	13,983,125	4,401,142	4,232,108	18,613,371	18,215,233	2.2%
Total assets	**22,273,380**	**21,972,428**	**9,882,032**	**9,337,608**	**32,155,412**	**31,310,036**	**2.7%**
Liabilities							
Long-term liabilities	4,292,318	4,300,763	4,791,991	4,329,882	9,084,309	8,630,645	5.3%
Other liabilities	4,190,761	4,206,275	1,002,462	1,055,415	5,193,223	5,261,690	(1.3%)
Total liabilities	**8,483,079**	**8,507,038**	**5,794,453**	**5,385,297**	**14,277,532**	**13,892,335**	**2.8%**
Net Assets							
Invested in capital assets, net of debt	10,966,666	10,276,019	2,539,652	2,429,521	13,506,318	12,705,540	6.3%
Restricted	3,195,396	3,351,317	1,225,352	1,123,060	4,420,748	4,474,377	(1.2%)
Unrestricted	(371,761)	(161,946)	322,575	399,730	(49,186)	237,784	(120.7%)
Total net assets	**$ 13,790,301**	**$ 13,465,390**	**$ 4,087,579**	**$ 3,952,311**	**$ 17,877,880**	**$ 17,417,701**	**2.6%**

Net Assets

As we noted earlier, the comparison of net assets to liabilities may serve, over time, as a useful indicator of the State's financial strength. At the end of the 2009-2010 accounting year, the State's net assets totaled $17.878 billion.

The largest portion of the State's net assets reflects its *investment in capital assets* (for example, buildings, roads, and bridges), less any related debt used to acquire those assets that is still outstanding. The State uses these capital assets to provide services to citizens; consequently, they are *not* available for future spending. Further, the State cannot sell the capital assets themselves to repay the related debt because it needs the assets for its operations; so it must find other resources to repay the debt.

Restricted net assets generally are available for future spending but are subject to external restrictions, such as bond covenants, federal government grant restrictions, or restrictions imposed by enabling State legislation or through State constitutional provisions. The State's largest restricted balances include capital improvement bond proceeds (restricted for various capital projects) and loan program funds (restricted primarily for local government water and sewer projects).

Unrestricted net assets—resources available for future spending without restrictions—reported a deficit of $49.186 million at June 30, 2010. This represents a decline of $286.970 million over the prior year. Some of this decline resulted from a $209.815 million decrease in the unrestricted net assets reported for the State's *governmental activities*, which reported a $371.761 million deficit in unrestricted net assets for the current fiscal year versus a $161.946 million deficit in the prior year. The decline was attributable to decreased revenues in the current fiscal year; see section "Budgetary General Fund Highlights" on page 28 for further detail.

The State's *business-type activities* reported a $322.575 million unrestricted net asset balance. This resulted from net positive balances of $1.212 billion associated with higher education and certain other business-type activities. However, that positive balance was partially offset by a $759.548 million accumulated deficit in the State-run unemployment compensation fund, a $121.926 million accumulated deficit in the State-run medical malpractice insurance program, and an $8.320 million accumulated deficit in the State-run college tuition prepayment program.

Exhibit 2
Government-wide Changes in Net Assets
For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Governmental Activities		Business-type Activities		Totals—Primary Government		Total Percentage Change
	2010	Restated 2009	2010	Restated 2009	2010	Restated 2009	2009-2010
Revenues							
Program revenues:							
Charges for services	$ 2,356,804	$ 2,118,417	$ 5,421,089	$ 4,635,700	$ 7,777,893	$ 6,754,117	15.2%
Operating grants and contributions	8,274,731	7,045,052	1,042,850	409,628	9,317,581	7,454,680	25.0%
Capital grants and contributions	570,743	382,979	100,884	52,809	671,627	435,788	54.1%
General revenues:							
Individual income tax	2,659,728	2,805,998	—	—	2,659,728	2,805,998	(5.2%)
Retail sales and use tax	3,855,095	3,908,318	—	—	3,855,095	3,908,318	(1.4%)
Other taxes	1,616,347	1,682,300	—	—	1,616,347	1,682,300	(3.9%)
Unrestricted grants and contributions	205,965	23,896	—	—	205,965	23,896	761.9%
Unrestricted investment income	41,555	86,639	—	—	41,555	86,639	(52.0%)
Tobacco legal settlement	68,709	95,115	—	—	68,709	95,115	(27.8%)
Other	433,166	301,321	—	—	433,166	301,321	43.8%
Total revenues	**20,082,843**	**18,450,035**	**6,564,823**	**5,098,137**	**26,647,666**	**23,548,172**	**13.2%**
Expenses							
Governmental activities:							
General government	4,475,571	4,331,740	—	—	4,475,571	4,331,740	3.3%
Education	4,400,125	4,109,666	—	—	4,400,125	4,109,666	7.1%
Health and environment	6,007,179	5,825,749	—	—	6,007,179	5,825,749	3.1%
Social services	1,847,028	1,533,666	—	—	1,847,028	1,533,666	20.4%
Administration of justice	760,379	774,533	—	—	760,379	774,533	(1.8%)
Resources and economic development	351,882	372,073	—	—	351,882	372,073	(5.4%)
Transportation	1,179,611	940,226	—	—	1,179,611	940,226	25.5%
Other	81,838	98,728	—	—	81,838	98,728	(17.1%)
Business-type activities:							
Higher education	—	—	3,520,564	3,396,191	3,520,564	3,396,191	3.7%
Higher education institution support [a]	—	—	1,252,222	1,200,456	1,252,222	1,200,456	4.3%
Unemployment compensation benefits	—	—	2,026,866	1,332,402	2,026,866	1,332,402	52.1%
Financing of housing facilities	—	—	238,191	180,555	238,191	180,555	31.9%
Medical malpractice insurance	—	—	2,324	(6,724)	2,324	(6,724)	(134.6%)
Financing of student loans	—	—	36,694	52,699	36,694	52,699	(30.4%)
Tuition prepayment program	—	—	910	10,598	910	10,598	(91.4%)
Other	—	—	36,583	40,955	36,583	40,955	(10.7%)
Total expenses	**19,103,613**	**17,986,381**	**7,114,354**	**6,207,132**	**26,217,967**	**24,193,513**	**8.4%**
Excess (deficiency) before additions to endowments and transfers	**979,230**	**463,654**	**(549,531)**	**(1,108,995)**	**429,699**	**(645,341)**	**(166.6%)**
Additions to endowments	—	—	30,480	31,934	30,480	31,934	(4.6%)
Net transfers	(653,389)	(685,972)	653,389	685,972	—	—	—
Increase (decrease) in net assets	**325,841**	**(222,318)**	**134,338**	**(391,089)**	**460,179**	**(613,407)**	**(175.0%)**
Net assets, beginning of year	**13,465,390**	**13,687,708**	**3,952,311**	**4,343,400**	**17,417,701**	**18,031,108**	**(3.4%)**
Restatement of beginning net assets [b]	**(930)**	**—**	**930**	**—**	**—**	**—**	**—**
Net assets, end of year	**$ 13,790,301**	**$ 13,465,390**	**$ 4,087,579**	**$ 3,952,311**	**$ 17,877,880**	**$ 17,417,701**	**2.6%**

[a] The higher education institution support activity represents certain associations, foundations, and authorities created for the benefit of the State's higher education institutions.
[b] Restatement due to change in reporting entity. See Note 2, Accounting and Reporting Changes, on page 81 of the financial statements.

Changes in Net Assets

The State's total net assets increased $460.179 million (2.6%) over the prior year's net assets as a result of its governmental activities and its business-type activities.

Governmental Activities

Net assets of the State's governmental activities increased by $325.841 million (2.4%). Revenue increased from last year by $1.633 billion (8.8%), which is the net of a decrease of $23.022 million (0.3%) in general revenue offset by an increase of $1.656 billion (17.3%) in program revenue. Revenues that support governmental activities are derived mostly from taxes; grants and contributions, including federal aid; and charges for goods and services. *Exhibit 3* illustrates the comparative sources of revenues that support governmental activities.

Expenses associated with governmental activities increased by $1.117 billion (6.2%) for the fiscal year ended June 30, 2010. These expenses were mostly associated with services provided for health and environment, education, general government, transportation, and social services. *Exhibit 4* compares the cost of these services with their *program revenues*—revenues derived directly from the program itself or from parties outside the State's taxpayers or citizenry. The difference between the two represents the *net cost* of these services that taxes and other general revenues financed. For the fiscal year ended June 30, 2010, the State used $8.881 billion in tax and other general revenues to finance the net cost of all services that the State's governmental activities provided. Governmental activities reported $653.389 million in net transfers to the State's business-type activities, most of which represents support provided to the State's public colleges and universities.

The following paragraphs highlight the most significant changes in revenues and expenses for governmental activities during the 2009-2010 fiscal year:

- Operating grants and contributions increased by $1.230 billion (17.5%). The increase was primarily due to the improved funding of education and public health programs through Stimulus funds.
- General tax revenues decreased $265.446 million (3.2%) from last year. Individual income tax revenues declined 5.2%, sales/use tax revenues declined 1.4%, and corporate income/other taxes revenues declined 3.9%. Tax collections were down during fiscal year 2009-2010 due to the national recession; however, the decline was not as drastic as the decline that occurred from fiscal year 2007-2008 to fiscal year 2008-2009.
- General government and education expenses increased $434.290 million (5.1%) compared to a decline of 5.4% during the previous fiscal year, due in part to the transfer of two agency divisions that were reclassified between the "Resources and economic development" and "General Government" expenditure functions. Education expenses increased due to additional funding available through grants and additional depreciation expense due to reevaluating depreciable lives on buses.

Exhibit 3
Sources of Revenues Supporting Governmental Activities
For the Fiscal Year Ended June 30, 2010

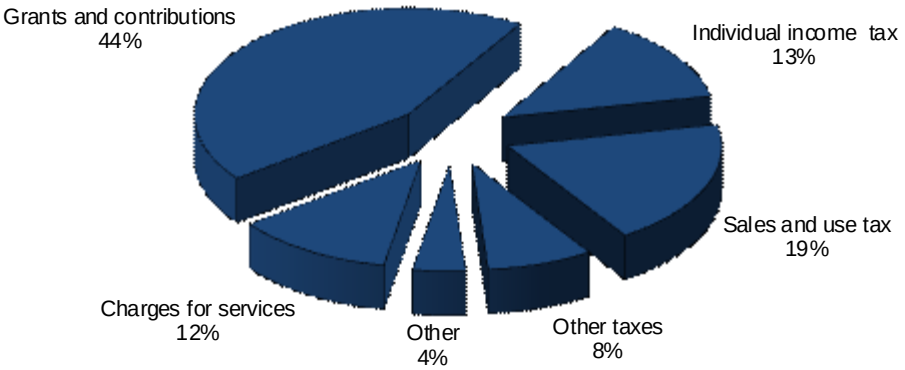
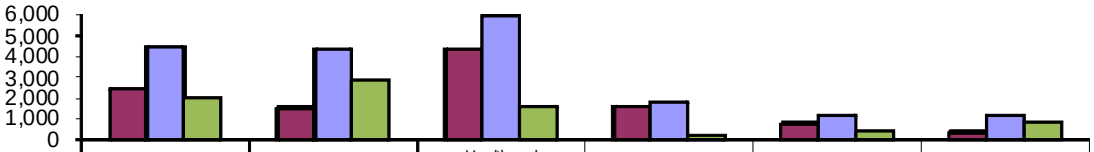


Exhibit 4
Governmental Activities - Net Cost of Services
For the Fiscal Year Ended June 30, 2010
(In Millions)



	General government	Education	Health and environment	Social services	Transportation	Other
Revenues	$2,472	$1,550	$4,370	$1,635	$804	$371
Expenses	$4,476	$4,400	$6,007	$1,847	$1,180	$1,194
Net Cost	$2,004	$2,850	$1,637	$212	$376	$823

Business-type Activities

Net assets of the State's business-type activities increased $134.338 million (3.4%).

Revenues from business-type activities included charges for services (82.6%) and grants and contributions, including federal aid (17.4%). Expenses from business-type activities were mostly to provide higher education services and support (67.1%), unemployment compensation benefits (28.5%), and financing of housing facilities (3.3%).

Most business-type activities are self-supporting. Tuition and student fees, research and other grants (both private and governmental), and other charges primarily pay for the services that the Higher Education Fund provides. However, the Higher Education Fund receives substantial resources (primarily transfers of annual appropriations) from the State's governmental activities. Essentially, net transfers to the Higher Education Fund, which totaled $653.389 million for the year ended June 30, 2010, represent the cost of educational services that taxes and other general revenues of governmental activities support.

Expenses for the payment of unemployment compensation benefits increased $694.464 million during the 2009-2010 fiscal year. This increase resulted primarily from a rise in the State's rate of unemployment and the increased length of time over which benefits are paid to an individual.

Financial Analysis of the State's Funds

The State of South Carolina uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Within the fund financial statements, the focus is on reporting major funds.

Governmental Funds

Exhibit 5 shows the components of fund balance for the State's various governmental funds as of June 30, 2010.

Exhibit 5
Governmental Fund Balances
As of June 30, 2010
(Expressed in Thousands)

	General Fund	Departmental General Operating	Local Government Infrastructure	Department of Transportation Special Revenue	State Tobacco Settlement	Nonmajor Governmental Funds	Total Governmental Funds
Reserved	$ 184,645	$ 15,748	$ 1,981,573	$ 15,738	$ —	$ 154,194	$ 2,351,898
Unreserved, designated	—	—	—	—	—	376,152	376,152
Unreserved, undesignated	(36,290)	581,290	(224,300)	(212,412)	44,582	524,647	677,517
Totals	**$ 148,355**	**$ 597,038**	**$ 1,757,273**	**$ (196,674)**	**$ 44,582**	**$ 1,054,993**	**$ 3,405,567**
Change from prior year	**$ 43,126**	**$ 33,499**	**$ 63,846**	**$ (72,965)**	**$ (9,843)**	**$ 62,486**	**$ 120,149**
Percentage change	**41.0%**	**5.9%**	**3.8%**	**(59.0%)**	**(18.1%)**	**6.3%**	**3.7%**

At June 30, 2010, total ending fund balance for the State's governmental funds was $3.406 billion, which represents an increase of $120.149 million (3.7%) from the prior year. Nearly one-third of this total (30.9%) consists of *unreserved* fund balance—the amount available for spending in the coming year. The remaining fund balance is *reserved* and is *not* available for future appropriation because it is accessible only for specific purposes. The following paragraphs discuss the activities of the General Fund and other major governmental funds that had significant changes in fund balance:

The *General Fund* is one of two large State operating funds. This fund includes resources that pay for the services that the State traditionally has provided to its citizens. These resources, such as taxes, are accounted for in the General Fund unless State law requires them to be accounted for in another fund. During the 2009-2010 accounting year, the total fund balance of the General Fund increased $43.126 million (41.0%) from last year. Overall, revenues were $320.339 million (5.1%) less than the previous year, the largest portion of the decline being individual income taxes, which decreased $168.493 million (6.0%). Sales and use taxes and other taxes also declined by $49.449 million (2.2%) and $68.420 million (8.9%), respectively, from prior year. The reduction in revenues was more than offset by an overall decrease in expenditures of $444.490 million (8.5%) and net transfers out of $145.542 million (11.9%) over the prior year. Expenditures and transfers out decreased because of mandated spending reductions ordered by State officials.

The *Department of Transportation (DOT) Special Revenue Fund* accounts for various gasoline taxes, fees, fines, and federal grant resources. The DOT uses these resources to pay for its general operations, which include maintenance, regulation, and construction of public highways and bridges. The fund balance decreased $72.965 million (59.0%) during 2009-2010 leaving a negative fund balance of $196.674 million at the end of the fiscal year. The decrease in fund balance that occurred during the current fiscal year was a result of several factors. One factor was that despite increased Federal revenue $204.070 million (42.0%), over prior year; transportation expenditures increased $240.944 million (36.8%), over prior year, a net of negative $36.874 million. Another factor is that DOT issued refunding bonds including premiums of $335.902 million in the current fiscal year, while retiring principal of $359.250 million, a net of negative $23.348 million.

Proprietary Funds

Exhibit 6 shows the components of net assets for the State's various proprietary funds at June 30, 2010.

Exhibit 6
Proprietary Fund Net Assets
As of June 30, 2010
(Expressed in Thousands)

	Enterprise Funds							
Fund Net Assets	**Higher Education**	**Unemployment Compensation**	**Housing Authority**	**Medical University Hospital Authority**	**Education Assistance Authority**	**Nonmajor Enterprise**	**Total Enterprise**	**Internal Service Funds**
Invested in capital assets (net of related debt)	$ 2,389,446	$ —	$ 882	$ 78,737	$ 91	$ 70,496	$ 2,539,652	$ 92,233
Restricted, expendable	591,106	—	270,567	89,269	63,778	25,437	1,040,157	285,069
Restricted, nonexpendable	153,628	—	—	—	—	31,567	185,195	—
Unrestricted	752,506	(759,548)	44,382	128,409	80,436	89,794	335,979	(10,758)
Totals	**$ 3,886,686**	**$ (759,548)**	**$ 315,831**	**$ 296,415**	**$ 144,305**	**$ 217,294**	**$ 4,100,983**	**$ 366,544**
Change from prior year	**$ 425,665**	**$ (444,570)**	**$ 8,273**	**$ 63,814**	**$ (1,751)**	**$ 95,846**	**$ 147,277**	**$ (3,520)**
Percentage change	**12.3%**	**141.1%**	**2.7%**	**27.4%**	**(1.2%)**	**78.9%**	**3.7%**	**(1.0%)**

The State has two kinds of proprietary funds: enterprise funds and internal service funds.

Enterprise funds are reported as business-type activities in the government-wide financial statements. Enterprise funds sell goods or services primarily to parties outside of State government.

The net assets of the *Unemployment Compensation Benefits Fund*, a major enterprise fund, decreased by $444.570 million (141.1%) over the prior year. As discussed in Note 22h on page 146, due to the increasing unemployment rate and resulting increased amount of unemployment benefits the Fund paid out, along with the increased length of time over which the benefits are paid out, the Fund was required to obtain advances from the Federal Unemployment Fund, the balance of which is $886.662 million at June 30, 2010. Management plans to continue to borrow from the Federal government to fund its deficits for the foreseeable future.

The *Medical University Hospital Authority*, a major enterprise fund, reported an increase in net assets of $63.814 million (27.4%) over the prior year. Revenue from charges for services exceeded operating expenditures by $124.534 million in fiscal year 2009-2010, whereas in fiscal year 2008-2009, charges for services exceeded operating expenditures by only $61.125 million, resulting in a larger increase in net assets during the current year than in the prior year.

The net assets of the State's *nonmajor enterprise funds* increased by $95.846 million (78.9%). This increase was due in part to positive operating results for the *Patients' Compensation Fund*, increased investment income and decreased tuition plan disbursements in the *Tuition Prepayment Program Fund*, and increased charges for services for *University Medical Associates*.

South Carolina's *internal service funds* provide certain services (including maintenance, insurance, printing, information technology, and motor pool services) and some goods (such as office supplies) primarily to other State funds but sometimes to local governments as well. The objective of an internal service fund is to charge its customers for the costs of the services or goods that it provides. Because internal service funds primarily benefit State government, South Carolina reports them as governmental activities in the government-wide financial statements.

Budgetary General Fund Highlights

Original estimated revenues for the 2009–2010 accounting year were $5.552 billion. Because of continual review of tax revenue collections and uncertain economic conditions, the Board of Economic Advisors (BEA) revised downward the revenue estimate during the course of the year to a total of $5.033 billion. In addition, the Budget and Control Board took action by mandating agency appropriation reductions of 4.04% and 5.00% amounting overall to $438.680 million and prohibited any reductions of the Capital Reserve Fund of $127.848 million. Actual revenues at June 30, 2010, were $209.142 million (4.2%) over the BEA's adjusted revenue estimate but still had declined compared to the prior year revenue

collections by $302.277 million (5.5%). Individual income and sales tax collections, the fund's primary revenue sources, ended the year favorably over the adjusted estimate by $133.725 million and $53.796 million, respectively.

Actual expenditures were $125.655 million less than actual revenues because of the actions of the Budget and Control Board, including $40.245 million of unbudgeted spending through "open-ended" appropriations.

Based on the above results of operations, fiscal year 2009-2010 ended with a budgetary surplus. After funding the prior year deficit of $98.217 million and replenishing the General Reserve Fund by $46.959 million, the State ended the year with an accumulated budgetary general fund balance of $246.167 million, comprised of an unreserved/undesignated surplus of $71.001 million, general reserve of $110.883 million, and $64.283 million in carried-forward appropriations.

See the *Required Supplementary Information* section on pages 147 through 153 of this report for a detailed budgetary comparison schedule.

Capital Assets and Debt Administration

Capital Assets

At the end of the 2009-2010 accounting year, the State had $18.613 billion invested in capital assets. This represented a net increase (including additions and deductions) of $398.138 million, or 2.2%, over the previous accounting year (see *Exhibit 7*).

Exhibit 7
Capital Assets, Net of Depreciation
As of June 30 for the Years Indicated
(Expressed in Thousands)

	Governmental Activities		Business-type Activities		Totals—Primary Government		Total Percentage Change
	2010	Restated 2009	2010	2009	2010	Restated 2009	2009-2010
Land and improvements	$ 1,789,136	$ 1,760,180	$ 385,555	$ 381,073	$ 2,174,691	$ 2,141,253	1.6%
Infrastructure	7,981,897	7,736,057	—	—	7,981,897	7,736,057	3.2%
Buildings and improvements	968,567	995,602	3,365,444	3,055,738	4,334,011	4,051,340	7.0%
Vehicles	123,716	204,166	15,779	15,981	139,495	220,147	(36.6%)
Machinery and equipment	123,599	138,857	347,004	341,281	470,603	480,138	(2.0%)
Works of art and historical treasures	5,340	5,400	38,639	27,509	43,979	32,909	33.6%
Construction in progress	3,156,544	3,141,388	238,346	406,196	3,394,890	3,547,584	(4.3%)
Intangible assets	63,430	1,475	10,375	4,330	73,805	5,805	1171.4%
Total	**$ 14,212,229**	**$ 13,983,125**	**$ 4,401,142**	**$ 4,232,108**	**$ 18,613,371**	**$ 18,215,233**	**2.2%**

Growth in capital asset investment continues to struggle as funding has been limited to agency appropriations without use of the Capital Reserve Fund. The Capital Reserve Fund has been used to continue to offset operating deficits. During the prior year, growth decreased to $525.537 million (2.97%) as opposed to the same period in fiscal year 2007-2008, which grew $757.278 million (4.5%). During the current year, vehicle fleets have continued to decrease due to general aging and irreparability, and book values have decreased due to depreciation. The Patriot's Point Development Authority continues to invest in maintaining their exhibits which are reflected as increases to historical treasures. The Budget and Control Board capitalized the new statewide accounting system amounting to approximately $63.557 million. This system should provide more accountability and consistency among the State's agencies.

See Note 7 in the notes to the financial statements on page 100 of this report for additional information on the State's capital assets.

Long-term Debt

At June 30, 2010, the State had $7.827 billion in bonds and notes outstanding—a decrease of $60.715 million, or 0.8%, over last year (see *Exhibit 8*).

Exhibit 8
Outstanding Bonds and Notes
As of June 30 for the Years Indicated
(Expressed in Thousands)

	Governmental Activities		Business-type Activities		Totals—Primary Government		Total Percentage Change
	2010	2009	2010	2009	2010	2009	2009-2010
Backed by the State:							
General obligation bonds	$ 1,950,048	$ 1,857,510	$ 387,464	$ 354,252	$ 2,337,512	$ 2,211,762	5.7%
Bond anticipation notes	—	—	30,000	30,000	30,000	30,000	0.0%
Backed by specific revenues:							
Revenue bonds and notes	94,195	71,802	3,135,445	3,245,263	3,229,640	3,317,065	(2.6%)
Infrastructure Bank bonds	2,051,545	2,091,864	—	—	2,051,545	2,091,864	(1.9%)
Tobacco Authority bonds	120,653	176,180	—	—	120,653	176,180	(31.5%)
Limited obligation bonds	6,435	7,629	—	—	6,435	7,629	(15.7%)
Bond anticipation notes	—	—	51,100	53,100	51,100	53,100	(3.8%)
Total	**$ 4,222,876**	**$ 4,204,985**	**$ 3,604,009**	**$ 3,682,615**	**$ 7,826,885**	**$ 7,887,600**	**(0.8%)**

The increase in debt reported in governmental activities resulted from the issuance of general obligation bonds including $220.000 million in Economic Development bonds, $50.000 million in Air Carrier Hub Terminal Facilities bonds, and $299.860 million in Highway bonds. Also, the issuance of Infrastructure Bank revenue bonds of $88.590 million and a master lease note of $22.100 million to finance the State's new enterprise information system, net of principal payments on all categories of bonds and notes, resulted in the net increase in debt for governmental activities.

New debt reported in business-type activities included the issuance of $54.000 million in general obligation state institution bonds by Coastal Carolina University. The issuance of new revenue bonds and notes was less than principal payments, resulting in an overall decrease in that category for business-type activities. The Education Assistance Authority issued $85.000 million in new bonds and paid off $201.350 million in bonds. The Housing Authority issued $120.000 million in new bonds and paid off $65.075 million in bonds and a $22.000 million note payable. In the State's Higher Education fund, the University of South Carolina and Francis Marion University issued $28.510 million and $8.500 million in revenue bonds, respectively; however, bond and note principal payments totaling $76.353 million for the Higher Education fund exceeded the new debt issued.

Three bond rating services assign ratings to bonds that the State backs with its own taxing authority (*general obligation bonds*). Fitch Ratings rated these bonds as "AAA" and Moody's Investors Service rated them as "Aaa" during the fiscal year ended June 30, 2010, the highest ratings that these services assign. Standard & Poor's rated these bonds as "AA+" during the same period.

The State limits the amount of annual payments for principal and interest on general obligation bonds and notes rather than directly limiting the amount of those bonds and notes that the State may have outstanding. At June 30, 2010, the State legally could issue additional bonds as long as the new debt would not increase the State's annual principal and interest payments by more than the following amounts: $44.136 million for institution bonds (*Institution bonds* are general obligation bonds that benefit the State's Higher Education Fund.), $32.385 million for highway bonds, $132.182 million for general obligation bonds (excluding institution and highway bonds), $2.990 million for economic development bonds, and $6.626 million for research university infrastructure bonds. During the fiscal year ended June 30, 2010, the State issued $170.000 million of economic development bonds which are not subject to the limitation on maximum annual debt service.

See Note 12 in the notes to the financial statements on page 118 of this report for additional information about the State's long-term debt.

Economic Factors and Next Year's Budget

The "Rainy Day Account"

At June 30, 2010, the General Reserve Fund, sometimes called the *rainy day account*, had a balance of $110.883 million which was comprised of $63.924 million appropriated by the 2009-2010 Appropriations Act and $46.959 million from the

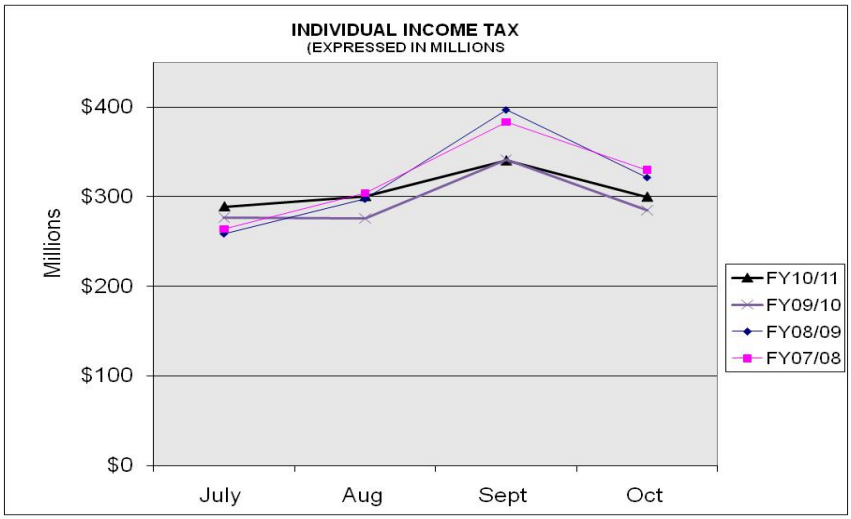
fiscal year 2009-2010 budgetary General Fund surplus. The balance is below the actual full funding requirement of $191.772 million. The State's Constitution requires restoration of the reserve to full funding within three fiscal years after a withdrawal. State law defines full funding for the reserve as 3% of the Budgetary General Fund's revenues for the latest completed accounting year.

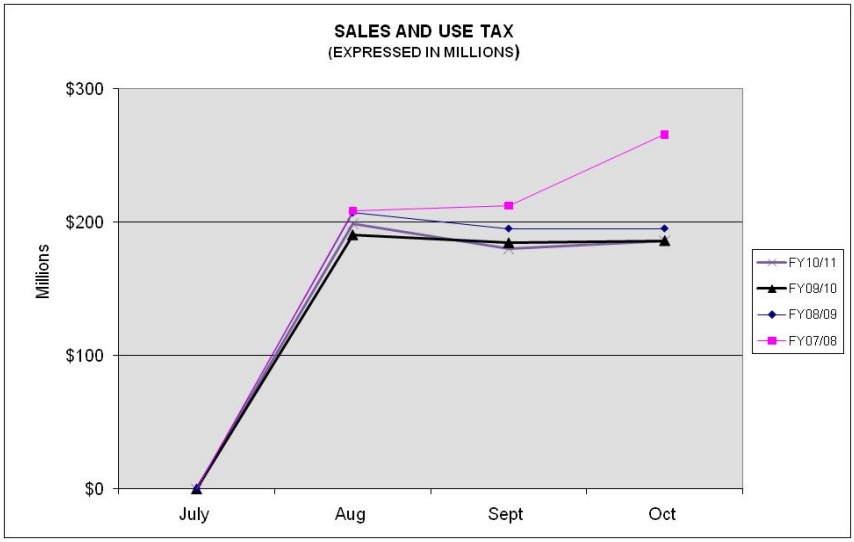
Budgetary General Fund for the 2010-2011 Accounting Year

For fiscal year 2010-2011, estimated General Fund revenue published in the 2010-2011 Appropriations Act was $5.170 billion, or $71.382 million, less than fiscal year 2009–2010 actual revenue collections. The estimate could be subsequently revised based on continued monitoring of revenue collections and economic conditions.

Economic Conditions

Budgetary General Fund revenues for the first four months of fiscal year 2010-2011 were $2.028 billion, an increase of $109.245 million (5.7%) over the same period for fiscal year 2009-2010. Although favorable in comparison to the prior year, the same collections are behind $235.167 million (10.39%) from fiscal year 2007-2008. Currently, total individual income taxes collected have increased $58.111 million (5.0%) over the prior year but continue to lag behind fiscal year 2007-2008 by 4.0%. Sales taxes have also increased $7.810 million (1.4%) from fiscal year 2009-2010 but continue to lag behind fiscal year 2007-2008 by 17.66%. During fiscal year 2007-2008, sales taxes included $55.310 million in collections from the now legislatively-eliminated unprepared grocery food tax; this amount was deducted from the comparison computation percentages above and the graphs below to provide consistency.





Requests for Information

The primary purpose of this financial report is to provide South Carolina's citizens, taxpayers, customers, investors, and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. Please address any questions concerning information in this report to:

Office of the Comptroller General
ATTN: Deputy Comptroller General
1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

BASIC
FINANCIAL STATEMENTS

Statement of Net Assets

June 30, 2010
(Expressed in Thousands)

	PRIMARY GOVERNMENT			
	Governmental Activities	Business-type Activities	Totals	COMPONENT UNITS
ASSETS				
Current assets:				
Cash and cash equivalents	$ 3,261,426	$ 1,522,843	$ 4,784,269	$ 259,795
Investments	—	126,352	126,352	93,433
Invested securities lending collateral	283,687	47,452	331,139	19,680
Receivables, net:				
Accounts	285,122	91,129	376,251	204,409
Contributions	—	3,297	3,297	3,466
Participants	—	2,168	2,168	—
Accrued interest	32,075	7,819	39,894	4,813
Income taxes	391,980	—	391,980	—
Sales and other taxes	495,442	—	495,442	—
Student accounts	—	50,587	50,587	—
Patient accounts	14,986	181,488	196,474	—
Loans and notes	31,163	59,230	90,393	25
Assessments	—	50,986	50,986	—
Due from Federal government and other grantors	1,130,645	150,910	1,281,555	309
Internal balances	(4,767)	4,767	—	—
Due from component units	36,366	126,870	163,236	—
Due from primary government	—	—	—	167,541
Inventories	33,356	39,364	72,720	488,550
Restricted assets:				
Cash and cash equivalents	90,576	531,104	621,680	371,364
Investments	—	20,794	20,794	91,248
Loans receivable	—	20,929	20,929	—
Other	78,009	7,167	85,176	—
Prepaid items	24,373	34,261	58,634	17,656
Other current assets	—	3,664	3,664	31,853
Deferred charges	—	—	—	1,257
Total current assets	6,184,439	3,083,181	9,267,620	1,755,399

The Notes to the Financial Statements are an integral part of this statement.

Statement of Net Assets (Continued)

June 30, 2010
(Expressed in Thousands)

	PRIMARY GOVERNMENT			
	Governmental Activities	Business-type Activities	Totals	COMPONENT UNITS
Long-term assets:				
Investments	$ 402,697	$ 36,291	$ 438,988	$ 705,777
Receivables, net:				
Accounts	20,745	1,155	21,900	2,328
Contributions	—	2,495	2,495	39,566
Participants	—	6,338	6,338	—
Income taxes	32,103	—	32,103	—
Sales and other taxes	466	—	466	—
Student accounts	—	780	780	—
Patient accounts	6,862	—	6,862	—
Loans and notes	535,710	865,186	1,400,896	30
Restricted assets:				
Cash and cash equivalents	415,681	393,219	808,900	99,873
Investments	—	79,678	79,678	564,286
Accounts receivable	353,996	—	353,996	—
Loans receivable	—	906,253	906,253	—
Other	3,549	49,972	53,521	—
Prepaid items	—	11,643	11,643	—
Other long-term assets	1,253	11,941	13,194	54,934
Deferred charges	103,650	32,758	136,408	692,440
Investment in joint venture	—	—	—	9,727
Non-depreciable capital assets	4,931,021	529,361	5,460,382	1,295,115
Depreciable capital assets, net	9,281,208	3,871,781	13,152,989	4,277,745
Total long-term assets	16,088,941	6,798,851	22,887,792	7,741,821
Total assets	**22,273,380**	**9,882,032**	**32,155,412**	**9,497,220**

Continued on Next Page

Statement of Net Assets (Continued)

June 30, 2010
(Expressed in Thousands)

	PRIMARY GOVERNMENT			
	Governmental Activities	Business-type Activities	Totals	COMPONENT UNITS
LIABILITIES				
Current liabilities:				
Accounts payable	$ 716,954	$ 159,864	$ 876,818	$ 173,818
Accrued salaries and related expenses	122,093	101,023	223,116	10,596
Accrued interest payable	27,218	21,656	48,874	122,170
Retainages payable	2,889	8,802	11,691	5,989
Tax refunds payable	664,519	6,808	671,327	—
Payables-aid to individuals/families	4,591	—	4,591	—
Prizes payable	—	—	—	24,325
Unemployment benefits payable	—	20,685	20,685	—
Intergovernmental payables	840,314	4,819	845,133	511
Tuition benefits payable	—	22,701	22,701	—
Policy claims	471,752	13,054	484,806	30,753
Due to component units	167,541	—	167,541	—
Due to primary government	—	—	—	163,054
Unearned revenues and deferred credits	343,105	149,072	492,177	16,166
Deposits	—	7,313	7,313	15
Amounts held in custody for others	—	9,665	9,665	—
Securities lending collateral	312,796	52,124	364,920	21,700
Liabilities payable from restricted assets:				
Accounts payable	—	22	22	432
Accrued interest payable	24,642	20,768	45,410	1,719
Bonds payable	47,330	43,730	91,060	—
Other	—	60,209	60,209	—
Notes payable	12,640	34,270	46,910	353
General obligation bonds anticipation notes payable	—	30,000	30,000	—
Revenue bonds anticipation notes payable	—	51,100	51,100	—
General obligation bonds payable	190,165	23,330	213,495	—
Revenue bonds payable	2,760	42,323	45,083	133,865
Limited obligation bonds payable	1,280	—	1,280	—
Capital leases payable	117	5,615	5,732	1,691
Commercial paper notes	—	—	—	276,551
Compensated absences payable	116,109	79,029	195,138	2,832
Other current liabilities	121,946	34,480	156,426	263,776
Total current liabilities	4,190,761	1,002,462	5,193,223	1,250,316

The Notes to the Financial Statements are an integral part of this statement.

Statement of Net Assets (Continued)

June 30, 2010
(Expressed in Thousands)

	PRIMARY GOVERNMENT			
	Governmental Activities	Business-type Activities	Totals	COMPONENT UNITS
Long-term liabilities:				
Retainages payable	$ —	$ —	$ —	$ 21,488
Tuition benefits payable	—	156,444	156,444	—
Policy claims	179,082	125,601	304,683	128,664
Unearned revenues and deferred credits	—	6,006	6,006	317,754
Amounts held in custody for others	—	—	—	2,131
Other liabilities payable from restricted assets	—	1,055	1,055	—
Advances from Federal government	—	886,662	886,662	—
Notes payable	48,304	185,009	233,313	971
General obligation bonds payable	1,759,883	364,134	2,124,017	—
Tobacco Authority bonds payable	120,653	—	120,653	—
Infrastructure Bank bonds payable	2,004,215	—	2,004,215	—
Revenue bonds payable	30,491	2,830,113	2,860,604	4,878,851
Limited obligation bonds payable	5,155	—	5,155	—
Capital leases payable	125	100,853	100,978	3,925
Compensated absences payable	98,004	68,528	166,532	18,207
Other long-term liabilities	46,406	67,586	113,992	105,279
Total long-term liabilities	4,292,318	4,791,991	9,084,309	5,477,270
Total liabilities	**8,483,079**	**5,794,453**	**14,277,532**	**6,727,586**
NET ASSETS				
Invested in capital assets, net of related debt	10,966,666	2,539,652	13,506,318	662,432
Restricted:				
Expendable:				
Education	285,426	215,643	501,069	175,777
Transportation	123,936	—	123,936	—
Capital projects	39,264	304,005	343,269	42,525
Debt service	1,163,122	255,952	1,419,074	126,082
Loan programs	975,780	264,557	1,240,337	—
Waste management	224,253	—	224,253	—
Insurance programs	265,069	—	265,069	—
Other	115,276	—	115,276	382,777
Nonexpendable:				
Education	—	185,195	185,195	354,768
Other	3,270	—	3,270	—
Unrestricted	(371,761)	322,575	(49,186)	1,025,273
Total net assets	**$ 13,790,301**	**$ 4,087,579**	**$ 17,877,880**	**$ 2,769,634**

Statement of Activities

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses)
Functions					
Primary government:					
Governmental activities:					
General government	$ 4,475,571	$ 1,945,319	$ 516,591	$ 10,056	$ (2,003,605)
Education	4,400,125	31,152	1,519,155	—	(2,849,818)
Health and environment	6,007,179	104,881	4,265,619	—	(1,636,679)
Social services	1,847,028	2,182	1,632,657	—	(212,189)
Administration of justice	760,379	114,464	46,736	268	(598,911)
Resources and economic development	351,882	58,378	142,292	9,131	(142,081)
Transportation	1,179,611	100,428	151,681	551,288	(376,214)
Unallocated interest expense	81,838	—	—	—	(81,838)
Total governmental activities	**19,103,613**	**2,356,804**	**8,274,731**	**570,743**	**(7,901,335)**
Business-type activities:					
Higher education	3,520,564	2,377,719	726,227	100,884	(315,734)
Higher education institution support	1,252,222	1,314,062	80,406	—	142,246
Unemployment compensation benefits	2,026,866	1,575,257	8,177	—	(443,432)
Financing of housing facilities	238,191	58,188	187,904	—	7,901
Medical malpractice insurance	2,324	22,708	718	—	21,102
Financing of student loans	36,694	33,138	1,805	—	(1,751)
Tuition prepayment program	910	593	34,523	—	34,206
State maritime museum	9,300	8,490	367	—	(443)
Insurance claims processing	1,720	1,645	70	—	(5)
Other enterprise activities	25,563	29,289	2,653	—	6,379
Total business-type activities	**7,114,354**	**5,421,089**	**1,042,850**	**100,884**	**(549,531)**
Total primary government	**$ 26,217,967**	**$ 7,777,893**	**$ 9,317,581**	**$ 671,627**	**$ (8,450,866)**
Component units:					
Public Service Authority	$ 1,636,009	$ 1,702,001	$ 2,950	$ —	$ 68,942
State Ports Authority	113,118	112,701	6,682	2,677	8,942
Connector 2000 Association, Inc	27,815	5,255	380	—	(22,180)
Lottery Commission	1,011,039	1,010,702	86	—	(251)
Other	88,467	36,131	128,923	2	76,589
Total component units	**$ 2,876,448**	**$ 2,866,790**	**$ 139,021**	**$ 2,679**	**$ 132,042**

The Notes to the Financial Statements are an integral part of this statement.

Statement of Activities (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Changes in net assets:				
Net revenues (expenses)	$ (7,901,335)	$ (549,531)	$ (8,450,866)	$ 132,042
General revenues:				
Taxes:				
Individual income	2,659,728	—	2,659,728	—
Retail sales and use	3,855,095	—	3,855,095	—
Other	1,616,347	—	1,616,347	—
Total taxes	8,131,170	—	8,131,170	—
Unrestricted grants and contributions	205,965	—	205,965	—
Unrestricted investment income	41,555	—	41,555	—
Tobacco legal settlement	68,709	—	68,709	—
Other revenues	433,166	—	433,166	—
Additions to endowments	—	30,480	30,480	—
Transfers–internal activities	(653,389)	653,389	—	—
Total general revenues, additions to endowments, and transfers	**8,227,176**	**683,869**	**8,911,045**	**—**
Change in net assets	**325,841**	**134,338**	**460,179**	**132,042**
Net assets at beginning of year (restated)	**13,464,460**	**3,953,241**	**17,417,701**	**2,637,592**
Net assets at end of year	**$ 13,790,301**	**$ 4,087,579**	**$ 17,877,880**	**$ 2,769,634**

Balance Sheet

GOVERNMENTAL FUNDS

June 30, 2010
(Expressed in Thousands)

	General Fund	Departmental General Operating	Local Government Infrastructure	Department of Transportation Special Revenue
ASSETS				
Cash and cash equivalents	$ 542,494	$ 474,176	$ 426,821	$ 136,621
Investments	27,833	285	—	—
Invested securities lending collateral	155,250	4,227	42,374	3,491
Receivables, net:				
Accounts	1,255	125,918	2,247	13,989
Accrued interest	5,026	516	11,105	795
Income taxes	424,083	—	—	—
Sales and other taxes	301,760	11,584	—	8,661
Patient accounts	10,210	11,638	—	—
Loans and notes	—	1,167	524,000	5,664
Due from Federal government and other grantors	12,563	979,033	—	138,600
Due from other funds	45,742	28,370	16,941	23,924
Due from component units	9,620	1,070	—	—
Interfund receivables	5,514	1,281	343,692	—
Inventories	7,924	14,209	—	5,161
Restricted assets:				
Cash and cash equivalents	—	—	467,059	21,983
Accounts receivable	—	—	353,996	—
Other	—	—	42,940	—
Prepaid items	—	—	—	6,302
Other assets	—	—	—	771
Total assets	**$ 1,549,274**	**$ 1,653,474**	**$ 2,231,175**	**$ 365,962**
LIABILITIES AND FUND BALANCES (DEFICIT)				
Liabilities:				
Accounts payable	$ 273,837	$ 338,565	$ 18,717	$ 136,482
Accrued salaries and related expenditures	56,402	41,242	118	18,450
Retainages payable	—	239	—	1,932
Tax refunds payable	663,723	—	—	—
Payable–aid to individuals/families	1,587	3,004	—	—
Intergovernmental payables	25,074	526,372	137	—
Due to other funds	115,808	47,704	15,546	16,172
Interfund payables	—	5,365	—	343,692
Deferred revenues	55,991	89,270	392,662	42,059
Securities lending collateral	171,180	4,661	46,722	3,849
Other liabilities	37,317	14	—	—
Total liabilities	**1,400,919**	**1,056,436**	**473,902**	**562,636**
Fund balances (deficit):				
Reserved	184,645	15,748	1,981,573	15,738
Unreserved, designated reported in:				
Special revenue funds	—	—	—	—
Capital Projects Fund	—	—	—	—
Unreserved, undesignated reported in:				
General Fund	(36,290)	—	—	—
Special revenue funds	—	581,290	(224,300)	(212,412)
Permanent funds	—	—	—	—
Total fund balances (deficit)	**148,355**	**597,038**	**1,757,273**	**(196,674)**
Total liabilities and fund balances	**$ 1,549,274**	**$ 1,653,474**	**$ 2,231,175**	**$ 365,962**

The Notes to the Financial Statements are an integral part of this statement.

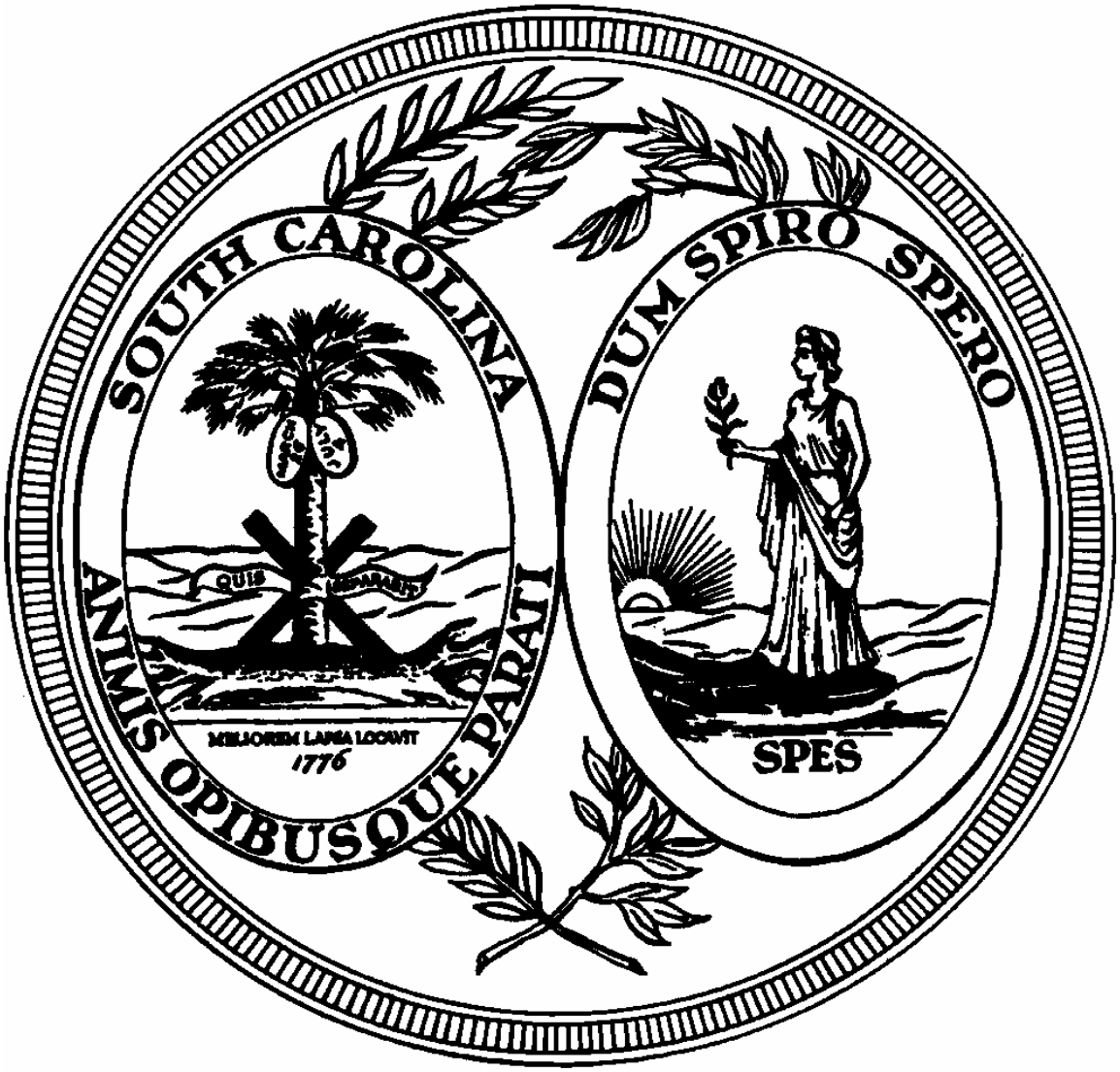
State Tobacco Settlement	Nonmajor Governmental Funds	Totals
$ 44,537	$ 1,176,633	$ 2,801,282
—	—	28,118
2,321	48,206	255,869
—	772	144,181
336	8,703	26,481
—	—	424,083
—	173,903	495,908
—	—	21,848
—	36,043	566,874
—	449	1,130,645
—	37,927	152,904
—	25,634	36,324
—	15,890	366,377
—	3	27,297
—	17,215	506,257
—	—	353,996
—	38,618	81,558
—	—	6,302
—	—	771
$ 47,194	**$ 1,579,996**	**$ 7,427,075**
$ 45	$ 50,332	$ 817,978
—	1,830	118,042
—	470	2,641
—	796	664,519
—	—	4,591
—	288,564	840,147
8	85,546	280,784
—	19,780	368,837
—	24,503	604,485
2,559	53,153	282,124
—	29	37,360
2,612	**525,003**	**4,021,508**
—	154,194	2,351,898
—	14,055	14,055
—	362,097	362,097
—	—	(36,290)
44,582	523,174	712,334
—	1,473	1,473
44,582	**1,054,993**	**3,405,567**
$ 47,194	**$ 1,579,996**	**$ 7,427,075**

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

June 30, 2010
(Expressed in Thousands)

Total fund balances–governmental funds		**$ 3,405,567**
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Non-depreciable capital assets	$ 4,924,124	
Depreciable capital assets	13,261,095	
Accumulated depreciation	(4,095,067)	
Total capital assets		14,090,152
Bond issue costs are reported as current expenditures in the funds. However, issue costs are deferred and amortized over the life of the bonds and are included in governmental activities in the statement of net assets		26,765
Certain State revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds		420,947
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets		366,544
Eliminations relating to the consolidation of internal service funds resulted in an amount due from governmental activities to business-type activities in the statement of net assets		13,404
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Bonds payable	(4,139,410)	
Notes payable	(53,352)	
Accrued interest on bonds	(51,187)	
Capital leases	(242)	
Compensated absences	(208,531)	
Policy claims	(35,709)	
Other	(44,647)	
Total long-term liabilities		(4,533,078)
Net assets of governmental activities		**$ 13,790,301**

The Notes to the Financial Statements are an integral part of this statement.


SOUTH CAROLINA
ANIMIS OPIBUSQUE PARATI
QUIS SEPARABIT
MELIOREM LANIA LOCAVIT
1776
DUM SPIRO SPERO
SPES

Statement of Revenues, Expenditures, and Changes in Fund Balances

GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	General Fund	Departmental General Operating	Local Government Infrastructure
Revenues:			
Taxes:			
Individual income	$ 2,643,141	$ —	$ 15,559
Retail sales and use	2,199,513	1,278	—
Other	701,160	25,239	20,000
Licenses, fees, and permits	96,071	165,788	94,618
Interest and other investment income	50,815	3,649	76,381
Federal	87,461	7,631,235	56,285
Local and private grants	—	40,287	—
Departmental services	4,138	181,139	20,486
Contributions	18,515	89,673	43,879
Fines and penalties	52,484	88,707	—
Tobacco legal settlement	—	—	—
Other	54,877	353,329	—
Total revenues	**5,908,175**	**8,580,324**	**327,208**
Expenditures:			
Current:			
General government	259,750	320,269	3,667
Education	270,080	231,651	—
Health and environment	1,009,426	4,601,114	—
Social services	117,977	1,704,232	—
Administration of justice	508,931	163,876	—
Resources and economic development	73,830	83,674	931
Transportation	808	2,915	3,368
Capital outlay	—	—	—
Debt service:			
Principal retirement	141,956	1,890	146,365
Interest and fiscal charges	54,599	491	101,509
Intergovernmental	2,348,033	1,612,766	85,203
Total expenditures	**4,785,390**	**8,722,878**	**341,043**
Excess of revenues over (under) expenditures	**1,122,785**	**(142,554)**	**(13,835)**
Other financing sources (uses):			
Bonds and notes issued	—	—	—
Refunding bonds issued	—	—	88,590
Premiums on bonds issued	—	—	10,173
Discounts on bonds issued	—	—	(87)
Transfers in	72,343	257,292	1,274
Transfers out	(1,152,002)	(81,239)	(22,269)
Total other financing sources (uses)	**(1,079,659)**	**176,053**	**77,681**
Net change in fund balances	**43,126**	**33,499**	**63,846**
Fund balances (deficit) at beginning of year (restated)	**105,229**	**563,539**	**1,693,427**
Fund balances (deficit) at end of year	**$ 148,355**	**$ 597,038**	**$ 1,757,273**

The Notes to the Financial Statements are an integral part of this statement.

Department of Transportation Special Revenue	State Tobacco Settlement	Nonmajor Governmental Funds	Totals
$ —	$ —	$ —	$ 2,658,700
—	—	1,654,304	3,855,095
546,932	—	292,692	1,586,023
—	—	112,281	468,758
6,075	1,343	34,298	172,561
689,757	—	11,075	8,475,813
—	—	—	40,287
15,892	—	10,424	232,079
—	—	282,765	434,832
—	—	22,198	163,389
—	—	68,709	68,709
14,531	—	23,647	446,384
1,273,187	**1,343**	**2,512,393**	**18,602,630**
—	124	127,951	711,761
—	—	318,621	820,352
—	10,899	341,596	5,963,035
—	—	9,441	1,831,650
—	—	14,168	686,975
—	—	5,423	163,858
895,693	—	—	902,784
318,646	—	151,555	470,201
359,250	—	64,182	713,643
32,284	—	11,526	200,409
77,203	163	1,985,896	6,109,264
1,683,076	**11,186**	**3,030,359**	**18,573,932**
(409,889)	**(9,843)**	**(517,966)**	**28,698**
—	—	301,672	301,672
299,860	—	—	388,450
36,042	—	3,385	49,600
—	—	—	(87)
1,111	—	403,695	735,715
(89)	—	(128,300)	(1,383,899)
336,924	**—**	**580,452**	**91,451**
(72,965)	**(9,843)**	**62,486**	**120,149**
(123,709)	**54,425**	**992,507**	**3,285,418**
$ (196,674)	**$ 44,582**	**$ 1,054,993**	**$ 3,405,567**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

Net change in fund balances–total governmental funds		**$ 120,149**
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	$ 543,473	
Depreciation expense	(332,811)	
Excess of capital outlay over depreciation expense		210,662
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources		34,964
Losses on disposals of capital assets are reported as an expense in the statement of activities		(3,271)
Bond and note proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from:		
Bonds and notes issued	(690,122)	
Net bond premiums and discounts	(49,513)	
Net bond and note proceeds		(739,635)
Reclassification of notes payable from internal service fund		(3,361)
Bond issuance costs are expenditures in governmental funds, but are deferred assets in the statement of net assets		1,798
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:		
Bond principal retirement	710,433	
Note principal retirement	3,048	
Capital lease payments	162	
Deferred loss on bond refunding	14,194	
Total long-term debt repayment		727,837
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is included in governmental activities in the statement of activities		(3,520)
Because certain receivables will not be collected soon enough after the State's fiscal year ends, the related revenues are not considered "available" and are deferred in the governmental funds.		
Decrease in deferred revenues		(33,851)
Eliminations relating to the consolidation of internal service funds resulted in a net decrease in expenses for the business-type activities in the statement of activities		12,939

The Notes to the Financial Statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Net increase in accrued interest	$ (3,444)	
Interest accreted on capital appreciation debt	(441)	
Amortization of bond issuance costs	(389)	
Net amortization of bond premiums and discounts	1,036	
Amortization of deferred losses on refunding of debt	(7,212)	
Net decrease in compensated absences payable	5,369	
Increase in policy claims payable	(2,736)	
Net decrease in other payables	8,947	
Total additional expenses		$ 1,130
Change in net assets of governmental activities		**$ 325,841**

Statement of Net Assets

PROPRIETARY FUNDS

June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
ASSETS			
Current assets:			
Cash and cash equivalents	$ 928,322	$ 72,838	$ 26,231
Investments	78,413	—	—
Invested securities lending collateral	39,134	302	642
Receivables, net:			
Accounts	36,039	17,280	850
Contributions	3,282	—	—
Participants	—	—	—
Accrued interest	5,594	44	93
Student accounts	50,587	—	—
Patient accounts	—	—	—
Loans and notes	152	—	255
Assessments	—	50,986	—
Due from Federal government and other grantors	122,876	26,556	1,478
Due from other funds	56,317	228	—
Due from component units	126,870	—	—
Inventories	17,436	—	—
Restricted assets:			
Cash and cash equivalents	372,019	—	69,920
Investments	5	—	9,496
Loans receivable	1,046	—	19,803
Other	411	—	6,027
Prepaid items	26,774	—	—
Other current assets	774	—	617
Total current assets	1,866,051	168,234	135,412
Long-term assets:			
Investments	14,556	—	—
Receivables, net:			
Accounts	1,155	—	—
Contributions	2,481	—	—
Participants	—	—	—
Student accounts	780	—	—
Loans and notes	225	—	15,832
Interfund receivables	22	—	—
Restricted assets:			
Cash and cash equivalents	176,335	—	160,326
Investments	18	—	—
Loans receivable	56,303	—	842,972
Other	49,871	—	—
Prepaid items	391	—	—
Other long-term assets	4,600	—	—
Deferred charges	2,619	—	6,156
Non-depreciable capital assets	474,631	—	—
Depreciable capital assets, net	3,255,489	—	882
Total long-term assets	4,039,476	—	1,026,168
Total assets	**5,905,527**	**168,234**	**1,161,580**

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ 44,499	$ 129,665	$ 321,288	$ 1,522,843	$ 460,144
—	—	47,939	126,352	—
—	—	7,374	47,452	27,818
25,528	4,141	7,291	91,129	144,706
—	—	15	3,297	—
—	—	2,168	2,168	—
—	1,007	1,081	7,819	5,594
—	—	—	50,587	—
146,191	—	35,297	181,488	—
—	58,800	23	59,230	—
—	—	—	50,986	—
—	—	—	150,910	—
8,923	—	28,949	94,417	52,631
—	—	—	126,870	42
18,056	—	3,872	39,364	6,059
5,458	26,581	57,126	531,104	—
—	—	11,293	20,794	—
—	—	80	20,929	—
—	—	729	7,167	—
6,490	—	997	34,261	18,071
631	—	1,642	3,664	—
255,776	220,194	527,164	3,172,831	715,065
—	—	21,735	36,291	374,579
—	—	—	1,155	576
—	—	14	2,495	—
—	—	6,338	6,338	—
—	—	—	780	—
—	849,129	—	865,186	—
—	—	31,391	31,413	22,237
52,408	—	4,150	393,219	—
36,028	—	43,632	79,678	—
—	—	6,978	906,253	—
—	—	101	49,972	—
—	—	11,252	11,643	—
2,748	—	4,593	11,941	482
17,236	4,864	1,883	32,758	89
14,698	—	40,032	529,361	6,897
532,442	91	82,877	3,871,781	115,180
655,560	854,084	254,976	6,830,264	520,040
911,336	**1,074,278**	**782,140**	**10,003,095**	**1,235,105**

Continued on Next Page

Statement of Net Assets

PROPRIETARY FUNDS (Continued)

June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
LIABILITIES			
Current liabilities:			
Accounts payable	$ 67,636	$ 103	$ —
Accrued salaries and related expenses	65,323	—	486
Accrued interest payable	12,523	—	—
Retainages payable	5,398	—	—
Tax refunds payable	—	6,808	—
Unemployment benefits payable	—	20,685	—
Intergovernmental payables	—	4,743	76
Tuition benefits payable	—	—	—
Policy claims	—	—	—
Due to other funds	56,626	8,448	14
Unearned revenues	141,918	—	—
Deposits	7,313	—	—
Amounts held in custody for others	9,665	—	—
Securities lending collateral	43,149	333	707
Liabilities payable from restricted assets:			
Accounts payable	22	—	—
Accrued interest payable	—	—	18,221
Bonds payable	—	—	43,730
Other	—	—	5,002
Notes payable	14,630	—	—
General obligation bond anticipation notes payable	30,000	—	—
Revenue bond anticipation notes payable	51,100	—	—
General obligation bonds payable	23,330	—	—
Revenue bonds payable	30,706	—	—
Limited obligation bonds payable	—	—	—
Capital leases payable	5,467	—	—
Compensated absences payable	49,937	—	353
Other current liabilities	6,863	—	783
Total current liabilities	621,606	41,120	69,372
Long-term liabilities:			
Tuition benefits payable	—	—	—
Policy claims	—	—	—
Interfund payables	31,530	—	—
Unearned revenues	5,593	—	—
Other liabilities payable from restricted assets	—	—	—
Advances from Federal government	—	886,662	—
Notes payable	108,745	—	—
General obligation bonds payable	364,134	—	—
Revenue bonds payable	660,130	—	775,654
Limited obligation bonds payable	—	—	—
Capital leases payable	100,333	—	—
Compensated absences payable	66,274	—	356
Other long-term liabilities	60,496	—	367
Total long-term liabilities	1,397,235	886,662	776,377
Total liabilities	**2,018,841**	**927,782**	**845,749**

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ 42,609	$ 29,079	$ 12,733	$ 152,160	$ 6,483
19,147	—	16,067	101,023	4,051
8,131	—	1,002	21,656	673
3,404	—	—	8,802	248
—	—	—	6,808	—
—	—	—	20,685	—
—	—	—	4,819	167
—	—	22,701	22,701	—
—	—	13,054	13,054	463,752
—	—	626	65,714	4,791
—	—	7,154	149,072	159,567
—	—	—	7,313	—
—	—	—	9,665	—
—	—	7,935	52,124	30,672
—	—	—	22	—
—	2,419	128	20,768	—
—	—	—	43,730	—
—	300	54,907	60,209	—
13,177	—	6,463	34,270	3,596
—	—	—	30,000	—
—	—	—	51,100	—
—	—	—	23,330	—
10,395	—	1,222	42,323	1,620
—	—	—	—	1,280
—	—	148	5,615	—
24,350	327	4,062	79,029	2,926
22,385	976	3,473	34,480	9,547
143,598	33,101	151,675	1,060,472	689,373
—	—	156,444	156,444	—
—	—	125,601	125,601	151,373
2,055	—	16,064	49,649	1,541
—	—	413	6,006	—
—	1,049	6	1,055	—
—	—	—	886,662	—
25,353	—	50,911	185,009	3,996
—	—	—	364,134	—
441,166	894,700	58,463	2,830,113	14,467
—	—	—	—	5,155
—	—	520	100,853	—
—	—	1,898	68,528	2,656
2,749	1,123	2,851	67,586	—
471,323	896,872	413,171	4,841,640	179,188
614,921	**929,973**	**564,846**	**5,902,112**	**868,561**

Continued on Next Page

Statement of Net Assets

PROPRIETARY FUNDS (Continued)

June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
NET ASSETS (DEFICIT)			
Invested in capital assets, net of related debt	$ 2,389,446	$ —	$ 882
Restricted:			
Expendable:			
Education	193,150	—	—
Capital projects	302,827	—	—
Debt service	95,129	—	54,562
Loan programs	—	—	216,005
Insurance programs	—	—	—
Nonexpendable:			
Education	153,628	—	—
Unrestricted	752,506	(759,548)	44,382
Total net assets (deficit)	**$ 3,886,686**	**$ (759,548)**	**$ 315,831**
Adjustment in Higher Education Fund related to consolidation of internal service funds			
Net assets of business-type activities			

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ 78,737	$ 91	$ 70,496	$ 2,539,652	$ 92,233
—	—	22,493	215,643	—
—	—	1,178	304,005	—
89,269	15,226	1,766	255,952	—
—	48,552	—	264,557	20,000
—	—	—	—	265,069
—	—	31,567	185,195	—
128,409	80,436	89,794	335,979	(10,758)
$ 296,415	**$ 144,305**	**$ 217,294**	**4,100,983**	**$ 366,544**
			(13,404)	
			$ 4,087,579	

Statement of Revenues, Expenses, and Changes in Fund Net Assets

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
Operating revenues:			
Assessments	$ —	$ 298,438	$ —
Charges for services	1,426,781	—	10,287
Contributions	—	—	—
Interest and other investment income	326	—	50,910
Licenses, fees, and permits	—	—	—
Operating revenues pledged for revenue bonds	202,659	—	—
Federal operating grants and contracts	415,280	1,235,189	—
State operating grants and contracts	265,174	—	—
Local/private operating grants and contracts	66,351	—	—
Other operating revenues	54,046	49,593	—
Total operating revenues	**2,430,617**	**1,583,220**	**61,197**
Operating expenses:			
General operations and administration	3,032,045	76	11,188
Benefits and claims	—	2,026,790	—
Tuition plan disbursements	—	—	—
Interest	—	—	37,258
Depreciation and amortization	185,693	—	596
Scholarships and fellowships	226,051	—	—
Other operating expenses	—	—	1,363
Total operating expenses	**3,443,789**	**2,026,866**	**50,405**
Operating income (loss)	**(1,013,172)**	**(443,646)**	**10,792**
Nonoperating revenues (expenses):			
Federal and local government appropriations	72,688	—	—
Interest income	60,906	214	101
Contributions	114,515	—	—
Federal grants and contracts	390,623	—	184,794
Local/private grants and contracts	7,250	—	—
Interest expense	(59,772)	—	—
Net other nonoperating revenues (expenses)	23,283	—	(187,786)
Total nonoperating revenues (expenses)	**609,493**	**214**	**(2,891)**
Income (loss) before other revenues, expenses, losses, and transfers	**(403,679)**	**(443,432)**	**7,901**
Federal capital grants and contracts	25,416	—	—
Local/private capital grants and contracts	75,468	—	—
Additions to endowments	28,215	—	—
Transfers in	743,165	470	400
Transfers out	(42,920)	(1,608)	(28)
Change in net assets	**425,665**	**(444,570)**	**8,273**
Net assets (deficit) at beginning of year (restated)	**3,461,021**	**(314,978)**	**307,558**
Net assets (deficit) at end of year	**$ 3,886,686**	**$ (759,548)**	**$ 315,831**

Adjustment in Higher Education Fund related to consolidation of internal service funds……

Change in net assets of business-type activities……

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ —	$ —	$ —	$ 298,438	$ —
980,120	33,138	395,159	2,845,485	1,972,132
—	—	(1,151)	(1,151)	—
—	69	43,126	94,431	724
—	—	—	—	66
—	—	1,896	204,555	—
—	—	70	1,650,539	—
—	—	—	265,174	—
—	—	—	66,351	—
17,324	164	39,026	160,153	105,471
997,444	**33,371**	**478,126**	**5,583,975**	**2,078,393**
855,586	19,636	330,806	4,249,337	343,850
—	—	316	2,027,106	1,768,105
—	—	910	910	—
—	7,933	—	45,191	—
52,601	1,004	6,000	245,894	17,246
—	—	—	226,051	—
—	8,121	2,609	12,093	5,325
908,187	**36,694**	**340,641**	**6,806,582**	**2,134,526**
89,257	**(3,323)**	**137,485**	**(1,222,607)**	**(56,133)**
—	—	—	72,688	—
1,758	—	10,188	73,167	53,081
—	—	2,631	117,146	—
—	—	24	575,441	—
—	—	320	7,570	—
(27,449)	—	(5,030)	(92,251)	(1,432)
—	1,572	(5,699)	(168,630)	6,169
(25,691)	**1,572**	**2,434**	**585,131**	**57,818**
63,566	**(1,751)**	**139,919**	**(637,476)**	**1,685**
—	—	—	25,416	—
—	—	—	75,468	—
—	—	2,265	30,480	—
248	—	2,969	747,252	5,324
—	—	(49,307)	(93,863)	(10,529)
63,814	**(1,751)**	**95,846**	**147,277**	**(3,520)**
232,601	**146,056**	**121,448**		**370,064**
$ 296,415	**$ 144,305**	**$ 217,294**		**$ 366,544**
			(12,939)	
			$ 134,338	

Statement of Cash Flows

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
Cash flows from operating activities:			
Receipts from customers, patients, and third-party payers	$ 1,511,944	$ —	$ —
Assessments received	—	289,032	—
Grants received	718,759	1,220,423	—
Receipts from collection of loans and notes	586,580	—	168,855
Receipts of funds held for others	267,366	—	—
Internal activity–payments from other funds	90,182	—	—
Tuition plan contributions received	—	—	—
Other operating cash receipts	38,006	50,608	11,053
Claims and benefits paid	—	(2,038,754)	—
Payments to suppliers for goods and services	(1,080,900)	—	(6,426)
Payments to employees	(2,017,025)	—	(8,082)
Payments for scholarships and fellowships	(139,712)	—	—
Loans issued to students	(585,763)	—	—
Payments of funds held for others	(221,473)	—	—
Program loans issued	—	—	(115,750)
Internal activity–payments to other funds	—	—	—
Other operating cash payments	(411)	(76)	—
Net cash provided by (used in) operating activities	**(832,447)**	**(478,767)**	**49,650**
Cash flows from noncapital financing activities:			
State, county, and local appropriations	64,276	—	—
Federal appropriations	17,996	—	—
Funds held for others	(197)	—	—
Principal payments received from other funds	—	—	—
Principal payments made to other funds	—	—	—
Receipt of interest from other funds	—	—	—
Advances from Federal government	—	541,781	—
Proceeds from sale of noncapital debt	—	—	120,000
Principal payments on noncapital debt	—	—	(87,075)
Interest payments on noncapital debt	(52)	—	(39,245)
Payment of bond issuance costs	—	—	(441)
Gifts and grants for other than capital purposes	562,238	—	—
Federal revenue	—	—	184,794
Payments from Federal grants	—	—	(187,786)
Additions to endowments	6,446	—	—
Other noncapital financing cash receipts	2,857	—	—
Other noncapital financing cash payments	(782)	—	—
Transfers in	743,165	470	400
Transfers out	(41,380)	(1,608)	(28)
Net cash provided by (used in) noncapital financing activities	**1,354,567**	**540,643**	**(9,381)**

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ 970,580	$ 40,436	$ 365,978	$ 2,888,938	$ 1,324,235
—	—	114,302	403,334	—
—	—	—	1,939,182	—
—	289,222	—	1,044,657	—
—	—	—	267,366	—
—	—	—	90,182	634,021
—	—	1,111	1,111	—
18,610	—	91,234	209,511	119,292
—	—	(120,172)	(2,158,926)	(1,760,240)
(364,894)	(97,025)	(128,737)	(1,677,982)	(316,540)
(418,081)	(3,405)	(194,438)	(2,641,031)	(57,174)
—	—	—	(139,712)	—
—	—	—	(585,763)	—
—	—	—	(221,473)	—
—	(40,928)	—	(156,678)	—
(90,182)	—	—	(90,182)	(7,656)
—	—	(13,290)	(13,777)	—
116,033	**188,300**	**115,988**	**(841,243)**	**(64,062)**
—	—	—	64,276	—
—	—	—	17,996	—
—	—	—	(197)	—
—	—	—	—	3,457
—	—	—	—	(2,040)
—	—	—	—	372
—	—	—	541,781	—
—	85,000	(1,457)	203,543	—
—	(201,350)	(2,222)	(290,647)	—
—	(8,821)	(1,301)	(49,419)	—
—	(1,849)	—	(2,290)	—
—	—	(4,876)	557,362	—
—	—	—	184,794	—
—	—	—	(187,786)	—
—	—	—	6,446	—
—	—	199	3,056	—
—	(287)	(251)	(1,320)	—
248	—	1,429	745,712	5,324
—	—	(49,279)	(92,295)	(10,529)
248	**(127,307)**	**(57,758)**	**1,701,012**	**(3,416)**

Continued on Next Page

Statement of Cash Flows

PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
Cash flows from capital and related financing activities:			
Capital appropriations	$ 13,730	$ —	$ —
Acquisition of capital assets	(301,806)	—	—
Principal payments on limited obligation bonds	—	—	(434)
Proceeds from issuance of capital debt	153,877	—	—
Principal payments on capital debt	(123,327)	—	—
Interest payments on capital debt	(55,108)	—	—
Payment of agent and broker fees	—	—	—
Proceeds from issuance of interfund loan	—	—	—
Proceeds from sale or disposal of capital assets	3,068	—	—
Capital grants and gifts received	57,904	—	—
Net cash used in capital and related financing activities	**(251,662)**	**—**	**(434)**
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	88,702	—	1,733
Purchase of investments	(105,199)	—	(9,496)
Interest and dividends on investments	40,887	208	3,146
Transfer of endowment funds	(8,287)	—	—
Net settlement of investment derivative	—	—	—
Collection of escrow payments from borrower	—	—	—
Net cash provided by (used in) investing activities	**16,103**	**208**	**(4,617)**
Net increase in cash and cash equivalents	**286,561**	**62,084**	**35,218**
Cash and cash equivalents at beginning of year (restated)	**1,190,115**	**10,754**	**221,259**
Cash and cash equivalents at end of year	**$ 1,476,676**	**$ 72,838**	**$ 256,477**
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ (1,013,172)	$ (443,646)	$ 10,792
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	185,693	—	596
Provision for bad debts	538	—	—
Net increase in the fair value of investments	—	—	—
Issuance of loans and notes	—	—	(115,750)
Collection of loans and notes	—	—	121,157
Interest payments reclassified as noncapital financing activities	—	—	37,258
Interest and dividends on investments and interfund loans	—	—	(3,010)
Amounts received for payment of claims	—	—	—
Payment of claims	—	—	—
Other nonoperating revenues	601	—	—
Other nonoperating expenses	(8,423)	—	(303)

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ —	$ —	$ —	$ 13,730	$ —
(43,083)	(28)	(19,078)	(363,995)	(4,509)
—	—	—	(434)	(1,830)
—	—	—	153,877	—
(29,049)	—	(5,780)	(158,156)	(4,767)
(26,672)	—	(3,799)	(85,579)	(966)
(2,032)	—	—	(2,032)	—
—	—	9,200	9,200	—
14	—	5	3,087	—
—	—	77	57,981	—
(100,822)	**(28)**	**(19,375)**	**(372,321)**	**(12,072)**
9,995	—	93,836	194,266	125,917
(4,210)	—	(117,389)	(236,294)	(62,378)
1,678	68	9,553	55,540	30,827
—	—	—	(8,287)	—
(8,750)	—	—	(8,750)	—
—	—	1,827	1,827	—
(1,287)	**68**	**(12,173)**	**(1,698)**	**94,366**
14,172	**61,033**	**26,682**	**485,750**	**14,816**
88,193	**95,213**	**355,882**	**1,961,416**	**445,328**
$ 102,365	**$ 156,246**	**$ 382,564**	**$ 2,447,166**	**$ 460,144**
$ 89,257	$ (3,323)	$ 137,485	$ (1,222,607)	$ (56,133)
52,601	1,004	6,000	245,894	17,246
66,530	988	22,495	90,551	—
—	—	(7,448)	(7,448)	—
—	(60,141)	—	(175,891)	—
—	59,367	—	180,524	—
—	7,934	—	45,192	—
—	(70)	—	(3,080)	—
—	—	112,587	112,587	—
—	—	(102,591)	(102,591)	—
—	—	3,830	4,431	6,104
676	—	2,008	(6,042)	—

Continued on Next Page

Statement of Cash Flows

PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	ENTERPRISE		
	Higher Education	**Unemployment Compensation**	**Housing Authority**
Effect of changes in operating assets and liabilities:			
Accounts receivable, net	$ (62,706)	$ 1,241	$ (803)
Receivable from participants, net	—	—	—
Accrued interest	—	—	(24)
Loans receivable	(15)	—	—
Assessments receivable, net	—	(7,407)	—
Due from Federal government and other grantors	(619)	(12,823)	(483)
Due from other funds	12,430	(226)	—
Inventories	(896)	—	—
Other assets	(1,557)	—	780
Accounts payable	19,327	84	—
Accrued salaries and related expenses	4,373	—	60
Tax withholdings	—	(22,822)	—
Accrued interest payable	—	—	—
Retainages payable	(294)	—	—
Tax refunds payable	—	(1,999)	—
Unemployment benefits payable	—	12,889	—
Intergovernmental payables	—	(2,115)	76
Tuition benefits payable	—	—	—
Policy claims	—	—	—
Due to other funds	20,230	(1,943)	(214)
Unearned revenues	11,203	—	—
Deposits	6,517	—	—
Liabilities payable from restricted assets	—	—	(368)
Compensated absences payable	696	—	(114)
Other liabilities	(6,373)	—	—
Net cash provided by (used in) operating activities	**$ (832,447)**	**$ (478,767)**	**$ 49,650**
Noncash capital, investing, and financing activities:			
Acquisition of capital assets through donations	$ 21,494	$ —	$ —
Disposal of capital assets	56	—	—
Borrowing under capital leases	2,127	—	—
Increase in fair value of investments	20,189	—	—
Arbitrage income incurred and liability accrued	—	—	—
Other noncash activity	1,501	—	—
Total noncash capital, investing, and financing activities	**$ 45,367**	**$ —**	**$ —**

The Notes to the Financial Statements are an integral part of this statement.

FUNDS				
Medical University Hospital Authority	Education Assistance Authority	Nonmajor Enterprise	Totals	INTERNAL SERVICE FUNDS
$ (78,258)	$ 6,859	$ (22,081)	$ (155,748)	$ (5,122)
—	—	2,262	2,262	—
—	(1,005)	—	(1,029)	16
—	161,063	180	161,228	—
—	—	—	(7,407)	—
—	—	—	(13,925)	—
(8,548)	—	(15,172)	(11,516)	(26,123)
(53)	—	(285)	(1,234)	(96)
1,060	—	897	1,180	983
3,143	16,482	7,015	46,051	18,544
—	—	128	4,561	(80)
—	—	—	(22,822)	—
—	(888)	—	(888)	(82)
—	—	—	(294)	248
—	—	—	(1,999)	—
—	—	—	12,889	—
—	—	—	(2,039)	—
—	—	(10,646)	(10,646)	—
—	—	(16,920)	(16,920)	(25,691)
(10,375)	—	(520)	7,178	1,189
—	—	(2,965)	8,238	5,416
—	—	—	6,517	—
—	—	—	(368)	—
—	30	119	731	(481)
—	—	(390)	(6,763)	—
$ 116,033	**$ 188,300**	**$ 115,988**	**$ (841,243)**	**$ (64,062)**
$ —	$ —	$ —	$ 21,494	$ —
—	—	—	56	—
—	—	891	3,018	—
—	—	77,321	97,510	17
—	1,572	—	1,572	—
—	—	—	1,501	—
$ —	**$ 1,572**	**$ 78,212**	**$ 125,151**	**$ 17**

Statement of Fiduciary Net Assets

FIDUCIARY FUNDS

June 30, 2010
(Expressed in Thousands)

	Pension and Other Post-Employment Benefit Trust	Investment Trust Local Government Investment Pool	Private-Purpose Trust	Agency
ASSETS				
Cash and cash equivalents	$ 4,093,939	$ 925,420	$ 17,164	$ 231,451
Receivables, net:				
Accounts	42	—	—	2,710
Contributions	172,604	—	—	—
Employer long-term	352	—	—	—
Accrued interest	68,555	4,474	918	1,222
Unsettled investment sales	1,058,915	—	1,045	—
Other investment receivables	2,798	—	—	—
Taxes	—	—	—	200
Total receivables	1,303,266	4,474	1,963	4,132
Due from other funds	49,814	—	—	56,629
Investments, at fair value:				
Short term securities	570	—	—	—
Debt-domestic	4,263,019	978,223	—	—
Debt-international	2,839,508	—	—	—
Equity-domestic	1,619,972	—	—	—
Equity-international	293	—	—	—
Alternatives	10,474,603	—	—	—
Financial and other	20,694	518,672	1,114,175	29,023
Total investments	19,218,659	1,496,895	1,114,175	29,023
Securities held in lieu of surety bonds	—	—	—	266,805
Invested securities lending collateral	344,491	22,952	511	9,812
Capital assets, net	3,221	—	—	—
Prepaid items	964	—	—	—
Other assets	—	—	4,975	—
Total assets	**25,014,354**	**2,449,741**	**1,138,788**	**$ 597,852**
LIABILITIES				
Accounts payable	17,103	—	1,969	28,228
Accounts payable–unsettled investment purchases	924,170	12,000	330	—
Due to other funds	55,106	—	—	—
Tax refunds payable	—	—	—	3,363
Intergovernmental payables	—	—	—	12,913
Deposits	—	—	—	3,372
Amounts held in custody for others	—	—	—	539,158
Deferred retirement benefits	323,093	—	—	—
Securities lending collateral	451,005	22,950	564	10,818
Other liabilities	32,031	—	—	—
Total liabilities	**1,802,508**	**34,950**	**2,863**	**$ 597,852**
NET ASSETS				
Held in trust for:				
Pension and other post-employment benefits	23,211,846	—	—	
External investment pool participants	—	2,414,791	—	
Other purposes	—	—	1,135,925	
Total net assets	**$ 23,211,846**	**$ 2,414,791**	**$ 1,135,925**	

The Notes to the Financial Statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Assets

FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Pension and Other Post-Employment Benefit Trust	Investment Trust Local Government Investment Pool	Private-Purpose Trust
Additions:			
Licenses, fees, and permits	$ —	$ —	$ 150
Contributions:			
Employer	1,261,101	—	—
Employee	641,199	—	—
Deposits from pool participants	—	6,086,856	—
Tuition plan deposits	—	—	83,048
Total contributions	1,902,300	6,086,856	83,048
Investment income:			
Interest income and net appreciation in investments	3,081,308	11,942	102,347
Securities lending income	5,690	35	—
Total investment income	3,086,998	11,977	102,347
Less investment expense:			
Investment expense	51,104	—	—
Securities lending expense	1,253	6	—
Net investment income	3,034,641	11,971	102,347
Assets moved between pension trust funds	1,416	—	—
Total additions	**4,938,357**	**6,098,827**	**185,545**
Deductions:			
Regular retirement benefits	2,104,139	—	—
Supplemental retirement benefits	999	—	—
Deferred retirement benefits	157,099	—	—
Refunds of retirement contributions to members	89,491	—	—
Death benefit claims	21,957	—	—
Accidental death benefits	1,462	—	—
Other post-employment benefits	290,648	—	—
Withdrawals, pool participants	—	6,241,399	—
Distributions to pool participants	—	11,463	—
Depreciation	119	—	—
Administrative expense	20,903	160	12,198
Payments in accordance with trust agreements	—	—	128
Other expenses	—	—	123
Assets moved between pension trust funds	1,416	—	—
Total deductions	**2,688,233**	**6,253,022**	**12,449**
Change in net assets	**2,250,124**	**(154,195)**	**173,096**
Net assets at beginning of year	**20,961,722**	**2,568,986**	**962,829**
Net assets at end of year	**$ 23,211,846**	**$ 2,414,791**	**$ 1,135,925**

The Notes to the Financial Statements are an integral part of this statement.

Statement of Net Assets

DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2010
(Expressed in Thousands)

	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Lottery Commission	Nonmajor Component Units	Totals
ASSETS						
Current assets:						
Cash and cash equivalents	$ 61,826	$ 163,774	$ 558	$ 17,192	$ 16,445	$ 259,795
Investments	26,695	—	231	—	66,507	93,433
Invested securities lending collateral	—	19,492	—	—	188	19,680
Receivables, net						
Accounts	153,398	17,532	—	29,388	4,091	204,409
Contributions	—	—	—	—	3,466	3,466
Accrued interest	4,173	—	—	—	640	4,813
Loans and notes	—	—	—	—	25	25
Due from Federal government and other grantors	—	—	—	—	309	309
Due from primary government	—	167,541	—	—	—	167,541
Inventories	480,791	6,104	321	1,334	—	488,550
Restricted assets:						
Cash and cash equivalents	349,354	—	—	499	21,511	371,364
Investments	91,248	—	—	—	—	91,248
Prepaid items	13,628	3,968	45	—	15	17,656
Other current assets	30,471	—	—	1,242	140	31,853
Deferred charges	—	—	—	—	1,257	1,257
Total current assets	1,211,584	378,411	1,155	49,655	114,594	1,755,399
Long-term assets:						
Investments	93,170	7,954	—	—	604,653	705,777
Receivables, net:						
Accounts	—	—	—	—	2,328	2,328
Contributions	—	—	—	—	39,566	39,566
Loans and notes	—	—	—	—	30	30
Restricted assets:						
Cash and cash equivalents	99,336	—	537	—	—	99,873
Investments	559,893	—	4,393	—	—	564,286
Other long-term assets	50,124	—	—	4,781	29	54,934
Deferred charges	687,880	988	3,572	—	—	692,440
Investment in joint venture	9,727	—	—	—	—	9,727
Non-depreciable capital assets	962,369	323,775	—	—	8,971	1,295,115
Depreciable capital assets, net	3,854,774	272,870	148,706	598	797	4,277,745
Total long-term assets	6,317,273	605,587	157,208	5,379	656,374	7,741,821
Total assets	**7,528,857**	**983,998**	**158,363**	**55,034**	**770,968**	**9,497,220**

The Notes to the Financial Statements are an integral part of this statement.

Statement of Net Assets

DISCRETELY PRESENTED COMPONENT UNITS (Continued)

June 30, 2010
(Expressed in Thousands)

	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Lottery Commission	Nonmajor Component Units	Totals
LIABILITIES						
Current liabilities:						
Accounts payable	$ 161,580	$ 6,984	$ 143	$ 1,747	$ 3,364	$ 173,818
Accrued salaries and related expenses	7,817	1,771	—	928	80	10,596
Accrued interest payable	114,420	7,750	—	—	—	122,170
Retainages payable	—	5,989	—	—	—	5,989
Prizes payable	—	—	—	24,325	—	24,325
Intergovernmental payables	—	362	—	—	149	511
Policy claims	1,753	—	—	—	29,000	30,753
Due to primary government	—	—	9,438	25,634	127,982	163,054
Unearned revenues and deferred credits	—	—	218	408	15,540	16,166
Deposits	—	—	15	—	—	15
Securities lending collateral	—	21,492	—	—	208	21,700
Liabilities payable from restricted assets:						
Accounts payable	—	—	—	—	432	432
Accrued interest payable	—	—	1,719	—	—	1,719
Notes payable	—	345	—	—	8	353
Revenue bonds payable	122,655	3,910	7,300	—	—	133,865
Capital leases payable	1,685	6	—	—	—	1,691
Commercial paper notes	276,551	—	—	—	—	276,551
Compensated absences payable	—	2,189	—	590	53	2,832
Other current liabilities	250,441	11,632	1,117	189	397	263,776
Total current liabilities	936,902	62,430	19,950	53,821	177,213	1,250,316
Long-term liabilities:						
Retainages payable	21,488	—	—	—	—	21,488
Policy claims	—	—	—	—	128,664	128,664
Unearned revenues and deferred credits	317,754	—	—	—	—	317,754
Amounts held in custody for others	—	—	—	—	2,131	2,131
Notes payable	—	949	—	—	22	971
Revenue bonds payable	4,472,535	94,601	311,715	—	—	4,878,851
Capital leases payable	3,914	11	—	—	—	3,925
Compensated absences payable	18,035	—	—	116	56	18,207
Other long-term liabilities	97,266	—	—	—	8,013	105,279
Total long-term liabilities	4,930,992	95,561	311,715	116	138,886	5,477,270
Total liabilities	**5,867,894**	**157,991**	**331,665**	**53,937**	**316,099**	**6,727,586**
NET ASSETS (DEFICIT)						
Invested in capital assets, net of related debt	221,548	486,023	(55,505)	598	9,768	662,432
Restricted:						
Expendable:						
Education	—	—	—	—	175,777	175,777
Capital projects	41,066	1,459	—	—	—	42,525
Debt service	119,587	6,495	—	—	—	126,082
Other	380,119	—	—	499	2,159	382,777
Nonexpendable, education	—	—	—	—	354,768	354,768
Unrestricted	898,643	332,030	(117,797)	—	(87,603)	1,025,273
Total net assets (deficit)	**$ 1,660,963**	**$ 826,007**	**$ (173,302)**	**$ 1,097**	**$ 454,869**	**$ 2,769,634**

Statement of Activities

DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Public Service Authority	$ 1,636,009	$ 1,702,001	$ 2,950	$ —
State Ports Authority	113,118	112,701	6,682	2,677
Connector 2000 Association, Inc.	27,815	5,255	380	—
Lottery Commission	1,011,039	1,010,702	86	—
Nonmajor component units	88,467	36,131	128,923	2
Totals	**$ 2,876,448**	**$ 2,866,790**	**$ 139,021**	**$ 2,679**

The Notes to the Financial Statements are an integral part of this statement.

Net Revenue (Expense)	Net Assets (Deficit) Beginning of Year	Net Assets (Deficit) End of Year
$ 68,942	$ 1,592,021	$ 1,660,963
8,942	817,065	826,007
(22,180)	(151,122)	(173,302)
(251)	1,348	1,097
76,589	378,280	454,869
$ 132,042	**$ 2,637,592**	**$ 2,769,634**

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Notes to the Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Scope of Reporting Entity

The South Carolina General Assembly (an elected legislative body) and several elected executives govern the State of South Carolina. The accompanying financial statements present the activities of the State of South Carolina's primary government and its component units.

Component units are legally separate organizations for which the State is accountable for purposes of financial reporting. Blended component units, although legally separate from the State, are part of the State's operations in substance. Accordingly, the State presents them as funds in its fund financial statements and as activities in its government-wide financial statements. In contrast, the State excludes its discretely presented component units from the fund financial statements included within its basic financial statements and it reports the discretely presented component units separately in its government-wide financial statements.

As explained more fully below, the State's primary government and its component units include various State funds, agencies, departments, institutions, authorities, and other organizations.

Primary Government

The State's primary government includes all constitutional offices, departments, agencies, commissions, and authorities unless otherwise noted below. Most of these have executives or boards appointed by the Governor, the General Assembly, or both. These entities are financially accountable to and fiscally dependent on the State.

Although they operate somewhat autonomously, the entities listed below are included in the State's primary government because they lack full corporate powers.

Fiscal year ended June 30, 2010:
- State Housing Finance and Development Authority
- South Carolina Education Assistance Authority
- Jobs-Economic Development Authority
- Patriots Point Development Authority

Fiscal year ended December 31, 2009:
- The Public Railways Division of the Department of Commerce

The State's five retirement systems and two post-employment benefit trust funds are part of the State's primary government. The State Budget and Control Board, which consists of five elected officials, serves as trustee of the systems and the trust funds. The State Treasurer is custodian of the funds.

The State reports ten State-supported universities and sixteen area technical colleges within its Higher Education Fund as part of the primary government. Although the universities and colleges operate somewhat autonomously, they lack full corporate powers. In addition, the Governor and the General Assembly appoint most of their boards and budget a significant portion of their funds.

The accompanying financial statements exclude the related foundations listed in Note 20 because, based on the criteria provided by GASB Statement No. 39, the economic resources received or held by the related foundations that the State, or its component units, is entitled to, or has the ability to otherwise access, are not significant to the State.

Blended Component Units

Unless otherwise indicated below, the blended component units have fiscal years ended June 30, and the accompanying financial statements include component unit financial information for the fiscal year ended June 30, 2010.

Tobacco Settlement Revenue Management Authority

The Tobacco Settlement Revenue Management Authority, a blended component unit accounted for as a governmental fund, commenced operations in August 2000. Its creation was in accordance with an act of the General Assembly that resulted from South Carolina's participation in a settlement (the Master Settlement Agreement or MSA) that arose out of litigation that a group of state governments brought against the tobacco industry. The legally separate Authority's primary purposes are (a) to receive all receipts due to South Carolina under the MSA after June 30, 2001, and (b) to issue the Authority's revenue bonds payable solely from, and secured solely by, those receipts. The Authority's governing board is composed of the Governor or his designee, the State Treasurer, the Comptroller General, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. The State receives the funding from the bond issuances, except in the event that the Authority issues bonds expressly to refund its outstanding bonds.

Blended Component Units Associated with the Higher Education Fund

The State's enterprise funds include the following blended component units, all of which are associated with the Higher Education Fund, a major enterprise fund:

The *Medical University Hospital Authority (the Authority)* was created to manage and operate the Medical University of South Carolina's hospitals and clinics. The legislation establishing the Authority requires that the members of the Medical University's Board of Trustees also constitute the Authority's Board of Trustees. The Authority also is a major enterprise fund.

The *Citadel Trust, Inc.*, was formed to provide scholarship and other financial assistance or support to The Citadel.

The *University of South Carolina Trust (the Trust)* operates exclusively for the benefit of the University's School of Medicine to augment and aid education, research, and service in the field of health sciences. The financial information presented in the accompanying financial statements is for the Trust's fiscal year ended December 31, 2009.

University Medical Associates (UMA) was established to promote and support educational, medical, scientific, and research purposes of the Medical University of South Carolina (MUSC). UMA promotes the recruitment and retention of superior faculty at MUSC. UMA is a blended component unit because it almost exclusively benefits MUSC even though UMA does not provide all of its services directly to MUSC.

The *Medical University Facilities Corporation* was established to obtain financing for the Medical University of South Carolina to purchase land, an office building, and a parking garage.

The *CHS Development Company* was established to provide financing services for the Medical University of South Carolina by developing and leasing property.

The *Enterprise Campus Authority* was established to provide for the management, development, and operation of the Enterprise Campus of Midlands Technical College.

Obtaining More Information about Blended Component Units

One may obtain complete financial statements for the above blended component units from the following administrative offices:

South Carolina Tobacco Settlement
Revenue Management Authority
122 Wade Hampton Office Building
Capitol Complex
Columbia, South Carolina 29201
www.treasurer.sc.gov

Medical University Hospital Authority
Chief Financial Officer
Post Office Box 250332
Charleston, South Carolina 29425
www.musc.edu

The Citadel Trust
c/o The Citadel
171 Moultrie Street
Charleston, South Carolina 29409
www.citadel.edu

University of South Carolina Trust
Post Office Box 413
Columbia, South Carolina 29202
www.sc.edu

University Medical Associates
1180 Sam Rittenberg Boulevard, Suite 355
Charleston, South Carolina 29407
www.musc.edu

Medical University Facilities Corporation
c/o Medical University of South Carolina
Controller's Office
19 Hagood Avenue
Suite 505, MSC 817
Charleston, South Carolina 29425
www.musc.edu

CHS Development Company
c/o Medical University of South Carolina
Controller's Office
19 Hagood Avenue
Suite 505, MSC 817
Charleston, South Carolina 29425
www.musc.edu

Enterprise Campus Authority
c/o Midlands Technical College
Vice President for Business Affairs
Post Office Box 2408
Columbia, South Carolina 29202
www.midlandstech.edu

Discretely Presented Component Units

Unless otherwise indicated below, the discretely presented component units have fiscal years ended June 30, and the accompanying financial statements include component unit financial information for the fiscal year ended June 30, 2010.

Public Service Authority

The State General Assembly created the South Carolina Public Service Authority (Santee Cooper), a public utility company, in 1934. The Authority's primary purpose is to provide electric power and wholesale water to the people of South Carolina. The Governor appoints the Authority's Board of Directors. The Governor has the ability to remove the appointed members at will. By law, the Authority must annually transfer to the State's General Fund any net earnings not necessary for prudent business operations. The financial information presented in the accompanying financial statements is for the Authority's fiscal year ended December 31, 2009.

State Ports Authority

The State General Assembly created the South Carolina State Ports Authority in 1942 to develop and improve the State's harbors and seaports. The State Ports Authority owns and operates eight ocean terminals that handle import and export cargo. The Governor appoints the members of the Authority's governing board, except for the Secretary of Transportation and the Secretary of Commerce. The Governor has the ability to remove the appointed members for a breach of duty required or entering into a conflict of interest transaction. The State's primary government has provided financial support to the Authority in the past, and State law grants the primary government access to the Authority's surplus net revenues.

Connector 2000 Association, Inc.

Connector 2000 Association, Inc., was created in 1996 to contract with the Department of Transportation in financing, acquiring, constructing, and operating turnpikes and other transportation projects, primarily the project known as the Southern Connector in Greenville County. The Department of Transportation initially set the toll rates for the Southern Connector and has the right, but not the obligation, to revise the rates. The rates must be in compliance with revenue covenants of the Association's financing agreements. The financial information presented in the accompanying financial statements is for the Association's fiscal year ended December 31, 2009.

Lottery Commission

The South Carolina Lottery Commission commenced operations in July 2001 in accordance with an act of the General Assembly. The Commission, established to serve the State's citizens, is governed by a nine-member board with three members appointed by the Governor, three appointed by the President Pro Tempore of the Senate, and three appointed by the Speaker of the House of Representatives. State law requires, as nearly practical, that at least 45% of sales must be returned to the public in the form of prizes to provide continuing entertainment to the State's citizens and that the Commission must transfer its net proceeds to the State to support improvements and enhancements for educational purposes and programs.

Other Discretely Presented Component Units

The State considers the four discretely presented component units described above as its major component units. The State's government-wide financial statements also include the following non-major discretely presented component units:

The *Clemson Foundation (the Foundation)* is a non-profit, tax-exempt public charity that was established to raise and manage private gifts for the advancement and benefit of Clemson University. The Foundation is governed by an independent, forty-three member volunteer board of directors, with additional honorary and ex-officio directors.

The *University of South Carolina Educational Foundation (the Foundation)* is an eleemosynary corporation operating for the benefit and support of the University of South Carolina. The Foundation establishes and implements long-range fund raising programs to assist in the expansion and improvement of the educational functions of the University. The Foundation is governed by a self-perpetuating board of directors consisting of at least twenty-four members, including four ex-officio directors.

The *South Carolina Medical Malpractice Liability Joint Underwriting Association (the Association)* was established to provide medical malpractice insurance on a self-supporting basis. The Association is governed by a board of thirteen directors, all of whom are appointed by the Governor. The Governor has the ability to remove the appointed members at will. The financial information presented in the accompanying financial statements is for the Association's fiscal year ended December 31, 2009.

The *South Carolina First Steps to School Readiness Board of Trustees* was established in 1999 as a non-profit, tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. The corporation was created specifically to carry out the objectives of The South Carolina First Steps to School Readiness Act and to lessen the burdens on government by overseeing the South Carolina First Steps to School Readiness initiative for improving early childhood development. The corporation's governing board is composed of two classes of members, voting and nonvoting. The Board's voting members include the Governor, State Superintendent of Education, ten Governor appointees, four members appointed by the President Pro Tempore of the Senate, four members appointed by the Speaker of the House of Representatives, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee.

The *Children's Trust Fund of South Carolina, Inc. (the Fund)*, is a non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Fund's purpose is to stimulate innovative prevention and treatment programming to meet critical needs of South Carolina's children by awarding grants to private non-profit organizations. The Governor appoints the Board of Directors' seventeen members. The Governor has the ability to remove the appointed members at will. The financial information presented in the accompanying financial statements is for the Fund's fiscal year ended September 30, 2009.

Obtaining More Information about Discretely Presented Component Units

One may obtain complete financial statements for the discretely presented component units from the following administrative offices:

South Carolina Public Service Authority
(Santee Cooper)
One Riverwood Drive
Post Office Box 2946101
Moncks Corner, South Carolina 29461
www.santeecooper.com

South Carolina State Ports Authority
Post Office Box 22287
Charleston, South Carolina 29413
www.port-of-charleston.com

Connector 2000 Association, Inc.
Post Office Box 408
Piedmont, South Carolina 29673
www.southernconnector.com

The South Carolina Lottery Commission
Post Office Box 11949
Columbia, South Carolina 29211
www.sceducationlottery.com

Clemson University Foundation
110 Daniel Drive
Clemson, South Carolina 29634
www.clemson.edu

University of South Carolina Educational
Foundation
208 Osborne Building
University of South Carolina
Columbia, South Carolina 29208
www.sc.edu

The South Carolina Medical Malpractice
Liability Joint Underwriting Association
c/o Patient's Compensation Fund
121 Executive Center Drive
Suite 110
Columbia, South Carolina 29210
www.scjua.com

The Children's Trust Fund
1205 Pendleton Street, Suite 506
Columbia, South Carolina 29201
www.scchildren.org

Fund financial statements for the South Carolina First Steps to School Readiness Board of Trustees are included in the Supplementary Information section of the State's Comprehensive Annual Financial Report. This entity does not issue separate financial statements.

Related Organizations

A related organization is one for which the primary government is accountable but not *financially accountable.* The South Carolina Reinsurance Facility, the Associated Auto Insurers Plan, regional housing authorities, and the Rural Crossroads Institute are related organizations because the State is not financially accountable for them despite the fact that the Governor appoints a voting majority of their governing boards. County boards of mental retardation and redevelopment authorities are related organizations if the Governor appoints a voting majority of the members.

Jointly Governed Organizations

The Governor, in conjunction with officials of certain local governments, appoints the board members of three military-defense facility redevelopment authorities. The three authorities include the Charleston Naval Complex Redevelopment Authority, the Myrtle Beach Air Force Base Redevelopment Authority and the Savannah River Site Redevelopment Authority. The State does not have an ongoing financial interest in these authorities.

During the 2001-2002 fiscal year, the State joined the Atlantic Low-Level Radioactive Waste Compact, a voluntary association of states that, by federal law, is legally separate from each of the party states. South Carolina does not have an ongoing financial interest in the Compact.

b. Basis of Presentation

Government-wide Financial Statements

The statement of net assets and the statement of activities report information about all activities of the primary government and its component units, except for fiduciary activities. These statements distinguish between the State's *governmental* and *business-type activities*. Taxes, federal revenues, and other nonexchange transactions primarily finance the

governmental activities whereas fees charged to external parties finance, in whole or in part, the business-type activities. All of the State's governmental and internal service funds are reported in the government-wide financial statements as governmental activities and all of its enterprise funds are reported as business-type activities. (See the *Fund Financial Statements* subsection for more information about fund types.)

Statement of Activities and Eliminations

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the State and for each function of the State's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The State does not eliminate direct expenses and does not allocate indirect expenses to functions in the statement of activities. In the statement of activities, reimbursements under indirect cost plans for federal reimbursement purposes are reported as program revenues of the function that includes the reimbursed expenses.

Eliminations have been made to minimize the double-counting of internal activities. For example, the State eliminates payments the Department of Health and Human Services makes to the Department of Mental Health for providing Medicaid services because it reports both departments in its health and environment function. An exception to this general rule is that interfund services provided or used between functions have not been eliminated in the statement of activities because to do so would distort the net cost data for functional activities as reported in the total column of that statement. The State treats these internal payments as program revenues and treats interfund reimbursements in the statement of activities in the same manner as described below for fund financial statements. For example, when the Department of Health and Human Services purchases computer services from one of the State's higher education institutions, the health and environment governmental function reports an expense, and the higher education business-type activity reports program revenue (charges for services).

Program revenues include: (a) fees, fines, and charges paid by the recipients of goods, services, or privileges offered by the programs; (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; and (c) investment earnings that are legally restricted for a specific program. The State classifies as *general revenues* all revenues that are not program revenues, including all taxes.

Major Component Units

The State's management designates the Public Service Authority, the State Ports Authority, the Connector 2000 Association, Inc., and the Lottery Commission as major component units. The nonmajor component units include aggregate totals of all remaining discretely presented component units. In determining which discretely presented component units to designate as major, the State considered each component unit's significance relative to the other discretely presented component units and the nature and significance of its relationship to the primary government.

Fund Financial Statements

The fund financial statements provide information about the State's funds, including its fiduciary funds and blended component units. The State presents separate statements for each fund category—governmental, proprietary, and fiduciary. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. The State aggregates and reports as nonmajor funds all remaining governmental and enterprise funds.

The State eliminates material intrafund activity. It also treats interfund reimbursements (repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them) as reductions of expenditure/expense in the initial fund. For example, during the fiscal year ended June 30, 2010, the Department of Motor Vehicles (reported within the general government function) used office supplies and postage provided by the Department of Public Safety (reported within the administration of justice function). The Department of Public Safety initially recorded expenditures for the office supplies and postage in the General Fund. The Department of Motor Vehicles later reimbursed the Department of Public Safety with special revenue monies. That is, the Department of Motor Vehicles recorded special revenue fund expenditures while the Department of Public Safety reduced its General Fund expenditures by the same amount.

Governmental Funds

Governmental funds focus primarily on the sources, uses, and balances of current financial resources. The governmental fund category includes the General Fund, special revenue funds, the Capital Projects Fund, and permanent funds. The State reports the following major governmental funds:

The *General Fund* is the State's general operating fund. It accounts for resources that fund the services South Carolina's State government traditionally has provided to its citizens, except those required to be accounted for in another fund.

The *Departmental General Operating Fund* accounts for resources, other than General Fund resources, that State agencies may use for operating purposes. These resources include significant amounts of federal grant receipts.

The *Local Governmental Infrastructure Fund* accounts for grants, loans, and other financial assistance to local governments for infrastructure purposes. Certain motor fuel taxes, federal funds, and transfers from other funds are the fund's primary resources. This fund includes operations of the South Carolina Transportation Infrastructure Bank.

The *Department of Transportation Special Revenue Fund* accounts for the various gasoline taxes, fees, fines, and federal grant resources that the Department of Transportation uses in its general operations. Those operations include highway maintenance and repair as well as most of the Department's administrative activities.

The *State Tobacco Settlement Fund* accounts for revenues received from the General Fund and from the Tobacco Settlement Revenue Management Authority, a blended component unit and nonmajor governmental fund designated to receive and manage South Carolina's share of the multi-state legal settlement with the tobacco industry. Various healthcare and local government programs use these funds and the related interest.

The State aggregates other nonmajor governmental funds in a single column in its fund financial statements.

Enterprise Funds

Enterprise funds (which are reported as business-type activities in the government-wide financial statements) report activities that charge fees to external users for goods or services. The State reports the following major enterprise funds:

The *Higher Education Fund* accounts for the general operations of ten four-year higher education institutions and sixteen area technical colleges, all of which are part of the State's primary government.

The *Unemployment Compensation Fund* accounts for the State's unemployment compensation benefits. Revenues consist of federal grants and assessments on employers to pay benefits to qualified unemployed persons.

The *Housing Authority Fund* facilitates medium-income and low-income housing opportunities by providing reasonable financing to the State's citizens. To provide such financing, the Fund issues bonds and notes and administers federal grants and contracts. Mortgage interest is a primary resource for the Fund.

The *Medical University Hospital Authority* manages and operates the Medical University of South Carolina's hospitals and clinics. Revenues consist of payments from patients and third-party payors including Medicare and Medicaid.

The *Education Assistance Authority Fund* issues bonds to make loans to individuals to enable students to attend higher education institutions. Resources include interest charges, subsidies from the United States Department of Education, loan repayments, and investment earnings.

The State aggregates other nonmajor enterprise funds in a single column in its fund financial statements.

Other Fund Types

The State reports the following fund types in addition to governmental and enterprise funds:

Internal service funds account for various goods and services provided to other State departments or agencies (primarily to governmental funds), or to other governments, on a cost-reimbursement basis. Services provided by these funds include several risk management activities for which the State is the primary participant, including underwriting related to the following risks: public buildings and their contents, torts, medical malpractice, automobile use by public employees in the performance of their official duties, employee health and disability, and workers' compensation benefits. Other services include those relating to telecommunications, computer operations, office rental, janitorial, building maintenance, lease and repair of fleet vehicles, procurement, employee training, and management of public employee retirement systems. The internal service funds also sell goods produced with prison inmate labor. In addition, the internal service funds purchase selected supplies and equipment in bulk and sell these items to other State funds (primarily governmental funds) and to local governmental units. The State's internal service funds are considered to be governmental activities because they primarily serve governmental funds.

Pension and post-employment benefit trust funds account for the pension benefits of the South Carolina Retirement System, the Police Officers' Retirement System, the General Assembly Retirement System, the Judges' and Solicitors' Retirement System, and the National Guard Retirement System, and the post-employment health, dental, and long-term disability insurance benefits paid by the State to its retirees.

The State's *investment trust fund* accounts for a local government investment pool that the State Treasurer operates.

Private-purpose trust funds include a tuition savings plan benefiting college students. Another private-purpose trust fund sets aside assets for site stabilization and closure of a nuclear waste site operated by a private company within the State's borders in the event that the company ceases operations or loses its license to operate. The private-purpose trust funds also include miscellaneous other trust agreements holding assets that benefit non-State parties.

Agency funds account for assets that the State holds as an agent. These assets include deposits of insurance companies in lieu of surety bonds; employee and employer payroll deductions and contributions for the short period of time between the issuance of payroll checks and payment to the recipients; and various other assets held for prisoners, patients of State institutions, and other external parties.

Operating and Nonoperating Revenues and Expenses in Proprietary Fund Financial Statements

Enterprise and internal service funds distinguish *operating* revenues and expenses from *nonoperating* revenues and expenses. Operating revenues and expenses generally are limited to items resulting from the provision of services and goods in connection with the fund's principal ongoing operations. The State generally classifies revenues and expenses as operating only if the related cash flows appear in the operating section on the statement of cash flows. Accordingly, grants and grant-like transactions are reportable as operating revenues only if they are essentially the same as contracts for services (i.e., exchange transactions) and they finance programs that the proprietary fund would not otherwise undertake (i.e., the

activity of the grant is inherently part of the operations of the grantor). Conversely, the State classifies nonexchange transactions as nonoperating. This includes all grant revenues except those reportable as operating revenue as described above and those restricted by the grantor for use exclusively for capital purposes. The State reports as operating most expenses it pays from operating revenues but usually reports interest expense as nonoperating.

In accordance with the general policy stated in the preceding paragraph, the *Higher Education Fund's* principal operating revenues include tuition; student fees; student loans; scholarships and grants where the provider has identified the student recipients; sales of miscellaneous goods and services; and certain research grants that, in substance, are contracts for services rather than nonexchange revenues. However, the Higher Education Fund generally does not report as revenue third-party loan amounts that it receives and disburses. (In a third-party loan, a student or a student's parents secure(s) a student loan from a governmental fund or from another lender such as the federal government; the Higher Education Fund then receives funds from the lender and disburses the funds to the student or applies amounts to the student's account.) State appropriations to the Higher Education Fund are recorded as transfers.

For the *Unemployment Compensation Fund,* principal operating revenues include amounts received from covered employers and from federal agencies. The amounts received from federal agencies are classified as operating revenues because they are provided to the State primarily to provide unemployment benefits, although amounts not needed for that purpose may be used for other purposes. This fund's operating expenses consist primarily of unemployment compensation benefits paid. Interest income is classified as nonoperating revenue.

For the *Housing Authority Fund* and the *Education Assistance Authority Fund,* principal operating items include revenues and expenses associated with program loans that provide direct benefits to individuals.

For the *Medical University Hospital Authority,* principal operating items include revenues and expenses associated with managing and operating the Medical University of South Carolina's hospitals and clinics.

Component Unit Financial Statements

The State presents a statement of net assets and a statement of activities for each of its major discretely presented component units and for the aggregate of its nonmajor discretely presented component units.

Use of Private-Sector Accounting and Financial Reporting Principles

The government-wide and proprietary fund financial statements reflect the State's compliance with private-sector standards of accounting and financial reporting issued prior to November 30, 1989, to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also may opt to follow private-sector guidance issued after November 30, 1989, for their business-type activities (enterprise funds) and for their discretely presented component units that follow enterprise fund accounting, subject to the same limitation. Only the Public Service Authority and the State Ports Authority, major discretely presented component units, have selected this option.

In June 2009, the Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") was issued. The ASC is the source of authoritative U.S. GAAP recognized by the FASB to be applied by the private-sector. The State adopted ASC in certain cases where the FASB does not conflict with or contradict guidance of the GASB as noted in the above paragraph. The ASC is effective for financial statements issued for interim and annual periods ending after September 15, 2009.

c. Measurement Focus and Basis of Accounting

A particular measurement focus determines *what* resources are measured. The State reports its government-wide, proprietary, and fiduciary fund (other than agency fund) financial statements using the *economic resources* measurement focus. Agency funds report only assets and liabilities; and therefore cannot be said to have a measurement focus. Business enterprises also use the economic resources measurement focus. The State reports its governmental funds using the *current financial resources* measurement focus.

The basis of accounting determines *when* the State recognizes revenues and expenditures/expenses as well as the related assets and liabilities, regardless of measurement focus. Generally accepted accounting principles for governments require the use of the accrual and the modified accrual bases of accounting as described below.

Accrual Basis

The State uses the accrual basis of accounting in reporting its government-wide financial statements, as well as its proprietary and fiduciary fund financial statements and its major component unit financial statements. Under the accrual basis, the State generally records revenues when earned and reasonably measurable and records expenses when a liability is incurred, regardless of the timing of related cash flows. Revenues collected in advance are deferred until the period in which they are earned.

Significant nonexchange transactions, in which the State gives (or receives) value without directly receiving (or giving) equal value in exchange, include taxes, grants, and donations. On the accrual basis, the State recognizes income, sales, and similar taxes in the period when the underlying income or sales transactions occur, net of estimated overpayments (refunds).

The State recognizes grants, donations, and similar items as revenue as soon as it meets all eligibility requirements. Pledges are recognized as receivables and revenues, net of estimated uncollectible amounts, if all eligibility requirements are met, the promise is verifiable, and the resources are measurable and probable of collection. Note 17b provides additional details regarding pledges that were not measurable at June 30, 2010.

Modified Accrual Basis

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State considers revenues to be available if they are collected within one month of the end of the current fiscal period with the following exceptions: tax and grant revenues are considered available if collected within one year; interest on investments is recorded as earned because it is deemed available when earned. Receivables not expected to be collected within the established availability periods are offset by deferred revenues.

Recognition of Specific Grant and Shared Revenue Transactions

The State reports the receipt of food commodities as revenue and the distribution of commodities as expenditures/expenses. The fair value of the donated commodities is recognized as revenues when all eligibility requirements are met.

The State recognizes the face value of food stamp benefits distributed as revenue and expenditures/expenses under both the accrual and modified accrual bases of accounting.

The State shares certain of its revenues with municipalities, counties, and districts within its borders, recognizing expenditure or expense when the recipient government has met all eligibility requirements.

d. Cash and Cash Equivalents

The amounts shown in the accompanying financial statements as *cash and cash equivalents* represent petty cash, cash on deposit in banks, restricted cash and cash equivalents on deposit with external parties, and cash invested in various instruments as a part of the State's cash management pool, an internal investment pool. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. The State Treasurer administers the cash management pool. The pool includes some long-term investments such as obligations of the United States and certain agencies of the United States, obligations of domestic corporations, certificates of deposit, and collateralized repurchase agreements.

Most entities in the primary government and the discretely presented governmental component units participate in the cash management pool. Significant exceptions, however, are: retirement plans, the Local Government Investment Pool (an external investment pool), the Tobacco Settlement Revenue Management Authority (a blended component unit and a nonmajor governmental fund), the Housing Authority (a major enterprise fund), and certain activities of the Higher Education Fund (a major enterprise fund). Of the discretely presented component units, the State Ports Authority, and the South Carolina First Steps to School Readiness Board of Trustees participate in the pool. For activities excluded from the pool, cash equivalents include investments in short-term, highly liquid securities having a maturity at the time of purchase of three months or less.

e. Cash Management Pool–Allocation of Interest

The State's cash management pool consists of a general deposit account and several special deposit accounts. The State records each fund's equity interest in the general deposit account. All earnings on that account are recorded in the General Fund. In contrast, each special deposit account retains its own earnings.

f. Investments

The State Treasurer is authorized by statute to invest all State funds. The State Treasurer's investment objectives are preservation of capital, maintenance of adequate liquidity, and obtaining the best yield possible within prescribed parameters. To meet those objectives, the State Treasurer uses various resources including an investment advisory service, electronic financial quotation and information services, various economic reports, and daily communication with brokers and financial institution investment officers.

To insure safety of principal, the State Treasurer's policy is to limit liquid investments (i.e., those with maturities not exceeding one year) to cash, repurchase agreements (when collateralized by United States Treasury, federal agency or other federally guaranteed obligations with a market value in excess of 100.0% of funds advanced), United States Treasury bills, federal agency discount notes, and commercial paper. The State Treasurer further preserves principal by investing in only the highest investment grade securities (i.e., those rated at least A by two leading national rating services). In order to diversify investment holdings, asset allocation policies are utilized for investments having more than one year to maturity. Overall

credit exposure is managed by asset allocation policies and by additional constraints controlling risk exposure to individual corporate issuers.

Certain agencies and component units have specific authority to manage deposits and investments under their control. The investment policies of these entities may differ from those of the State Treasurer.

State law has established a six-member Investment Commission with fiduciary responsibility for all of the State Retirement Systems' investments. The chief investment officer may invest no more than 70.0% of the Systems' investment portfolio in equity securities.

Substantially all of the State's investments are presented at fair value; securities are valued at the last reported sales price as provided by an independent pricing service. In contrast the State has presented at historical cost the investment securities and other instruments that the Chief Insurance Commissioner holds for insurance companies in lieu of surety bonds. These securities are separately classified in the accompanying financial statements as *securities held in lieu of surety bonds.* These instruments are recorded in the State's agency funds and are not held for investment purposes.

Pursuant to State law, the primary government and its discretely presented component units do not maintain deposits or make investments in foreign currencies.

The State sponsors the Local Government Investment Pool (LGIP), an external investment pool reported as an investment trust fund. The LGIP's complete financial statements may be obtained by writing to the following address:

The State Treasurer's Office
Local Government Investment Pool
Post Office Box 11778
Columbia, South Carolina 29211
www.treasurer.sc.gov

g. Receivables and Payables

The State records amounts receivable from parties outside the primary government net of allowances for uncollectible amounts and contractual adjustments. It estimates uncollectible amounts based on past collection experience. The State discloses the gross amounts of these receivables and the amounts of related allowances and adjustments, as well as any significant receivable balances not expected to be collected within one year, in Note 5. Further, the State disaggregates its receivable balances in Note 5 if any significant components thereof have been obscured in the financial statements by aggregation or if different components of receivables have significantly different liquidity characteristics.

The State presents balances outstanding at the end of the fiscal year that relate to lending/borrowing arrangements between funds as interfund receivables and payables and reports all other outstanding balances between funds as due to/from other funds. The government-wide statement of net assets displays internal balances that involve fiduciary funds as accounts receivable and accounts payable. The State reports as internal balances any residual balances outstanding between the governmental and business-type activities in the government-wide financial statements.

h. Inventories

The State values its inventories at the lower of cost or market, predominantly using the first-in, first-out methodology for its proprietary funds and its business-type activities and predominantly using the average cost methodology for its other funds and activities and its discretely presented component units. The State records expenditures in governmental funds when it consumes inventory items rather than when it purchases them.

i. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods. The State records these payments as prepaid items in both the government-wide and fund financial statements.

j. Capital Assets

The State reports its capital assets in the following categories in the applicable governmental or business-type activities in the government-wide financial statements: land and land improvements, infrastructure (i.e., highways and bridges), buildings and improvements, construction in progress, vehicles, machinery and equipment, works of art and historical treasures, and intangible assets.

Capital assets are valued at historical cost or at estimated historical cost if actual historical cost data is not available. Donated capital assets are recorded at estimated fair market value on the donation date. Infrastructure assets acquired prior to fiscal years ended after June 30, 1980, are reported at cost beginning in the year 1917. The costs of normal maintenance and repairs that do not significantly add to the value of an asset or materially extend an asset's useful life are not capitalized. Cumulative costs incurred on major capital assets under construction but not yet placed in service are capitalized and reported in the construction in progress account. Net interest incurred by a proprietary fund during the construction phase of a major capital asset is included as part of the capitalized value of such asset.

An individual asset is capitalized and reported if it has an estimated useful life of at least two years and a historical cost as follows: more than $5 thousand for vehicles, machinery and equipment, and works of art and historical treasures; more than $100 thousand for buildings and improvements, depreciable land improvements, and intangible assets; and more than $500 thousand for roads and bridges. All land and non-depreciable land improvements are capitalized and reported, regardless of cost. Certain State agencies also capitalize those assets with a useful life between one and two years that meet the preceding dollar thresholds, and the Lottery Commission, a major discretely presented component unit, capitalizes all property and equipment purchases of $1 thousand or more.

Once the State or one of its discretely presented component units places a depreciable capital asset in service, depreciation is recorded using the straight-line method over the following estimated useful lives:

Asset Category	Years
Land improvements	3 - 60
Infrastructure—highways	75
Infrastructure—bridges	50
Buildings and improvements	5 - 55
Vehicles	3 - 20
Machinery and equipment	2 - 25
Works of art; historical treasures	10 - 25
Intangible assets	3 - 38

The State does not depreciate land, non-depreciable land improvements, and construction in progress. The State does not depreciate capitalized individual works of art and historical treasures determined to have inexhaustible useful lives and does not capitalize collections of works of art and historical treasures that are held for public use, are protected and preserved, and are subject to a policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. These non-capitalized collections include historical relics, antiques, fossils, and other South Carolina artifacts.

In the government-wide statement of activities, the State reports losses on disposals of capital assets as expenses of its General Government function and gains on such disposals as general revenues.

The State reports the Southern Connector toll road as a capital asset of the Connector 2000 Association, Inc., the major discretely presented component unit that financed, constructed, and is responsible for maintaining and operating the toll road and paying for the financing thereof. Under an agreement between the Association and the State Department of Transportation (DOT), the DOT retains fee simple title to the road.

k. Deferred Charges

Deferred costs to be recovered from future revenues of the South Carolina Public Service Authority (a regulated utility reported as a major discretely presented component unit) are recorded as deferred charges. The Authority's rates are based upon debt service and operating fund requirements. The Authority recognizes differences between debt principal maturities and straight-line depreciation as costs to be recovered from future revenue. The recovery of outstanding amounts recorded as costs to be recovered from future revenue will coincide with the repayment of the outstanding long-term debt of the Authority.

The South Carolina Medical Malpractice Liability Joint Underwriting Association, a non-major discretely presented component unit, defers certain policy acquisition costs for new and renewal business. The Association amortizes these costs based on the related written and unearned premiums.

Unamortized bond issuance costs are reported as deferred charges and are amortized as described in Note 1m.

l. Tax Refunds Payable

Most of the tax refunds payable balance in the General Fund relates to individual income tax. During the calendar year, the State collects employee withholdings and taxpayers' payments. Taxpayers file returns by April 15 for the preceding calendar year. At June 30, the State estimates the amount it owes taxpayers for overpayments during the preceding six months. The State records this estimated payable as tax refunds payable and a reduction of tax revenues.

m. Long-Term Obligations

The State records general long-term debt and other long-term obligations of the primary government's governmental funds in the governmental activities reported in its government-wide financial statements. Long-term debt and other obligations financed by proprietary funds are recorded as liabilities in the appropriate funds.

The State defers and amortizes bond premiums and discounts, as well as issuance costs, over the life of the bonds predominantly using the effective interest method. For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is also deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt. The State reports bonds payable net of the

applicable bond premium or discount and deferred amount on refunding. Unamortized issuance costs are reported as deferred charges.

n. Compensated Absences

During their first ten years of service, most full-time permanent State employees annually earn 15 days of vacation leave and 15 days of sick leave. After ten years, most employees earn an additional 1.25 days of vacation leave for each year of service over ten until they reach the maximum of 30 days per year. Sick leave earnings remain at 15 days per year. Employees may carry forward up to 45 days of vacation leave and 180 days of sick leave from one calendar year to the next. Upon termination of employment, the State pays employees for accumulated vacation leave at the pay rate then in effect. Employees do not receive pay for accumulated sick leave when they terminate. However, at retirement, employees participating in the South Carolina Retirement System and the South Carolina Police Officers' Retirement System may receive additional service credit for up to 90 days of accumulated unused sick leave.

The government-wide and proprietary fund statements record an expense and a liability when employees earn compensated absence credits. Governmental fund financial statements record a liability for compensated absences payable at June 30 only if the liability for accumulated vacation leave has matured but has not yet been paid at that date (for example, as a result of employee resignations and retirements). The State does not record a liability for unpaid accumulated sick leave.

o. Perkins Loan Liability

The Higher Education Fund, a major enterprise fund, records a liability related to the Perkins student loan program and certain other federal student loan programs to reflect the amount of capital contributions received to date from the federal government plus any other amounts that ultimately are refundable to the federal government under the programs. The State has recorded this liability as part of its other non-current liabilities account.

p. Restricted Net Assets

The State reports a portion of its net assets in its government-wide statements as restricted. Net assets are reported as restricted when constraints placed on net assets use are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, laws or regulation of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payments of resources (from resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable requirement is one that an outside party (such as citizens, public interest groups, or the judiciary) can compel the government to honor. At June 30, 2010, $1.164 billion was reported as restricted net assets because of restrictions imposed by enabling legislation.

q. Flow Assumption, Net Assets

The State's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

r. Escheat Property

The State accounts for its escheat property in the General Fund, the fund to which the property ultimately escheats. To the extent it is probable and estimable that such property will be reclaimed and paid to claimants, the State records a liability and reduces revenue in the General Fund.

NOTE 2: ACCOUNTING AND REPORTING CHANGES

a. Adoption of New Accounting Standards

Effective for the fiscal year 2009-2010, the State adopted the following Governmental Accounting Standards Board (GASB) Statements.

Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, establishes accounting and financial reporting standards for intangible assets to address inconsistencies and enhance comparability in reporting such assets among governments. The Statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. The Statement requires that an intangible asset be recognized in the government-wide statement of net assets only if it is considered identifiable. Additionally, the Statement establishes a specified-conditions approach to recognizing intangible assets that are internally generated. The beginning net assets and capital assets of governmental activities increased by $43.510 million as a result of implementation of this Statement, as it relates to internally generated software. See Note 1j for the State's intangible asset accounting and reporting policies.

Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Due to the implementation of this Statement, the beginning net assets for business-type activities and the Medical University Hospital Authority, a major enterprise fund, decreased by $8.750 million.

b. Change in Estimate: Useful Lives of Assets

The estimated useful lives used to calculate depreciation for assets reported within the primary government were reviewed for reasonableness. Based on the review, the depreciable lives of certain assets were modified do to new information. These changes are being reported on a prospective basis; therefore, no restatement occurred as a result of the change in estimate.

c. Change in Reporting Entity: Jobs Economic Development Authority

In prior fiscal years, the Jobs Economic Development Authority (JEDA) was reported as an Other Special Revenue Fund. JEDA has not received funding through State appropriations since fiscal year 2007-2008. Also, JEDA charges fees to external users for goods or services. Therefore, JEDA is now presented in the financial statements as an Other Enterprise Fund. As a result of this reclassification, the beginning net assets of governmental activities decreased by $930 thousand, and the beginning fund balance of special revenue funds decreased by $944 thousand. Also, the beginning net assets of business-type activities and enterprise funds increased by $930 thousand.

d. Correction of Error: Governmental Activities

Prior to fiscal year 2009-2010, the Department of Commerce was depreciating certain of its buildings acquired in fiscal year 2005-2006 over a 15-year useful life. Upon review of estimated useful lives, the Department of Commerce determined it should have been depreciating those buildings over a 35-year useful life. It has been determined that the initial useful life of 15 years was used in error despite evidence being present that the useful life should have been 35 years. The correction of the error resulted in an increase to the beginning net assets of governmental activities in the amount of $16.762 million.

NOTE 3: DEFICITS OF INDIVIDUAL FUNDS

The accompanying fund financial statements display deficit fund balances and deficit net asset balances for individual major funds, if applicable. Nonmajor funds had the following deficit net asset balances (expressed in thousands) at June 30, 2010:

Nonmajor Governmental Funds:	
Accommodations and Local Option Sales Tax..... $	41,975
Medicaid Expansion.....	23,252
Nonmajor Enterprise Funds:	
Patients' Compensation.....	121,537
Tuition Prepayment Program.....	8,320
Internal Service Funds:	
State Accident Fund.....	74,066
Pension Administration.....	45

Actions taken to eliminate deficits include increase of existing fees, assessment of additional fees, purchase of excess loss reinsurance, and implementation of cost containment programs.

NOTE 4: DEPOSITS AND INVESTMENTS

By law, all deposits and investments are under the control of the State Treasurer except for those that, by specific authority, are under the control of other agencies or component units. The deposit and investment policies of those entities may differ from those of the State Treasurer. Typically, these agencies follow the deposit and investment policies of the State Treasurer in an effort to minimize deposit and investment risks.

a. Deposits

The following deposits disclosure excludes the primary government's Pension Trust Funds of the South Carolina Retirement Systems (the Systems) which are described in subsection d and the primary government's Other Post-Employment Benefit Trust Funds which are described in subsection e.

Policy

The State's policy by law, requires all banks or savings and loan associations that receive State funds deposited by the State Treasurer, to secure the deposits by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against any loss. Agencies with specific authority manage their deposits outside of the State Treasurer and may have custodial credit risk policies that differ from the State Treasurer. Therefore, some deposits presented below have custodial credit risk. Note 1, subsections d and e explain other policies concerning deposits.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a depository financial institution's failure, the State will not be able to recover collateral securities that are in the possession of an outside party. Deposits include cash and cash equivalents on deposit in banks and non-negotiable certificates of deposit. All deposits under the control of the State Treasurer are fully insured or collateralized. The reported amount of the State Treasurer's deposits as of June 30, 2010 was $364.859 million and the bank balance was $849.980 million. As of June 30, 2010, the reported amount of the primary government's deposits outside of the State Treasurer was $547.111 million and the bank balance was $549.299 million. Of the $455.425 million bank balance exposed to custodial credit risk, $84.091 million was uninsured and uncollateralized, $321.224 million was uninsured and collateralized with securities held by the pledging financial institution, and $50.110 million was uninsured and collateralized with securities held by the counterparty's trust department or agent but not in the State's name.

As of June 30, 2010, the reported amount of the major discretely presented component units' deposits was $86.248 million and the bank balance was $86.517 million. Of the $33.868 million bank balance exposed to custodial credit risk, $222 thousand was uninsured and uncollateralized; and $33.646 million was uninsured and collateralized with securities held by the counterparty's trust department or agent, but not in the State's name.

b. Investments

The investment disclosures exclude the primary government's Pension Trust Funds of the South Carolina Retirement Systems which are described in subsection d and the primary government's Other Post-Employment Benefit Trust Funds which are described in subsection e.

Investment Policy

The State's investment policy by law authorizes investments that vary by fund, but generally include obligations of the United States and certain agencies of the United States, obligations of the State of South Carolina and certain of its political subdivisions, certificates of deposit, collateralized repurchase agreements, certain corporate bonds, and commercial paper. Substantially all of the State's investments are presented at fair value. Securities are valued at the last reported sales price as provided by an independent pricing service. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest income earned. Other investment policies for the State and its component units are explained in Note 1, subsection f.

Custodial Credit Risk

Custodial credit risk for investments is the risk that in the event of a failure of the counterparty to a transaction, the State will not be able to recover the value of investments or collateral securities that are in possession of an outside party. All of the State Treasurer's investments are fully insured or collateralized. Certain agencies with specific authority manage their own investments and may have custodial credit risk policies that differ from the State Treasurer. The primary government's investments and the major discretely presented component unit's investments that are exposed to custodial credit risk have been classified into two categories of custodial credit risk. Category A includes investment securities that are uninsured, not registered in the name of the State, and are held by a counterparty. Category B includes investment securities that are uninsured, not registered in the name of the State, and are held by a counterparty's trust department or agent but not in a State entity's name. The portion of the primary government's investments with custodial credit risk is classified by risk category (expressed in thousands) at June 30, 2010, as follows:

Primary Government Investment Type	Category A	Category B	Reported Amount
U.S. Agencies	$ 48,569	$ 13,499	$ 62,068
Limited Partnership	25,150	—	25,150
Money Market Mutual Funds	—	1,179	1,179
Repurchase agreements	—	19,050	19,050
Common Stock	100	—	100
Commercial paper	—	33,121	33,121
Totals	**$ 73,819**	**$ 66,849**	**$ 140,668**

The State's major discretely presented component units hold investments in U.S. Government Agencies and Money Market Mutual Funds that are exposed to custodial credit risk. At June 30, investments with a reported value of $13.083 million were classified as Category B.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the State. The State Treasurer's credit risk policy mitigates potential for loss of principal by purchasing only high investment grade fixed-income securities. In the event that the rating of a security falls below investment grade, that security may continue to be held contingent upon an evaluation of the longer term investment merits of the security. Certain agencies with specific authority to manage their own investments outside of the State Treasurer have credit risk policies that differ from that of the State Treasurer. Debt investments for the primary government were rated as of June 30, 2010 using the Standard and Poor's rating scale. The following table provides information on investment ratings (expressed in thousands):

Investment Type and Fair Value	AAA	AA	A	BBB	BB	B	CCC below	A-1	Not Rated
Corporate bonds	$ 120,962	$ 459,973	$ 1,228,517	$ 751,660	$ 59	$ —	$ —	$ —	$ 90,540
Municipal bonds	50,802	46,568	10,090	—	—	—	—	—	60,357
Repurchase agreements	94,961	—	—	—	—	—	—	2,010,436	85,735
Asset backed securities	—	—	—	—	—	—	—	—	4,781
Commercial paper	—	49,986	159,305	—	—	—	—	964,157	69,679
Mutual funds	345	93	71	109	236	587	422	—	1,116,401
Money Market funds	23,828	—	—	—	—	—	—	—	81,236
Guaranteed investment contracts	—	—	—	—	—	—	—	—	529
Totals	**$ 290,898**	**$ 556,620**	**$ 1,397,983**	**$ 751,769**	**$ 295**	**$ 587**	**$ 422**	**$ 2,974,593**	**$ 1,509,258**

At fiscal year end, the State Ports Authority (June 30, 2010), the Public Service Authority (December 31, 2009), and the Connector 2000 Association, Inc. (December 31, 2009), all major discretely presented component units, held investments in U.S. government securities which do not require disclosure of credit quality. In addition to U.S. government securities, the State Ports Authority, Public Service Authority and the Connector 2000 Association, Inc. held investments as listed below using the Standard and Poor's rating scale (expressed in thousands):

Investment Type and Fair Value	AAA	Not Rated
Repurchase agreements	$ 310,840	$ —
Money Market funds	—	6,588
Totals	**$ 310,840**	**$ 6,588**

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The State Treasurer's policy is to manage interest rate sensitivity by investing in securities with a range of maturities from one day to thirty years using effective duration. Effective duration is a measure of the price sensitivity of a bond or a portfolio of bonds to interest rate movements given a 50 basis point change in interest rates. It takes into account that expected cash flows will fluctuate as interest rates change and provides a measure of risk that changes proportionately with market rates. At June 30, 2010, the effective duration and fair value of the State Treasurer's investments by investment type are as follows (expressed in thousands):

Investment Type	Fair Value	Effective Duration
U.S. Government		
U.S. Treasuries	$ 607	4.63
U.S. Agencies	957,899	13.84
State & Local Government		
Municipal bonds	129,374	8.92
Mortgage Backed	985,149	20.98
Corporate		
Corporate bonds	1,778,883	3.61
Asset backed securities	4,661	17.97
Short Term Investments		
Repurchase agreements	1,331,525	0.00
Commercial paper	425,573	0.15
Total Invested Assets	**$ 5,613,671**	

Agencies that manage their own investments have interest rate risk polices that differ from the State Treasurer. Some of these agencies do not have a formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. At June 30, 2010, agencies within the State's primary government that manage their own investments limited the maturities of their securities according to the following segmented time distribution (expressed in thousands):

		Investment Maturities (in years)				
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6 - 10**	**More than 10**	**No Maturity**
U.S. Treasuries	$ 383,489	$ 133,890	$ 247,621	$ 1,146	$ 832	$ —
U.S. Agencies	196,479	139,916	28,253	5,448	22,862	—
Collateralized mortgage obligations	30	—	—	—	30	—
Corporate bonds	872,826	678,840	174,144	1,861	17,981	—
Municipal bonds	38,443	12,000	25,689	143	611	—
Equity securities	29,505	1,820	—	—	—	27,685
Repurchase agreements	859,606	859,606	—	—	—	—
Asset backed securities	764,902	764,781	—	—	—	121
Commercial paper	52,773	52,716	—	—	—	57
Mutual funds	1,118,263	474	1,590	39	27	1,116,133
Guaranteed investment contracts	529	—	—	—	—	529
Money Market funds	105,064	104,432	—	—	—	632
Common Stock	39,533	54	—	—	100	39,379
Investment in limited partnerships	25,150	—	—	—	—	25,150
Investment in endowment	192	—	—	—	—	192
Totals	**$ 4,486,784**	**$ 2,748,529**	**$ 477,297**	**$ 8,637**	**$ 42,443**	**$ 1,209,878**

The State's major discretely presented component units also had interest rate risk policies that varied from the State Treasurer. At June 30, 2010, these major discretely presented component units had the following fixed income investments with maturities disclosed by investment category and segmented time distribution stated with fair value (expressed in thousands):

		Investment Maturities (in years)			
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6 - 10**	**More than 10**
U.S. Treasuries	$ 40,705	$ —	$ 40,705	$ —	$ —
U.S. Agencies	881,067	317,158	559,516	—	4,393
Repurchase agreements	310,840	310,840	—	—	—
Money Market funds	6,588	6,588	—	—	—
Totals	**$ 1,239,200**	**$ 634,586**	**$ 600,221**	**$ —**	**$ 4,393**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The State's policy for reducing the risk is to diversify and limit exposure to any single issuer to no more than 5%, except for United States Treasury and agency obligations. The State sponsors the Local Government Investment Pool (LGIP), an external investment pool reported as an investment trust fund. As of June 30, 2010, the State Treasurer had approximately 28% of the LGIP investment portfolio in an overnight repurchase agreement with The Bank of New York Mellon that was fully collateralized by U.S. Treasuries.

c. Securities Lending Program

The following securities lending disclosures exclude the primary government's Pension Trust Funds of the South Carolina Retirement Systems which are described in subsection d. The following disclosures, with the exception of the amounts reported in the table below, also apply to the primary government's Other Post-Employment Benefit Trust Funds reported in subsection e.

By law, the State Treasurer may lend securities from its investment portfolios on a collateralized basis to third parties, primarily financial institutions, with a simultaneous agreement to return the collateral for the same securities in the future. The State may lend United States government securities, corporate bonds, other securities and equities for collateral in the form of cash or other securities. The contracts with the State's custodians require them to indemnify the State if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the State for income distributions by the securities' issuers while the securities are on loan.

The weighted average maturity of the State's collateral investments generally matched the maturity of the securities loans during the fiscal year and at June 30, 2010. At June 30, 2010, the State had no credit risk exposure to borrowers because the amounts the State owed the borrowers exceeded the amounts the borrowers owed the State. Either the State or the borrower can terminate all securities loans on demand. There are no restrictions on the amount of the loans that can be made. For the fiscal year ended June 30, 2010, the State experienced no losses on its securities lending transactions because of borrower defaults.

The State receives primarily cash as collateral for its loaned securities. The market value of the required collateral must meet or exceed 102% of the market value of the securities loaned, providing a margin against a decline in the market value of the collateral. During the fiscal year ended June 30, 2010, the State met the 102% requirement. The State cannot pledge or sell collateral securities unless the borrower defaults. The lending agent, on behalf of the State, invests cash collateral received. Accordingly, at June 30, 2010, the State recorded these investments of cash collateral as assets in the accompanying financial statements. Corresponding liability amounts also have been recorded because the State must return the cash collateral to the borrower upon expiration of the loan. The following table presents the fair value (expressed in thousands) of the underlying securities and the total collateral received for securities on loan at June 30, 2010:

	Amount
Securities lent for cash collateral:	
U.S. Treasuries	$ 360,647
Corporate bonds	60,305
Total for cash collateral	**$ 420,952**
Cash collateral invested:	
Repurchase agreements	$ 199,620
Asset backed securities	69,038
Floating Rate Notes	115,436
Total collateral invested	**$ 384,094**

d. South Carolina Retirement Systems

Custodial Credit Risk

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Systems' deposits may not be recovered. As prescribed by South Carolina state statute, the State Treasurer is the custodian of all deposits and is responsible for securing all deposits held by banks or savings and loan associations. These deposits are secured by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the state against loss in the event of insolvency or liquidation of the institution or for any other cause. Deposits are insured by the Federal Deposit Insurance Corporation

(FDIC) up to $250 thousand or collateralized with securities held by the state or its agent in the State Treasurer's name as custodian.

Under the Temporary Liquidity Guarantee Program provided by the FDIC to strengthen confidence and encourage liquidity in the banking industry, the Transaction Account Guarantee (TAG) Program provides separate unlimited FDIC coverage on the full balance of non-interest bearing checking accounts. This coverage is in addition to the FDIC coverage on other deposits of $250 thousand. Wells Fargo services our public fund accounts and participated in the TAG program through December 31, 2009; therefore, all checking accounts and deposits are either included under the TAG program or the bank holds additional collateral above the $250 thousand FDIC requirement due to classification.

As of June 30, 2010, the carrying amount of the Systems' deposits was $26.099 million and the bank balance was $60.459 million.

Investments

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Systems will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. Investing for the Systems is governed by Section 16, Article X of the South Carolina Constitution and Section 9-1-1310(B) and Title 9 Section 16 of the South Carolina Code of Laws. Funds held in trust for the Retirement Systems may be invested and re-invested in a variety of instruments including, but not limited to, fixed income instruments of the United States, foreign fixed income obligations, swaps, forward contracts, futures and options, domestic and international equity securities, private equity, real estate, and fund of funds.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While the Systems' have no formal interest rate risk policy, interest rate risk is managed within the portfolio using effective duration, which is a measure of the price sensitivity of a bond or a portfolio of bonds to interest rate movements given a 50 basis point change in interest rates. It takes into account that expected cash flows will fluctuate as interest rates change and provides a measure of risk that changes proportionately with market rates. Within the investment policy, operational guidelines specify the degree of interest rate risk taken versus the benchmark within each fixed income portfolio.

The Systems invests in mortgage-backed securities which are reported at fair value in the Statement of Plan Net Assets and are based on cash flows from principal and interest payments of the underlying mortgages. These securities are sensitive to prepayments, which are likely in an environment of declining interest rates, and thereby reduces the value of the security. The Systems invests in these securities to diversify the fixed income portfolio and minimize risk. Disclosures for interest rate risk at June 30, 2010, are noted below (dollar amounts expressed in thousands):

Investment Type	Fair Value	Effective Duration
Short Term Investments		
Commingled Funds U.S. Debt	$ 121,765	-
Mutual Funds	2,744,890	0.08
Repurchase Agreements	913,285	0.08
U.S. Treasury Bills	1,249	0.25
Fixed Income Allocation		
Domestic Fixed Income		
U.S. Government:		
U.S. Government Treasuries	1,200,539	4.89
U.S. Government Agencies	19,233	1.18
Mortgage Backed:		
Government National Mortgage Association	482,996	1.52
Federal National Mortgage Assocation	124,602	3.06
Federal Home Loan Mortgage Association	2,337	0.71
Collateralized Mortgage Obligations	16,496	1.11
Municipals	100,901	5.20
Corporate:		
Corporate Bonds	1,227,272	3.53
Convertible Bonds	19,483	8.28
Asset Backed Securities	286,491	0.23
Corporate Bonds-FDIC Guaranteed Bonds	33,826	2.38
Yankee Bonds	2,822	1.09
Private Placements	377,624	4.49
Global Fixed Income:		
International Asset Backed Securities	4,814	1.82
International Commingled Funds	2,277,291	Not Required
International Corporate Bonds	76,556	1.93
International Emerging Debt	454,439	Not Required
International Government Bonds	26,408	2.45
Equity Allocation		
Domestic Equity		
Common Stocks	1,568,199	Not Required
Real Estate Investment Trusts	48,363	Not Required
Convertible Preferred	3,410	56.09
Global Equity	293	Not Required
Alternatives		
Commingled Funds Balanced	1,310,665	Not Required
Credit Default Swaps	795	.01
Interest Rate Swaps	(436)	(288.54)
Futures Contracts	(78,533)	Not Required
Eurodollar Futures	107	74.73
Treasury Note Futures	553	571.04
Treasury Bond Futures	(1,595)	309.46
Total Return Swaps	(211,645)	Not Required
Opportunistic Credit	542,508	Not Required
Real Estate	7,310	Not Required
Hedge Funds	3,771,764	Not Required
Private Equity Limited Partnership	495,730	Not Required
Strategic Partnerships	4,637,380	Not Required
Total Invested Assets	**$ 22,610,187**	

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Systems. As a matter of practice, there are no overarching limitations for credit risk exposures within the overall fixed income portfolio. Each individual portfolio within fixed income is managed in accordance with operational guidelines that are specific as to permissible credit quality ranges, exposure levels within individual quality tiers, and average credit quality. A quality rating of lower than C is not permissible in any of the fixed income guidelines except in those circumstances of downgrades subsequent to purchase, in which case the investment manager is responsible for communicating the downgrade to the Commission's Consultant and Staff. The Systems' fixed income investments were rated by Moody's and are presented below (expressed in thousands):

Investment Type and Fair Value	US Treasury	Agency[1]	AAA	AA	A	BAA	BA	B	CAA	CA,C	Not Rated[2]
Short Term Investments											
Commingled Funds U.S. Debt	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 121,765
Mutual Funds	—	—	2,744,890	—	—	—	—	—	—	—	—
Repurchase Agreements	—	—	—	—	—	—	—	—	—	—	927,677
US Treasury Bills	1,249	—	—	—	—	—	—	—	—	—	—
Equity Investments											
Convertible Preferred	—	—	—	—	—	—	689	235	—	—	2,486
Fixed Income Allocation											
US Government Treasuries	1,200,539	—	—	—	—	—	—	—	—	—	—
US Government Agencies	—	19,233	—	—	—	—	—	—	—	—	—
Mortgage Backed:											
Government National Mortgage Association	—	482,996	—	—	—	—	—	—	—	—	—
Federal National Mortgage Association	—	124,602	—	—	—	—	—	—	—	—	—
Federal Home Loan Mortgage Association	—	2,337	—	—	—	—	—	—	—	—	—
Collateralized Mortgage Association	—	16,496	—	—	—	—	—	—	—	—	—
Municipals	—	—	34,560	34,013	32,328	—	—	—	—	—	—
Corporate:											
Corporate Bonds	—	—	136,095	123,780	349,508	314,300	105,011	176,775	47,368	3,131	281,505
Convertible Bonds	—	—	—	—	—	9,002	—	234	429	—	9,818
Asset Backed Securities	—	—	102,448	67,091	18,538	8,039	36,359	4,682	16,205	—	33,129
Corporate Bonds - FDIC Guaranteed	—	—	33,826	—	—	—	—	—	—	—	—
Yankee Bonds	—	—	—	—	—	1,555	1,267	—	—	—	—
Private Placements	—	—	45,793	31,988	103,467	36,871	19,117	91,548	15,535	478	32,827
Global Fixed Income:											
International Asset Backed	—	—	4,814	—	—	—	—	—	—	—	—
International Corporate Bonds	—	—	42,738	25,749	7,084	—	985	—	—	—	—
International Commingled Funds	—	—	—	—	—	—	—	—	—	—	2,277,291
International Government Bonds	—	—	23,141	—	—	3,267	—	—	—	—	—
International Emerging Debt	—	—	—	—	—	—	—	—	—	—	454,439
Alternatives											
Credit Default Swaps	—	—	—	—	—	—	—	—	—	—	795
Interest Rate Swaps	—	—	—	—	—	—	—	—	—	—	(436)
Total Return Swaps	—	—	—	—	—	—	—	—	—	—	3,191
Futures Contracts	—	—	—	—	—	—	—	—	—	—	(79,468)
Totals	**$ 1,201,788**	**$ 645,664**	**$ 3,168,305**	**$ 282,621**	**$ 510,925**	**$ 373,034**	**$ 163,428**	**$ 273,474**	**$ 79,537**	**$ 3,609**	**$ 4,065,019**

[1] *Agency rating is assigned to securities issued by privately owned government sponsored enterprises such as Federal National Mortgage Association, Federal Home Loan Mortgage Association and several other entities that do not have a credit rating. These enterprises have an implied guarantee due to recent capital injections by the U.S. Government but are still subject to credit risk.*

[2] *Not Rated represents securities that were either not rated or had a withdrawn rating.*

Concentration of Credit Risk –Investments

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Systems' policy for reducing this risk is to comply with the Statement of Investment Objectives as amended and adopted by the Retirement System Investment Commission which states that "except that no limitations on issues and issuers shall apply to obligations of the U.S. Government and Federal Agencies, the domestic fixed income portfolio shall contain no more than 6 percent exposure to any single issuer." As of June 30, 2010 there is no single issuer exposure within the portfolio that comprises 5 percent or more of the overall portfolio. Therefore, there is no concentration of credit risk.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Systems participates in foreign markets to diversify assets, reduce risk and enhance returns. Exposure to foreign investments has, to date, been achieved synthetically using financial futures, forwards and swaps. Currency forwards are used to manage currency fluctuations and are permitted by investment policy. Policy, however, forbids speculating in forwards and other derivatives.

The table below presents the Systems' exposure to foreign currency risk in U.S. dollars as of June 30, 2010 (expressed in thousands):

Currency	Cash & Cash Equivalents	Forward Contracts	Futures Contracts	Private Equity	Opportunistic Credit	Equity	Fixed Income
Australian Dollar.....	$ (130)	$ 14,606	$ (2,066)	$ —	$ —	$ —	$ 23,140
Brazil Real.....	—	295	—	—	—	—	521
British Pound Sterling.....	(3,152)	91,933	(4,956)	—	—	—	—
Canadian Dollar.....	(1,406)	15,542	(1,536)	—	—	293	36,931
Chinese Yuan Renminbi...	—	29,050	—	—	—	—	—
Euro Currency.....	11,075	(21,541)	(7,486)	59,251	180,575	—	18,690
Hong Kong Dollar.....	415	14,679	(456)	—	—	—	—
Japanese Yen.....	(11,042)	115,479	(2,237)	—	—	—	—
Totals.....	**$ (4,240)**	**$ 260,043**	**$ (18,737)**	**$ 59,251**	**$ 180,575**	**$ 293**	**$ 79,282**

Derivatives

Derivatives are financial instruments whose value is derived from underlying assets or data. All of the Systems' derivatives are considered investments. Derivatives generally take the form of contracts in which two parties agree to make payments at a later date based on the value of specific assets or indices. Through certain collective trust funds, the Systems may invest in various derivative financial instruments such as futures and options thereon; forward foreign currency contracts; options; interest rate, currency, equity, index, and total return swaps; interest-only strips; and CMOs to enhance the performance and reduce volatility.

To date, the primary reasons for the Commission's use of derivative contracts have pertained to their ability to facilitate changes to the asset allocation of the total plan and for their low cost of implementation. The Commission uses derivatives for several reasons:

- Asset Allocation: In many cases, synthetic exposures (using derivatives) are placeholders until managers are hired and funded. In time, the Commission may substitute traditional managers for much of the synthetic exposure currently in the portfolio. Efficient markets dictate that in some asset classes, synthetics are the best way to achieve exposure.
- Risk Management: Derivatives allow investors the ability to swiftly and efficiently increase or decrease exposures in order to manage portfolio risk.
- Cost: A synthetic (derivative) solution is often the least expensive way to gain exposure to an asset class or to manage portfolio risk. Derivatives are more beneficial in each of the three major measures of cost: commission costs, market impact of trading, and opportunity costs.

Futures are contractual obligations that require the buyer (seller) to buy (sell) assets at a predetermined date at a predetermined price. These contracts are standardized and traded on an organized exchange with gains and losses settled daily thereby minimizing credit and default risk. Gains and losses are included in the net appreciation/(depreciation) in the fair value of investments total of the Statement of Changes in Plan Net Assets. To comply with the requirements of multiple exchanges, securities in the amount of $182.442 million of various GNMA's were held in trust by the clearing brokers on June 30, 2010 to satisfy the required margin amount to establish the Systems' futures exposure.

The table below presents the classification of the Systems' derivatives at June 30, 2010 (expressed in thousands):

	Changes in Fair Value		*Fair Value at 6/30/2010*	
	Classification	*Gain/(Loss)*	*Classification*	*Amount*
Investment derivatives:				
Future Contracts	*Net appreciation/(depreciation)*	*$ (78,529)*	*Alternative Investments*	*$ (78,529)*
Forward Contracts	*Net appreciation/(depreciation)*	*9,438*	*Cash & Cash Equivalents*	*8,761*
Swaps	*Net appreciation/(depreciation)*	*(517,563)*	*Alternative Investments*	*(211,645)*

As of June 30, 2010, the Systems had the following exposure via futures contracts (dollar amounts expressed in thousands):

Futures Contracts	Expiration	Long/Short	Quantity	Notional Value*
MTF CAC40 10EU	July 2010	Long	807	$ 34,024
EURX DAX INDEX	September 2010	Long	161	29,392
EURX ER STX 50	September 2010	Long	2,935	92,322
NEW FTSE 100	September 2010	Long	1,244	90,833
HKFE - HSI	July 2010	Long	113	14,568
IBEX 35 PLUS	July 2010	Long	105	11,836
IDEM S&P/MIB	September 2010	Long	94	11,138
TSE TOPIX	September 2010	Long	1,115	105,653
ME S&P CAN 60	September 2010	Long	397	49,255
SFE SPI 200	September 2010	Long	396	35,639
Total International Equity				**474,660**
EMINI S&P 500	September 2010	Long	16,248	834,010
Total Large Cap Equity				**834,010**
IMM MINI RUSL	September 2010	Long	1,763	107,155
IMM EMINI MDCP	September 2010	Long	4,330	307,430
Total Small/Mid Cap Equity				**414,585**
Totals				**$ 1,723,255**

*****Notional value is the nominal or face amount that is used to calculate payments made on derivative instruments (futures, forwards, swaps, etc.). This amount generally does not change hands and is thus referred to as notional. The notional amount represents the economic equivalent to an investment in the physical securities represented by the derivative contract.*

Forwards are contractual obligations that require the delivery of assets at a fixed price on a predetermined date. These contracts are "over-the-counter" instruments, meaning they are not traded on an organized exchange. Currency forwards gains and losses are included in the net appreciation/(depreciation) in the fair value of investments total of the Statement of Changes in Plan Net Assets.

As of June 30, 2010, the Systems had the following forward exposures, listed by counterparty (dollar amounts expressed in thousands):

Broker	Notional Value	Base Gain/(Loss)	Base Exposure
J.P. Morgan Securities.....	$ 52,557	$ 1,459	16.67%
BNY Mellon NA.....	52,555	1,461	16.67%
HSBC Securities.....	52,552	1,464	16.67%
Bank of America.....	43,792	1,476	13.89%
Royal Bank of Canada.....	36,468	940	11.56%
Barclays.....	33,404	750	10.59%
State Street.....	24,856	500	7.88%
Societe Generale.....	19,150	711	6.07%
Totals.....	**$ 315,334**	**$ 8,761**	**100%**

The Systems has entered into various swap agreements to manage risk exposure. Swaps are "over-the-counter" (OTC) agreements to exchange a series of cash flows according to specified terms. The underlying asset can be an interest rate, an exchange rate, a commodity price or any other index.

Total return swaps are primarily used to efficiently achieve a target asset allocation. Exposures to an asset class are typically gained by paying a reference rate such as LIBOR, plus or minus a spread, in exchange for the risk and returns of a desired market index. Similarly, exposures can be reduced by receiving a reference rate in exchange for the economic risks and returns of an index.

Counterparty risk, or default risk, is the risk that a party will not honor its contractual obligations. The Systems seeks to actively manage its counterparty risk by thorough analysis and evaluation of all potential counterparties by investment staff and the independent overlay manager. Risk is further minimized through diversification among counterparties with high credit ratings and collateralizing unrealized gains and losses. The Systems currently does not participate in a master netting agreement. Unrealized gains and losses are not netted across instrument types. At June 30, 2010, the Systems had no credit risk to counterparties because unrealized swap losses exceeded the collateral posted less transfers due on June 30, 2010. The Systems, however, does not anticipate any default in the contractual positions.

The table below reflects the counterparty credit ratings at June 30, 2010, for currency forwards and swap agreements (expressed in thousands):

Quality Rating	Forwards	Swaps	Total
AAA	$ 940	$ -	$ 940
AA3	2,670	(89,715)	(87,045)
AA2	2,925	(46,432)	(43,507)
A2	1,476	1,591	3,067
A1	750	(77,089)	(76,339)
Total subject to credit risk	$ 8,761	$ (211,645)	$ (202,884)

Swap market value (or notional value) is calculated based on the actual index value of the benchmark index multiplied by the number of index units. The index value is the level or price of the benchmark index. The index units were determined at commencement of the swap and are detailed in the term sheet. At June 30, 2010, the Systems held swaps as shown in the table below (amounts expressed in thousands):

Counterparty	Total Return Swaps	SCRS Pays	SCRS Receives	Maturity Date	Current Notional	Gain (Loss) Since Trade
BNP Paribas	MSCI EM Proxy	3 month LIBOR plus 20 bps	MSCI EM	9/17/2010	$ 202,482	$ 2,482
BNP Paribas	EAFE + Canada Proxy	3 month LIBOR minus 30 bps	MSCI EAFE + Canada	9/7/2010	130,161	(19,839)
Deutsche Bank	MSCI EM Proxy	3 month LIBOR plus 38 bps	MSCI EM	12/31/2010	219,560	(14,427)
Deutsche Bank	EAFE + Canada Proxy	3 month LIBOR minus 42 bps	MSCI EAFE + Canada	7/8/2010	135,537	(23,009)
Deutsche Bank	EAFE + Canada Proxy	3 month LIBOR minus 42 bps	MSCI EAFE + Canada	7/15/2010	204,908	(37,892)
Merrill Lynch	DJ-UBS Commodities TR	3 month T Bill plus 13 bps	DJ-UBS Commodities TR	8/31/2010	259,454	(15,546)
Merrill Lynch	DJ-UBS Commodities TR	3 month T Bill plus 13 bps	DJ-UBS Commodities TR	2/28/2011	259,454	(15,546)
Credit Suisse	EAFE + Canada Proxy	3 month LIBOR minus 35 bps	MSCI EAFE + Canada	2/28/2011	275,792	(24,208)
J.P. Morgan	MSCI EM Proxy	3 month LIBOR plus 27 bps	MSCI EM	3/22/2011	139,195	(10,805)
BNP Paribas	MSCI EM Proxy	3 month LIBOR plus 28 bps	MSCI EM	4/7/2011	133,097	(16,903)
Barclays	MSCI EM Proxy	3 month LIBOR plus 37 bps	MSCI EM	4/29/2011	318,197	(33,270)
Credit Suisse	EAFE + Canada Proxy	3 month LIBOR minus 25 bps	MSCI EAFE + Canada	4/29/2011	291,226	(40,928)
UBS	Russell 2000 Proxy	3 month LIBOR minus 65 bps	Russell 2000	4/29/2011	132,141	(22,857)
Barclays	S&P 500 Proxy	3 month LIBOR minus 15 bps	S&P500	5/26/2011	193,413	(6,587)
	Total Swap Exposures				**$ 2,894,617**	**$ (279,335)**

Alternative Investments

The Alternatives category includes exposure to private equity, global tactical asset allocation, absolute return, opportunistic credit, real estate, derivatives and strategic partnerships. Private equity investments are normally structured as limited partnerships. In this structure, the Systems is one of several limited partners, while the investment manager serves as the general partner. Investing in limited partnerships legally obligates the Systems to invest the committed amount until the investment is fully funded. All other asset classes within the Alternatives category may be housed in a variety of legal structures. The Systems established several strategic partnerships to gain access to the best ideas of the investment manager, to receive favorable economics, and to efficiently take advantage of market opportunities. Our investments within the strategic partnership accounts include allocations to private equity, opportunistic credit, real estate, absolute return strategies and cash. The Systems' allocation to opportunistic credit is designed to take advantage of the dislocations that have occurred in the credit markets. The Systems' intent is to access superior risk adjusted returns through a variety of different credit strategies.

Commitments

The Systems entered into commitment agreements with numerous investment managers for future funding of private equity limited partnerships and strategic partnerships. As of June 30, 2010, the Systems had committed to fund various private equity and opportunistic credit limited partnerships for an amount of $2.043 billion (US dollars) and €256 million (Euros). The total unfunded commitment as of June 30, 2010, was $1.175 billion (US dollars) and €92 million (Euros). In addition, the Systems had committed to fund various strategic partnerships for an amount of $4.650 billion (US dollars) of which the unfunded commitment at June 30, 2010 was $1.140 billion (US dollars). Subsequent to June 30, 2010, the Systems committed to fund an additional $199 million (US dollars) resulting in a remaining commitment as of September 24, 2010 of $2.208 billion (US dollars) and €85 million (Euros).

Securities Lending

Through a custodial agent, the Systems participate in a securities lending program whereby securities are loaned for the purpose of generating additional income. The Systems lends securities from its investment portfolios on a collateralized basis to third parties, primarily financial institutions. The market value of the required collateral must initially meet or exceed 102 percent of the market value of the securities loaned, providing a margin against a decline in the market value of the collateral, and requires additional collateral if the collateral value falls below 100 percent.

There are no restrictions on the amount of securities that may be loaned. The types of securities available for loan during the year ended June 30, 2010, included US Government securities, US Government agencies, corporate bonds and equities. The contractual agreement with the Systems' custodial bank provides indemnification in the event the borrower fails to return the securities lent or fails to pay the Systems income distribution by the securities' issuers while the securities are on loan. Cash and US Government securities were received as collateral for these loans. The Systems cannot pledge or sell collateral securities without a borrower default. The Systems invests cash collateral received; accordingly, investments made with cash collateral appear as an asset. A corresponding liability is recorded as the Systems must return the cash collateral to the borrower upon the expiration of the loan.

At June 30, 2010, the fair value of securities on loan was $416.568 million. The fair value of the invested cash collateral was $324.593 million. Securities lending obligations at June 30, 2010, were $429.065 million with the unrealized loss in invested cash collateral of $104.472 million reflected under "Other Liabilities" on the Statement of Plan Net Assets and recorded in the Statement of Changes in Plan Net Assets under "Net appreciation (depreciation) in fair value of investments." The Commission evaluates the securities lending program in order to minimize risk, enhance performance and ensure a cost effective fee structure is in place.

With regard to custodial credit risk, the Systems' cash collateral invested is held by the counterparty and is uninsured. All securities loaned can be terminated on demand by either the Systems or the borrower. At year end the average number of days the loans were outstanding was one day. The average weighted maturity of investments made with cash collateral was 22 days. At June 30, 2010, there had been no losses resulting from borrower defaults and the Systems had no credit risk exposure to borrowers because the amounts the Systems owed the borrowers exceeded the amounts the borrowers owed the Systems.

The following table presents the fair value (expressed in thousands) of the underlying securities and the total collateral received for securities on loan at June 30, 2010:

	SCRS	PORS	GARS	JSRS	NGPS	TOTALS
Securities lent for cash collateral:						
U.S. Government securities	$ 184,577	$ 26,398	$ 290	$ 1,029	$ 128	$ 212,422
U.S. Government agencies	14,950	2,138	24	83	11	17,206
Corporate bonds	29,113	4,164	46	162	20	33,505
Common Stock	133,322	19,068	210	743	92	153,435
Total securities lent for cash collateral	**$ 361,962**	**$ 51,768**	**$ 570**	**$ 2,017**	**$ 251**	**$ 416,568**
Securities lent for non-cash collateral:						
Corporate bonds	$ 89	$ 13	$ -	$ -	$ -	$ 102
Common Stock	7,337	1,049	12	41	5	8,444
	$ 7,426	**$ 1,062**	**$ 12**	**$ 41**	**$ 5**	**$ 8,546**
Cash collateral invested as follows:						
Repurchase agreements	$ 12,505	$ 1,788	$ 20	$ 70	$ 8	$ 14,391
Floating Rate Notes	269,539	38,550	424	1,502	187	310,202
Total for cash collateral invested	**$ 282,044**	**$ 40,338**	**$ 444**	**$ 1,572**	**$ 195**	**$ 324,593**
Securities received as collateral:						
U.S. Government securities	$ 7,594	$ 1,086	$ 12	$ 43	$ 5	$ 8,740
	$ 7,594	**$ 1,086**	**$ 12**	**$ 43**	**$ 5**	**$ 8,740**

e. Other Post-Employment Benefit Trust Funds

The State Treasurer is the custodian and investment manager of all deposits and investments of the South Carolina Retiree Health Insurance Trust Fund and the Long-term Disability Insurance Trust Fund (the Trusts).

Custodial Credit Risk

Deposits

Custodial credit risk for deposits is the risk that in the event of a depository financial institution's failure, the Trusts' deposits may not be recovered. As prescribed by law, the State Treasurer is the custodian of all deposits and is responsible for securing all deposits held by banks or savings and loan associations. These deposits must be secured by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against loss in the event of insolvency or liquidation of the institution, or for any other cause. All deposits are required to be insured by the Federal Deposit Insurance Corporation (FDIC) up to $250 thousand or collateralized with securities held by the State or its agent in the State Treasurer's name as custodian. As of June 30, 2010, the reported amount of the Trusts' deposits was $7 thousand.

Investments

Custodial credit risk for investments is the risk that in the event of a failure of the counterparty to a transaction, the State will not be able to recover the value of investments or collateral securities that are in possession of an outside party. All of the State Treasurer's investments are fully insured or collateralized.

In accordance with State Law, the Trusts may invest in a variety of instruments including obligations of the United States and its agencies and securities fully guaranteed by the United States, certain corporate obligations, certain shares of Federal savings and loan associations and State chartered savings and loan associations, and collateralized repurchase agreements. All investments are required to be insured or registered, or held by the State or its agent in the name of the State Treasurer as custodian.

With respect to investments in the State internal cash management pool, all of the State Treasurer's investments are insured or registered or are investments for which the securities are held by the State or its agents in the State's name.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the State. The State Treasurer's credit risk policy mitigates potential for loss of principal by purchasing only high investment grade fixed-income securities. In the event that the rating of a security falls below investment grade, that security may continue to be held contingent upon an evaluation of the longer term investment merits of the security. As of June 30, 2010, the Trusts' applicable debt investments (expressed in thousands) were rated by Standard & Poor's and are presented below:

Investment Type and Fair Value	AAA	AA	A	BBB	A-1	Not Rated
Corporate bonds	$ 4,996	$ 8,581	$ 94,904	$ 138,972	$ —	$ —
Municipal bonds	—	2,335	—	—	—	—
Repurchase agreements	—	—	—	—	102,575	—
Commerical Paper	—	1,147	12,356	2,193	—	4,998
Sovereign Debt	—	—	2,158	—	—	—
Totals	**$ 4,996**	**$ 12,063**	**$ 109,418**	**$ 141,165**	**$ 102,575**	**$ 4,998**

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The State Treasurer manages interest rate sensitivity by investing in securities with a range of maturities from one day to thirty years using effective duration. Effective duration is a measure of the price sensitivity of a bond or a portfolio of bonds to interest rate movements given a 50 basis point change in interest rates. It takes into account that expected cash flows will fluctuate as interest rates change and provides a measure of risk that changes proportionately with market rates. At June 30, 2010, the effective duration and fair value of the Trusts' investments by investment type are as follows (expressed in thousands):

Investment Type	Fair Value	Effective Duration
U.S. Government		
U.S. Agencies	$ 89,181	14.40
State & Local Government		
Municipal Bonds	2,335	3.51
Corporate		
Corporate bonds	247,453	5.51
Asset backed securities	27,270	27.27
Sovereign Debt	2,158	8.74
Short Term Investments		
Commericial Paper	20,694	5.02
Repurchase agreements	102,575	0.00
Total Invested Assets	**$ 491,666**	

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The State's policy for reducing the risk is to diversify and limit exposure to any single issuer to no more than 5%, except for United States Treasury and agency obligations.

Securities Lending

The Trusts participate in the Securities Lending Program as described in subsection c. The following table presents the fair value (expressed in thousands) of the underlying securities and the total collateral received for securities on loan at June 30, 2010:

	Amount
Securities lent for cash collateral:	
U.S. Treasuries	$ 372,474
Corporate bonds	70,417
Total for cash collateral	**$ 442,891**
Cash collateral invested:	
Asset backed securities	$ 72,833
Repurchase agreements	209,326
Floating Rate Notes	121,832
Total collateral invested	**$ 403,991**

NOTE 5: RECEIVABLES

Receivable balances are disaggregated by type according to their liquidity characteristics and are presented separately in the financial statements, net of applicable allowances. Allowances for uncollectible receivables (expressed in thousands) at June 30, 2010, for the primary government were as follows:

	Governmental Activities					
	Governmental Funds					
Allowances for Uncollectibles	General	Departmental General Operating	Department of Transportation Special Revenue	Nonmajor Governmental Funds	Internal Service Funds	Total Governmental Activities
Income taxes receivable	$ 222,931	$ —	$ —	$ —	$ —	$ 222,931
Sales and other taxes receivable	56,423	288	—	25,214	—	81,925
Patient accounts receivable	6,349	43,254	—	—	—	49,603
Other receivables	—	22,459	9,982	2	98	32,541
Total allowances for uncollectibles	**$ 285,703**	**$ 66,001**	**$ 9,982**	**$ 25,216**	**$ 98**	**$ 387,000**

	Business-type Activities (Enterprise Funds)				
Allowances for Uncollectibles	Higher Education	Unemployment Compensation Benefits	Medical University Hospital Authority	Nonmajor Enterprise Funds	Total Business-type Activities
Contributions receivable	$ 1,451	$ —	$ —	$ 55	$ 1,506
Student accounts receivable	16,651	—	—	—	16,651
Patient accounts receivable	—	—	59,300	88,398	147,698
Loans and notes receivable	—	—	—	21	21
Loans and notes receivable—restricted	517	—	—	246	763
Assessments receivable	—	8,052	—	—	8,052
Other receivables	494	8,285	—	—	8,779
Total allowances for uncollectibles	**$ 19,113**	**$ 16,337**	**$ 59,300**	**$ 88,720**	**$ 183,470**

The enterprise fund financial statements separately present long-term receivables (net receivable balances not expected to be collected within one year). Net receivables not expected to be collected within one year in governmental and internal service funds (expressed in thousands) at June 30, 2010, were as follows:

	Governmental Activities						
	Governmental Funds						
Net Long-term Receivables	General	Departmental General Operating	Local Government Infrastructure	Department of Transportation Special Revenue	Nonmajor Governmental Funds	Internal Service Funds	Total Governmental Activities
Accounts receivable	$ 173	$ 17,280	$ 2,716	$ —	$ —	$ 576	$ 20,745
Income taxes receivable	32,103	—	—	—	—	—	32,103
Sales and other taxes receivable	463	—	—	—	3	—	466
Patient accounts receivable	2,553	4,309	—	—	—	—	6,862
Loans and notes receivable	—	1,158	497,338	4,275	32,939	—	535,710
Accounts receivable—restricted	—	—	353,996	—	—	—	353,996
Total long-term receivables, net	**$ 35,292**	**$ 22,747**	**$ 854,050**	**$ 4,275**	**$ 32,942**	**$ 576**	**$ 949,882**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. The components of deferred revenue and unearned revenue in the governmental funds (expressed in thousands) at June 30, 2010, were as follows:

	Unavailable	Unearned	Total Governmental Funds
Taxes	$ 32,569	$ 24,424	$ 56,993
Federal grants	—	67,567	67,567
Contributions	346,226	88,495	434,721
Departmental services	42,152	3,052	45,204
Total deferred revenues	**$ 420,947**	**183,538**	**$ 604,485**
Internal service funds		159,567	
Total governmental activities		**$ 343,105**	

NOTE 6: DETAILS OF RESTRICTED ASSETS

The purposes and amounts of the State's restricted assets (including the major discretely presented component units) at June 30, 2010 (expressed in thousands) were as follows:

Asset/Restricted For	Govern-mental Activities	Business-type Activities	Major Component Units
Current:			
Cash and cash equivalents			
Debt service	$ 90,576	$ 121,171	$ 175,847
Capital projects	—	247,613	—
Student loan programs	—	516	—
Donor/sponsor specified	—	59,780	—
Second Injury Fund claims	—	54,463	—
Other	—	47,561	174,006
Total cash and cash equivalents	**$ 90,576**	**$ 531,104**	**$ 349,853**
Investments			
Debt service	$ —	$ 3,603	$ 58,160
Donor/sponsor specified	—	7,690	—
Endowments	—	5	—
Other	—	9,496	33,088
Total investments	**$ —**	**$ 20,794**	**$ 91,248**
Loans receivable			
Debt service	$ —	$ 19,803	$ —
Student loan programs	—	1,126	—
Total loans receivable	**$ —**	**$ 20,929**	**$ —**
Other			
Debt service	$ 78,009	$ 5,902	$ —
Donor/sponsor specified	—	410	—
Endowments	—	311	—
Second Injury Fund claims	—	292	—
Other	—	252	—
Total other	**$ 78,009**	**$ 7,167**	**$ —**

Asset/Restricted For	Govern-mental Activities	Business-type Activities	Major Component Units
Noncurrent:			
Cash and cash equivalents			
Debt service	$ 393,698	$ 170,323	$ 537
Capital projects	—	134,960	84,148
Student loan programs	—	7,221	—
Endowments	—	76,202	—
Other	21,983	4,513	15,188
Total cash and cash equivalents	**$ 415,681**	**$ 393,219**	**$ 99,873**
Investments			
Debt service	$ —	$ 213	$ 4,393
Capital projects	—	36,028	453,281
Student loan programs	—	860	—
Endowments	—	42,577	—
Other	—	—	106,612
Total investments	**$ —**	**$ 79,678**	**$ 564,286**
Receivables			
Debt service	$ 353,996	$ —	$ —
Total receivables	**$ 353,996**	**$ —**	**$ —**
Loans receivable			
Debt service	$ —	$ 842,918	$ —
Student loan programs	—	56,445	—
Other	—	6,890	—
Total loans receivable	**$ —**	**$ 906,253**	**$ —**
Other			
Debt service	$ 3,549	$ 306	$ —
Donor/sponsor specified	—	185	—
Endowments	—	49,481	—
Total other	**$ 3,549**	**$ 49,972**	**$ —**

NOTE 7: CAPITAL ASSETS

Capital asset activity (expressed in thousands) for the fiscal year ended June 30, 2010, for the primary government was as follows:

	Restated * Beginning Balances July 1, 2009	Increases	Decreases	Ending Balances June 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	$ 1,739,769	$ 31,837	$ (1,091)	$ 1,770,515
Construction in progress	3,141,388	459,744	(444,588)	3,156,544
Works of art and historical treasures	3,962	—	—	3,962
Total capital assets not being depreciated	4,885,119	491,581	(445,679)	4,931,021
Capital assets being depreciated:				
Land improvements	63,817	21	(705)	63,133
Infrastructure (road and bridge network)	10,188,100	395,580	—	10,583,680
Buildings and improvements	1,665,365	28,301	(1,084)	1,692,582
Vehicles	631,733	13,671	(21,203)	624,201
Machinery and equipment	466,323	35,456	(25,658)	476,121
Works of art and historical treasures	1,500	—	—	1,500
Intangibles	52,465	67,568	(226)	119,807
Total capital assets being depreciated, at historical cost	13,069,303	540,597	(48,876)	13,561,024
Less accumulated depreciation for:				
Land improvements	(43,406)	(1,594)	488	(44,512)
Infrastructure (road and bridge network)	(2,452,043)	(149,740)	—	(2,601,783)
Buildings and improvements	(669,763)	(54,842)	590	(724,015)
Vehicles	(427,567)	(92,409)	19,491	(500,485)
Machinery and equipment	(327,466)	(45,223)	20,167	(352,522)
Works of art and historical treasures	(62)	(60)	—	(122)
Intangibles	(50,990)	(5,604)	217	(56,377)
Total accumulated depreciation	(3,971,297)	(349,472)	40,953	(4,279,816)
Total capital assets being depreciated, net	9,098,006	191,125	(7,923)	9,281,208
Capital assets for governmental activities, net	**$ 13,983,125**	**$ 682,706**	**$ (453,602)**	**$ 14,212,229**

* The beginning balance for Construction in progress has been restated to comply with the implementation of GASB 51, *Accounting and Financial Reporting for Intangible Assets* . Estimated useful lives for certain buildings were revised due to a correction of error. See Note 2, Accounting and Reporting Changes.

	Beginning Balances July 1, 2009	Increases	Decreases	Ending Balances June 30, 2010
Business-type activities:				
Capital assets not being depreciated:				
Land and improvements	$ 253,887	$ 17,225	$ (24)	$ 271,088
Construction in progress	406,196	239,185	(407,035)	238,346
Works of art and historical treasures	19,501	426	—	19,927
Total capital assets not being depreciated	679,584	256,836	(407,059)	529,361
Capital assets being depreciated:				
Land improvements	191,271	11,677	(19,168)	183,780
Buildings and improvements	4,655,235	464,408	(2,154)	5,117,489
Vehicles	46,778	2,465	(551)	48,692
Machinery and equipment	889,514	90,104	(23,056)	956,562
Works of art and historical treasures	14,717	11,624	(640)	25,701
Intangibles	19,631	9,377	(4,092)	24,916
Total capital assets being depreciated, at historical cost	5,817,146	589,655	(49,661)	6,357,140
Less accumulated depreciation for:				
Land improvements	(64,085)	(7,528)	2,300	(69,313)
Buildings and improvements	(1,599,497)	(153,297)	749	(1,752,045)
Vehicles	(30,797)	(2,656)	540	(32,913)
Machinery and equipment	(548,233)	(81,409)	20,084	(609,558)
Works of art and historical treasures	(6,709)	(651)	371	(6,989)
Intangibles	(15,301)	(3,257)	4,017	(14,541)
Total accumulated depreciation	(2,264,622)	(248,798)	28,061	(2,485,359)
Total capital assets being depreciated, net	3,552,524	340,857	(21,600)	3,871,781
Capital assets for business-type activities, net	**$ 4,232,108**	**$ 597,693**	**$ (428,659)**	**$ 4,401,142**

Capital assets for the State's fiduciary funds were comprised of land totaling $582 thousand and a building totaling $4.749 million with accumulated depreciation of $ 2.110 million. Depreciation expense on the building for fiscal year 2010 was $119 thousand. There were no additions or dispositions of capital assets during the year.

Capital asset activity (expressed in thousands) for the State's major discretely presented component units was as follows:

	Beginning Balances January 1, 2009	Increases	Decreases	Ending Balances December 31, 2009
Public Service Authority:				
Capital assets not being depreciated:				
Land and improvements	$ 110,085	$ 842	$ —	$ 110,927
Construction in progress	488,585	500,562	(137,705)	851,442
Total capital assets not being depreciated	598,670	501,404	(137,705)	962,369
Capital assets being depreciated:				
Buildings and improvements (utility plant)	6,195,626	110,016	(13,070)	6,292,572
Vehicles	39,241	5,249	(1,009)	43,481
Machinery and equipment	19,557	3,002	(188)	22,371
Intangibles	50,168	10,509	—	60,677
Total capital assets being depreciated, at historical cost	6,304,592	128,776	(14,267)	6,419,101
Less accumulated depreciation for:				
Buildings and improvements (utility plant)	(2,325,547)	(166,958)	7,361	(2,485,144)
Vehicles	(20,766)	(1,901)	909	(21,758)
Machinery and equipment	(9,468)	(2,837)	136	(12,169)
Intangibles	(41,951)	(3,305)	—	(45,256)
Total accumulated depreciation	(2,397,732)	(175,001)	8,406	(2,564,327)
Total capital assets being depreciated, net	3,906,860	(46,225)	(5,861)	3,854,774
Public Service Authority, net	**$ 4,505,530**	**$ 455,179**	**$ (143,566)**	**$ 4,817,143**

	Beginning Balances January 1, 2009	Increases	Decreases	Ending Balances December 31, 2009
Connector 2000 Association:				
Capital assets being depreciated:				
Infrastructure (toll road)	$ 192,487	$ —	$ —	$ 192,487
Machinery and equipment	749	86	(16)	819
Total capital assets being depreciated, at historical cost	193,236	86	(16)	193,306
Less accumulated depreciation for:				
Infrastructure (toll road)	(40,426)	(3,571)	—	(43,997)
Machinery and equipment	(550)	(69)	16	(603)
Total accumulated depreciation	(40,976)	(3,640)	16	(44,600)
Total capital assets being depreciated, net	152,260	(3,554)	—	148,706
Connector 2000 Association, net	**$ 152,260**	**$ (3,554)**	**$ —**	**$ 148,706**

	Beginning Balances July 1, 2009	Increases	Decreases	Ending Balances June 30, 2010
State Ports Authority:				
Capital assets not being depreciated:				
Land and improvements	$ 198,635	$ —	$ (62)	$ 198,573
Construction in progress	69,268	57,616	(3,872)	123,012
Intangibles	2,190	—	—	2,190
Total capital assets not being depreciated	270,093	57,616	(3,934)	323,775
Capital assets being depreciated:				
Land improvements	214,769	1,934	(601)	216,102
Buildings and improvements	319,526	246	(111)	319,661
Machinery and equipment	147,194	1,301	(631)	147,864
Intangibles	876	—	—	876
Total capital assets being depreciated, at historical cost	682,365	3,481	(1,343)	684,503
Less accumulated depreciation for:				
Land improvements	(126,354)	(8,317)	397	(134,274)
Buildings and improvements	(172,928)	(11,028)	82	(183,874)
Machinery and equipment	(83,410)	(10,187)	620	(92,977)
Intangibles	(473)	(35)	—	(508)
Total accumulated depreciation	(383,165)	(29,567)	1,099	(411,633)
Total capital assets being depreciated, net	299,200	(26,086)	(244)	272,870
State Ports Authority, net	**$ 569,293**	**$ 31,530**	**$ (4,178)**	**$ 596,645**

	Beginning Balances July 1, 2009	Increases	Decreases	Ending Balances June 30, 2010
Lottery Commission:				
Capital assets being depreciated:				
Buildings and improvements	$ 1,316	$ —	$ —	$ 1,316
Vehicles	48	—	—	48
Machinery and equipment	11,326	161	(9,099)	2,388
Total capital assets being depreciated, at historical cost	12,690	161	(9,099)	3,752
Less accumulated depreciation for:				
Buildings and improvements	(892)	(135)	—	(1,027)
Vehicles	(48)	—	—	(48)
Machinery and equipment	(10,875)	(221)	9,017	(2,079)
Total accumulated depreciation	(11,815)	(356)	9,017	(3,154)
Total capital assets being depreciated, net	875	(195)	(82)	598
Lottery Commission, net	**$ 875**	**$ (195)**	**$ (82)**	**$ 598**

During the fiscal year ended June 30, 2010, depreciation expense was charged to functions of the primary government and its major discretely presented component units as shown on the following page (expressed in thousands):

	Governmental Funds	Internal Service Funds	Total Governmental Activities
General government	$ 32,579	$ 8,419	$ 40,998
Education	73,138	2,384	75,522
Health and environment	12,645	1,391	14,036
Social services	639	2,691	3,330
Administration of justice	28,771	1,380	30,151
Resources and economic development	18,189	384	18,573
Transportation	166,850	12	166,862
Total depreciation expense, governmental activities	$ 332,811	$ 16,661	$ 349,472

	Business-type Activities
Higher Education	$ 188,621
Housing Authority	120
Medical University Hospital Authority	52,601
Education Assistance Authority	97
Other	6,812
Total depreciation expense, business-type activities	**$ 248,251**

Included in the $188.621 million for higher education and the $6.812 million for other business-type activities is depreciation expense of $3.164 million and $1.062 million, respectively, that is reported in nonoperating revenues (expenses) in the Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds. Also, total accumulated depreciation increases for business-type activities include $547 thousand in capital asset accumulated depreciation transferred in from governmental activities.

	Major Component Units
Public Service Authority	$ 175,001
Connector 2000 Association, Inc.	3,640
State Ports Authority	29,567
Lottery Commission	356

At June 30, 2010, the primary government had outstanding construction commitments totaling $1.150 billion for capital projects in progress. In addition, outstanding construction commitments at that date totaled $101.114 million for significant permanent improvement projects that will not increase State assets. Projects that will not be capitalized as State assets upon completion include projects for replacements, repairs, and/or renovations to existing facilities. In addition, the primary government had outstanding commitments totaling $12.682 million at June 30, 2010, related to information technology projects.

Outstanding construction commitments for major discretely presented component units were as follows: $439.550 million for the Public Service Authority at December 31, 2009, and $19.218 million for the State Ports Authority at June 30, 2010.

The total interest expense incurred by the State's enterprise funds during the current fiscal year was $144.100 million, of which $6.658 million was included as part of the cost of capital assets under construction, net of interest earnings. The State Ports Authority, a major discretely presented component unit, incurred total interest costs of $5.366 million during its fiscal year ended June 30, 2010, of which $2.905 million was included as part of the cost of capital assets under construction.

NOTE 8: RETIREMENT PLANS

a. Plan Descriptions

The South Carolina Retirement Systems (the Systems), a division of the State Budget and Control Board, administers five defined benefit retirement plans: the South Carolina Retirement System (SCRS), the South Carolina Police Officers' Retirement System (PORS), the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the National Guard Retirement System (NGPS). The Systems issues a publicly available Comprehensive Annual Financial Report that includes required supplementary information for all five plans. The report may be obtained by writing to:

South Carolina Retirement Systems
PO Box 11960
Columbia, South Carolina 29211-1960
www.retirement.sc.gov

SCRS, established by Section 9-1-20 of the South Carolina Code of Laws, is a cost-sharing multiple-employer defined benefit pension plan that benefits employees of public schools, the State, and its political subdivisions. Membership is required as a condition of employment, unless exempted by State law. Both employers and employees must contribute. Benefits vest after five years of service. Vested members who retire at age sixty-five or with twenty-eight years of service at any age receive an annual benefit, payable monthly, for life. The benefit is based on length of service and average final compensation, an annualized average of the employee's highest twelve consecutive quarters' compensation. The annual benefit amount is 1.82% of average final compensation times years of service. Reduced benefits are payable at age fifty-five with 25 years of service credit. A member is eligible to receive a reduced deferred annuity at age 60 with 5 years of earned service.

PORS, established by Section 9-11-20 of the South Carolina Code of Laws, is a cost-sharing multiple-employer defined benefit pension plan that benefits police officers and fire fighters employed by the State or its political subdivisions. Membership is required as a condition of employment, unless exempted by State law. Both employers and employees must contribute. Benefits vest after five years of service. A monthly pension is payable at age fifty-five for members who retire with five years earned service or with 25 years of service regardless of age. The benefit is based on length of service and average final compensation, an annualized average of the employee's highest twelve consecutive quarters' compensation. The annual benefit amount is 2.14% of average final compensation times years of service.

GARS, established by Section 9-9-20 of the South Carolina Code of Laws, is a single-employer defined benefit pension plan that benefits members of the South Carolina General Assembly. Membership is required as a condition of taking office as a member of the General Assembly, unless exempted by State law. Both the members of the General Assembly and the State must contribute. Benefits vest after eight years of service. Vested members who retire at age sixty or at any age with thirty years of service receive an annual benefit, payable monthly, for life. Effective January 1, 2003, a member at age seventy or with thirty years of service is eligible to retire and draw an annuity while continuing to serve in the General Assembly. The annual benefit amount is 4.82% of earnable compensation times years of service. Earnable compensation is defined as forty days' pay at the rate currently paid to members of the General Assembly plus $12 thousand.

JSRS, established by Section 9-8-20 of the South Carolina Code of Laws, is a single-employer defined benefit pension plan that benefits the judges, solicitors, and circuit public defenders of the State. Membership is required as a condition of taking office, unless exempted by State law. Both judges and the State must contribute. Benefits vest after ten years of service in a position as a judge and eight years in a position as a solicitor or circuit public defender. Members may retire at age seventy with fifteen years of service, at age sixty-five with twenty years of service, at age sixty-five with four years in a JSRS position and twenty-five years other service with the State, twenty-five years service regardless of age for a judge or twenty-four years of service for a solicitor or circuit public defender regardless of age. Members receive a retirement benefit equal to 71.3% of the current active salary of the position occupied at retirement.

NGPS, established by Section 9-10-30 of the South Carolina Code of Laws, is a single employer defined benefit pension plan that provides benefits to National Guard members who served in South Carolina. The plan had been closed to new entrants since July 1, 1993; however, legislation reopened the plan effective January 1, 2007. National Guard members are considered to be federal government employees. The federal government pays Guard members' drill pay and summer camp pay. In accordance with State law, the State's General Fund pays Guard members' salaries only if the Governor activates the National Guard for service to the State. The pension benefit that the State provides is intended only to supplement the retirement benefit that Guard members receive from the federal government. Members who retire at age sixty with twenty years of military service, including at least fifteen years of South Carolina National Guard duty, ten of which immediately precede retirement, and who have received an honorable discharge, are entitled to monthly pension benefits. The pension amount is equal to $50 per month for twenty years of creditable service with an additional $5 per month for each additional year of service, provided that the total pension shall not exceed $100 per month.

Information regarding the number of participating employers and active members as of June 30, 2010, is as follows (dollars expressed in thousands):

	SCRS	PORS	GARS	JSRS	NGPS
State and school					
Number of employers	112	50	1	1	1
Annual covered payroll	$ 5,509,798	$ 358,512	$ 3,226	$ 16,573	N/A [a]
Average number of contributing members	142,444	10,514	170	144	N/A [b]
Other participating employers					
Number of employers	578	311	—	—	—
Annual covered payroll	$ 1,906,975	$ 667,150	$ —	$ —	$ —
Average number of contributing members	56,648	17,269	—	—	—

[a] Annual covered payroll is not applicable for NGPS because benefits are based on years of service.
[b] Members do not contribute; average number of members is 12,447.

The plans provide retirement, death, and disability benefits to State employees; public school employees; and employees of counties, municipalities, and certain other State political subdivisions. The NGPS provides retirement benefits to members that served in the South Carolina National Guard. Each plan is independent. Assets of each plan may be used only to benefit participants of that plan.

b. Summary of Significant Accounting Policies—Basis of Accounting and Valuation of Investments

The financial statements of the previously-described plans are prepared using the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Retirement benefits and refund expenses are recognized when due and payable in accordance with the terms of each plan.

Note 1f specifies the method used to value pension trust fund investments.

c. Funding Policies

Article X, Section 16 of the South Carolina Constitution requires that all State-operated retirement plans be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws prescribes requirements relating to membership, benefits, and employee/employer contributions for each plan. The following paragraphs summarize those requirements.

By law, employee contribution requirements for the fiscal year ended June 30, 2010, were as follows:

Plan	Rate
SCRS	6.5% of earnable compensation
PORS	6.5% of earnable compensation
GARS	10.0% of earnable compensation
JSRS	10.0% of earnable compensation
NGPS	Non-contributory

Actuarially determined employer contribution rates, expressed as percentages of compensation, for the fiscal year ended June 30, 2010, were as follows:

Plan	Rate
SCRS	9.39%
PORS	11.53%
GARS	80.53%
JSRS	45.09%

The State appropriated $4.052 million to fund the NGPS actuarially determined employer contribution for the fiscal year ended June 30, 2010.

Under certain conditions, new employers entering the plans are allowed up to ten years to remit matching employer contributions resulting from their employees' purchase of prior service credits. Interest is assessed annually on the unpaid balance. The amounts outstanding at June 30, 2010, were $340 thousand for SCRS and $12 thousand for PORS.

d. Annual Pension Cost

Annual pension cost (dollars expressed in thousands) and related actuarial data for the State's single-employer defined benefit pension plans were as follows:

	GARS	JSRS	NGPS
Annual pension cost	$2,598	$8,414	$3,800
Employer contributions made	$2,598	$8,414	$4,052
Actuarial valuation date	July 1, 2009	July 1, 2009	July 1, 2009
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level dollar, closed	Level percent, open	Level dollar, open
Remaining amortization period	16 years	16 years	23 years
Asset valuation method	10-year smoothed market	10-year smoothed market	10-year smoothed market
Actuarial assumptions:			
Investment rate of return	8.00%	8.00%	8.00%
Projected salary increases	None	3.25%	None
Assumed inflation rate	3.00%	3.00%	3.00%
Assumed cost-of-living adjustments	None	3.25%	None

The following represents the components of the net pension obligation (NPO) for the NGPS, at June 30, 2010 (expressed in thousands):

	NGPS
Actuarially required contribution (ARC)	$ 3,946
Interest on the NPO	768
Adjustment to the ARC	(914)
Annual pension cost	3,800
Contributions made	(4,052)
Decrease in NPO	(252)
NPO beginning of year	9,234
Adjustment to beginning NPO	366
NPO end of year	**$ 9,348**

e. Trend Information

Trend information indicates the progress made in accumulating sufficient assets to pay benefits when due.

For the cost-sharing multiple-employer defined benefit pension plans in which the State participates, the State's required contributions in dollars (expressed in thousands) and the percentages of those amounts contributed for the three latest available years were as follows. Also see Note 8f for funding status and progress.

	Fiscal Year Ended					
	June 30, 2010		June 30, 2009		June 30, 2008	
	Required	% Contributed	Required	% Contributed	Required	% Contributed
SCRS–State:						
Primary government	$ 255,653	100.0%	$ 260,536	100.0%	$ 246,172	100.0%
Component units	13,986	100.0%	14,220	100.0%	13,606	100.0%
PORS–State:						
Primary government	42,268	100.0%	44,566	100.0%	41,962	100.0%
Component units	70	100.0%	74	100.0%	71	100.0%

The following table presents (dollars expressed in thousands) the annual pension cost, percentage of annual pension cost contributed, and the net pension obligation for the three latest available years for the State's single-employer defined benefit plans. Also see Note 8f for funding status and progress:

Plan	Fiscal Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
GARS	2008	$ 2,440	100.0%	$ —
	2009	2,495	100.0%	—
	2010	2,598	100.0%	—
JSRS	2008	7,613	100.0%	—
	2009	8,414	100.0%	—
	2010	8,414	100.0%	—
NGPS	2008	3,824	103.2%	9,673
	2009	3,979	101.8%	9,600
	2010	3,800	106.6%	9,348

f. Funding Status and Progress (Unaudited)

The following schedule (dollars expressed in thousands) describes the funding progress for the SCRS and the PORS, cost-sharing multiple-employer defined benefit plans, for the three latest available years:

Plan	Actuarial Valuation Date July 1	Actuarial Value of Assets *(a)*	Actuarial Accrued Liability (AAL) Entry Age *(b)*	Unfunded AAL (UAAL) *(b-a)*	Funded Ratio *(a/b)*	Covered Payroll *(c)*	UAAL as a Percentage of Covered Payroll *((b-a)/c)*
SCRS	2007	$ 23,541,438	$ 33,766,678	$ 10,225,240	69.7%	$ 7,093,181	144.2%
	2008	24,699,678	35,663,419	10,963,741	69.3%	7,559,172	145.0%
	2009	25,183,062	37,150,315	11,967,253	67.8%	7,761,808	154.2%
PORS	2007	3,160,240	3,730,544	570,304	84.7%	992,849	57.4%
	2008	3,363,136	4,318,955	955,819	77.9%	1,060,747	90.1%
	2009	3,482,220	4,564,111	1,081,891	76.3%	1,084,154	99.8%

The following schedule (dollars expressed in thousands) describes the funding progress for the State's single-employer defined benefit plans for the three latest available years:

Plan	Actuarial Valuation Date July 1	Actuarial Value of Assets *(a)*	Actuarial Accrued Liability (AAL) Entry Age *(b)*	Unfunded AAL (UAAL) *(b-a)*	Funded Ratio *(a/b)*	Covered Payroll *(c)*	UAAL as a Percentage of Covered Payroll *((b-a)/c)*
GARS	2007	$ 46,925	$ 71,014	$ 24,089	66.1%	$ 3,854	625.0%
	2008	47,189	69,122	21,933	68.3%	3,854	569.1%
	2009	45,891	68,491	22,600	67.0%	3,854	586.4%
JSRS	2007	132,990	229,388	96,398	58.0%	16,407	587.5%
	2008	138,323	213,406	75,083	64.8%	18,661	402.4%
	2009	141,797	214,363	72,566	66.1%	18,661	388.9%

Plan	Actuarial Valuation Date July 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
NGPS	2007	$ 15,937	$ 55,917	$ 39,980	28.5%	N/A	N/A
	2008	17,426	53,534	36,108	32.6%	N/A	N/A
	2009	18,600	53,421	34,821	34.8%	N/A	N/A

Included among the measurements of long-term funding progress for defined benefit pension plans are whether a plan's funding ratio is increasing, whether a plan's unfunded liability (UAAL) as a percentage of covered payroll is decreasing, and whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities (AAL's) for benefits. The tables above present the results of those measurements.

South Carolina statute allows for retiree cost-of-living allowances (COLAs). Each July 1, eligible retired members of the SCRS and PORS will receive an automatic COLA of up to 2.0% as long as the Consumer Price Index (CPI) as of the previous December 31 was at least 2.0%. If the CPI is less than 2.0%, the COLA will equal the actual CPI. If the CPI is negative, no COLA will be granted. The Budget and Control Board, as trustees of the State's pension trust funds, may approve ad hoc COLAs of up to 2.0% in addition to the automatic COLA if certain guidelines are met.

g. Receivables and Investments

The principal components of receivables and investments (expressed in thousands) at June 30, 2010, for the plans administered by the South Carolina Retirement Systems were as follows:

	SCRS	PORS	GARS	JSRS	NGPS	Totals
Receivables:						
Contributions	$ 153,539	$ 18,264	$ 41	$ 757	$ 3	$ 172,604
Employer long-term	340	12	—	—	—	352
Accrued interest	55,179	7,701	93	309	39	63,321
Unsettled investment sales	920,106	131,595	1,448	5,129	637	1,058,915
Other investment receivables	2,441	338	4	13	2	2,798
Total receivables	**$ 1,131,605**	**$ 157,910**	**$ 1,586**	**$ 6,208**	**$ 681**	**$ 1,297,990**
Due from other funds	**$ 7,697**	**$ 367**	**$ 1**	**$ 67**	**$ —**	**$ 8,132**
Investments and invested securities lending collateral:						
Short-term securities	$ 495	$ 71	$ 1	$ 3	$ —	$ 570
Debt-domestic	3,384,091	483,997	5,327	18,864	2,343	3,894,622
Debt-international	2,467,288	352,874	3,883	13,754	1,709	2,839,508
Equity-domestic	1,407,616	201,319	2,216	7,846	975	1,619,972
Equity-international	255	36	—	1	1	293
Alternatives	9,101,529	1,301,710	14,326	50,736	6,302	10,474,603
Invested securities lending collateral	282,044	40,338	444	1,572	195	324,593
Total investments	**$ 16,643,318**	**$ 2,380,345**	**$ 26,197**	**$ 92,776**	**$ 11,525**	**$ 19,154,161**

h. Teacher and Employee Retention Incentive Program

The Teacher and Employee Retention Incentive (TERI) program, established by State law, became effective January 1, 2001. The program is a deferred retirement option available to SCRS members eligible for service retirement. Upon entering the TERI program, a member's status changes from active to retired. A TERI participant agrees to continue employment with an employer participating in the system for a specified period, not to exceed five years.

TERI participants retain the same status and employment rights they held upon entering the program but are not considered active employees for purposes of the group life insurance and disability retirement programs. A TERI retiree's monthly benefits are accrued and remain in the SCRS trust account during the TERI participation period, but no interest is accrued or paid thereon. Upon termination of employment or at the end of the TERI participation period (whichever is earlier), a retiree may roll over some or all of the accumulated TERI balance into a qualified, tax-sheltered retirement plan and/or receive a lump-sum distribution.

A total of 5,641, members were participating in the TERI program at June 30, 2010. The financial activity of the program (expressed in thousands) during the fiscal year ended June 30, 2010, was as follows:

Beginning balance of TERI trust accounts.....	$	430,805
Additions		156,800
TERI distributions at termination.....		(265,255)
Ending balance of TERI trust accounts.....	**$**	**322,350**

i. Defined Contribution Plan

As an alternative to membership in SCRS, certain State and public school employees may elect to participate in the State Optional Retirement Program (State ORP). Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers. The State assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers and are governed by the terms of the contracts that those providers issue. Accordingly, balances of the State ORP are not reported in the accompanying financial statements.

Under State law, contributions to the State ORP are at the same rates as for the SCRS (see Subsection c, Funding Policies). A direct remittance is required from the employers to the investment providers for the employee contribution (6.5%) and a portion of the employer contribution (5.0%). A direct remittance is also required to the SCRS for a portion of the employer contribution (4.24%) and a group life contribution (0.15%), which is retained by the SCRS. The activity for the State ORP is as follows (expressed in thousands):

Covered payroll.....	$	949,398
Employee contributions.....		61,711
Employer contributions.....		47,470

NOTE 9: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

a. Plan Description

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits (OPEB plans) to retired State and school district employees and their covered dependents. The OPEB plans have been determined to be cost-sharing multiple-employer defined benefit plans and are administered by the Employee Insurance Program (EIP), a part of the State Budget and Control Board (SBCB). Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires on May 2, 2008 and after, retirees are eligible for benefits if they have established twenty-five years of service for 100% employer funding and fifteen through twenty-four years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system. Basic long-term disability (BLTD) benefits are provided to active state, public school district and participating local government employees approved for disability.

b. Funding Policies

Sections 1-11-705 through 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these post-employment healthcare and long-term disability benefits be funded though annual appropriations by the General Assembly for active employees to the EIP and participating retirees to the SBCB except the portion funded through the pension surcharge and provided from other applicable sources of the EIP for its active employees who are not funded by State General Fund appropriations. Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget, 3.50% of annual covered payroll for fiscal year 2009-2010. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The State paid $259.922 million applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal year ended June 30, 2010. The net estimated OPEB obligation at June 30, 2010 was $458.760 million. This OPEB obligation is not recorded in the State's financial statements because the State met its contractually required contributions for the fiscal year. BLTD benefits are funded through a per person premium charged to State agencies, public school districts, and other participating local governments. The monthly premium per active employee paid to EIP was $3.23 for the fiscal year ended June 30, 2010.

Effective May 1, 2008, the State established two trust funds through Act 195 for the purpose of funding and accounting for the employer costs of retiree health and dental insurance benefits and long-term disability insurance benefits. The South Carolina Retiree Health Insurance Trust Fund (SCRHITF) is primarily funded through the payroll surcharge. Other sources

of funding include additional State appropriated dollars ($2.375 million), accumulated EIP reserves ($30.959 million), the Department of Revenue's increased enforcement collections ($3.246 million), and income generated from investments. The Long Term Disability Insurance Trust Fund (LTDITF) is primarily funded through investment income and employer contributions.

c. Trend Information

The State's required contributions for the OPEB plans in dollars (expressed in thousands) and the percentages of those amounts contributed for the three latest available years were as follows:

	Fiscal Year Ended					
	June 30, 2010		June 30, 2009		June 30, 2008	
	Actuarially Required	% Contributed	Actuarially Required	% Contributed	Actuarially Required	% Contributed
SCRHI	$ 785,250	37.76%	$ 727,079	50.87%	$ 692,714	50.00%
LTDI	9,590	71.43%	9,469	73.57%	10,038	332.33%

d. Funding Progress

The schedule of funding progress for the OPEB plans based on the most recent actuarial valuation date is as follows (dollar amounts expressed in thousands):

OPEB Plan	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of covered Payroll ([b-a] / c)
SCRHITF	June 30, 2007	$ —	$ 8,581,073	$ 8,581,073	0%	$ 7,112,053	121%
SCRHITF	June 30, 2008	$ 270,153	$ 9,279,578	$ 9,009,425	3%	$ 7,596,053	119%
SCRHITF	June 30, 2009	$ 439,903	$ 9,643,577	$ 9,203,674	5%	$ 7,736,161	119%
LTDITF	June 30, 2007	$ —	$ 28,048	$ 28,048	0%	$ 7,781,719	< 1%
LTDITF	June 30, 2008	$ 27,468	$ 26,341	$ (1,127)	104%	$ 8,307,740	< 1%
LTDITF	June 30, 2009	$ 29,440	$ 23,610	$ (5,830)	125%	$ 8,418,750	< 1%

Complete financial statements for the OPEB plans and the trust funds may be obtained by writing to:

Employee Insurance Program
1201 Main Street, Suite 360
Columbia, SC 29201.

e. Receivables and Investments

The principal components of receivables and investments (expressed in thousands) at June 30, 2010, for the OPEB plans administered by the Employee Insurance Program were as follows:

	SCRHI	LTDI	Totals
Receivables:			
Accounts	$ —	$ 42	$ 42
Accrued interest	4,901	333	5,234
Total receivables	**$ 4,901**	**$ 375**	**$ 5,276**
Due from other funds	**$ 41,682**	**$ —**	**$ 41,682**
Investments and invested securities lending collateral:			
Debt-domestic	$ 345,825	$ 22,572	$ 368,397
Financial and Other	17,218	3,476	20,694
Invested securities lending collateral	19,898	—	19,898
Total investments	**$ 382,941**	**$ 26,048**	**$ 408,989**

NOTE 10: INSURANCE ACTIVITIES

a. Insurance Reserve Fund

The State generally does not purchase commercial insurance for the risks of losses for property damage, including theft of, damage to, and destruction of assets; automobile liability; tort liability; and medical professional liability. Instead, State management believes it is more economical to manage its risks internally and set aside assets for claim settlement in its Insurance Reserve Fund (IRF), within the internal service funds. The IRF services claims for risk of loss to which the State is exposed, including the following: property insurance on government owned buildings, the contents of such buildings, equipment, and automobiles; automobile liability insurance on government owned vehicles and school buses; tort liability insurance for government premises and operations; and medical professional liability for hospitals. Although the State is the predominant participant in the IRF, county and municipal governments, school districts and special purpose political subdivisions also participate. The IRF allocates the cost of providing claims servicing and claims payment by charging each participant an actuarially determined premium.

The IRF reports liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Amounts for allocated and unallocated claims adjustment expenses have been included in the calculation of the unpaid claims liability. The liability is reported net of receivables for salvage, subrogation, and reinsurance. The unpaid policy claims liability of $230.011 million at June 30, 2010, includes a provision for claims in the process of review and for claims incurred but not reported. The liability for claims incurred but not reported is an actuarial estimate based on the most current historical claims experience of previous payments, changes in number of members and participants, inflation, and award trends. This process does not necessarily result in an exact amount. The IRF continually reviews estimates of liabilities for incurred claims and revises those estimates as changes occur. The current year's operating statement reflects the revisions.

Changes in the balances of claims liabilities during the past two years were as follows (expressed in thousands):

Fiscal Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2009	$ 215,902	$ 44,710	$ (33,778)	$ 226,834
2010	226,834	51,466	(48,289)	230,011

The IRF purchases aircraft and ocean marine insurance, areas in which the IRF has limited expertise. The IRF also purchases reinsurance to limit losses in the areas of property, boiler and machinery, and automobile liability. The IRF purchases reinsurance for catastrophic losses in the area of property insurance for losses above $10.000 million per occurrence. Reinsurance permits partial recovery of losses from reinsurers; however, the IRF, as the direct insurer of the risks, remains primarily liable.

b. Employee Insurance Programs Fund

State law established the Employee Insurance Programs Fund, part of the State's internal service funds, to provide health and dental insurance coverage for eligible employees and retirees of State agencies and school districts and to provide group life and long-term disability insurance coverage to eligible active State and public school employees. The State, the predominant participant, retains the risk of loss. Under the health insurance program, participants elect coverage through either self-insured health maintenance organizations (HMO) or State self-insured plans. All dental, group life, and long-term disability coverages are provided through the State's self-insured plans. State funds and payroll deductions pay health and dental premiums for eligible State and public school employees. Agencies and school districts pay the employer share of premiums for retirees. Retirees directly pay their own share of premiums. Agencies and school districts pay the premiums for group life and long-term disability for their employees.

Effective May 2008, Basic Long-Term Disability premiums were transferred to the Long-Term Disability Insurance Trust Fund in accordance with Act 195. Basic Long-Term Disability claims are transferred each month out of this trust. The outstanding liability (claims payable) for Basic Long-Term Disability has been eliminated from the Fund's financial reporting. Also effective May 2008, in accordance with Act 195, the Fund began transferring the employer portion of retiree premiums for health and dental insurance from the South Carolina Retiree Health Insurance Trust Fund for claims payment.

The Employee Insurance Programs Fund establishes claims liabilities when information before the issuance of the financial statements indicates that a liability is probable and estimable at the date of the financial statements. The calculation of the unpaid claims liability includes amounts for allocated and unallocated claims adjustment expenses. The unpaid policy claims liability of $156.969 million at June 30, 2010, includes a provision for claims in the process of review and for claims incurred but not reported. The Fund actuarially estimates the liability for claims incurred but not reported based on the most

current historical claims experience of previous payments, changes in number of members and participants, inflation, award trends, and estimates of health care trend changes (cost, utilization, and intensity of services). This process does not necessarily result in an exact amount. The Fund continually reviews estimates of liabilities for incurred claims and revises those estimates as changes occur. The current year's operating statement reflects the revisions.

Of the total claims liability reported for the Employee Insurance Programs Fund at June 30, 2010, $3.060 million relates to the HMO self-insured managed care plan liability. The State does not discount its claims liabilities for health and dental insurance coverage to present value.

Changes in the balances of claims liabilities during the past two years were as follows (expressed in thousands):

Fiscal Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2009	$ 184,593	$ 1,507,032	$ (1,505,788)	$ 185,837
2010	185,837	1,615,021	(1,643,889)	156,969

c. State Accident Fund

State law established the State Accident Fund (the Fund), an internal service fund, to provide workers' compensation insurance coverage to State entities. Although the State is the Fund's predominant participant, counties, municipalities, and other political subdivisions of the State may also elect to participate. The State assumes the full risk for workers' compensation claims.

The Fund investigates, adjusts, and pays workers' compensation claims as awarded by the Workers' Compensation Commission for job-related accidental injury, disease, or death to covered individuals. The Fund annually bills participating entities for estimated premiums based on the entity's estimated payroll. After the policy period ends, policyholders submit the details of the actual salaries paid. The Fund then adjusts the premium using the actual payroll data and a rating modifier based on claims experience.

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The claims liabilities include specific incremental claims adjustment expenses but not administrative expenses. The Fund deducts reasonably estimable amounts of salvage and subrogation and reinsurance recoverable, if any, on both settled and unsettled claims from the liability for unpaid claims. The Fund periodically recomputes claims liabilities using a variety of actuarial and statistical techniques to produce current estimates. The Fund charges or credits expense in the period when it adjusts claims liabilities. At June 30, 2010, the Fund's policy claims liability was $228.145 million. Policy claims in the financial statements include the liabilities for claims reported but not yet paid and for claims incurred but not reported. Because actual claims costs depend on such complex factors as inflation, changes in legal doctrines, and damage awards, computation of the claims liability does not necessarily result in an exact amount.

Changes in the balances of claims liabilities during the past two years were as follows (expressed in thousands):

Fiscal Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2009	$ 188,810	$ 76,879	$ (50,939)	$ 214,750
2010	214,750	63,634	(50,239)	228,145

The Fund has entered into a reinsurance agreement to reduce its exposure to catastrophic losses on insured events. Losses in excess of $1.000 million are covered up to limits of statutory liability; the Fund retains the risk for the first $1.000 million of loss. Reinsurance reduces the Fund's exposure to losses on insured events related to State-owned aircraft in excess of $1.000 million per occurrence up to a limit of $9.000 million. Reinsurance permits partial recovery of losses from reinsurers; however, the Fund, as the direct insurer of the risks, remains primarily liable.

d. Patients' Compensation Fund and Medical Malpractice Liability Insurance Joint Underwriting Association

The South Carolina Medical Malpractice Patients' Compensation Fund (PCF) and the South Carolina Medical Malpractice Liability Insurance Joint Underwriting Association (JUA) were created by State law. The PCF is accounted for as a nonmajor enterprise fund, and the JUA is a nonmajor discretely presented component unit of the State. The State accounts for the PCF and the JUA as insurance enterprises because they primarily cover non-governmental entities. Accordingly, the PCF and JUA follow the guidance of FASB ASC 944, *Financial Services - Insurance*, and collectively are referred to below as "the insurance enterprises."

The JUA is responsible for payment of that portion of any covered entity's medical malpractice claim, settlement, or judgment up to $200 thousand per incident or $600 thousand in the aggregate for one year. The PCF is responsible for payments exceeding these thresholds. In the event that the PCF incurs a liability exceeding $200 thousand to any person under a single occurrence, the PCF may ultimately pay the claim in full, but it generally may not pay more than $200 thousand per year on such claim unless agreed to by the PCF's Board of Governors to avoid payment of interest.

Licensed health care providers include physicians and surgeons, directors, officers and trustees of hospitals, nurses, oral surgeons, dentists, pharmacists, chiropractors, hospitals, nursing homes, and any similar category of licensed health care providers. All providers licensed in South Carolina are eligible to participate upon remittance of the annual assessment fees.

The State actuarially establishes claims liabilities for the insurance enterprises based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The policy claims liabilities were $138.654 million for the PCF at June 30, 2010, and $157.664 million, for the JUA at December 31, 2009, and these amounts include a provision for claims reported but not settled and for claims incurred but not reported. Amounts for claims adjustment expenses, when applicable, have been included in the calculation of the unpaid claims liabilities of the insurance enterprises. The enterprises charge or credit expense, as appropriate, in the period when they adjust claims liabilities. The length of time for which claims costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on such complex factors as medical technology, changes in doctrines of legal liability, and damage awards, the process for computing claims liabilities does not necessarily result in an exact amount. The insurance enterprises and their actuaries recompute claims liabilities annually, using a variety of actuarial and statistical techniques, to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit because the insurance enterprises and their actuaries rely both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience.

Changes in the balances of claims liabilities for the PCF during the past two years were as follows (expressed in thousands):

Fiscal Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2009	$ 182,368	$ (8,279)	$ (18,515)	$ 155,574
2010	155,574	704	(17,624)	138,654

Changes in the balances of claims liabilities for the JUA during the past two years were as follows (expressed in thousands):

Fiscal Year Ended Dec 31	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2008	$ 196,995	$ 19,713	$ (36,052)	$ 180,656
2009	180,656	10,951	(33,943)	157,664

e. Second Injury Fund

The State accounts for the South Carolina Second Injury Fund, a nonmajor enterprise fund, as a public benefit program rather than an insurance program primarily because its participants—workers' compensation insurance carriers and self-insured employers—do not transfer their risk to the Fund. The Fund services claims in cases where an individual with a preexisting permanent physical impairment incurs a subsequent disability from injury or accident arising out of and in the course of employment. Participants of the Fund, rather than the State, are ultimately responsible for these liabilities.

The Fund collects and invests assessments received from its participants and pays claims on behalf of its participants to the extent that Fund resources are available to pay such claims. The Fund reports these activities in its statement of cash flows. In accordance with accounting principles used by claims processors, the Fund reports as revenue only that portion of assessments and interest earnings intended to cover the Fund's administrative costs, including capital costs. Likewise, the Fund records no claims expense, and it records claims liabilities only to the extent that Fund assets are available to pay such claims.

Per Section 42-7-200(a) of the South Carolina Code of Laws of 1976, as amended, the Second Injury Fund is responsible for administering the Workers' Compensation Uninsured Employers' Fund. The State reports the Workers' Compensation Uninsured Employers' Fund in its Other Special Revenue Fund. The Fund issues payment of awards of workers' compensation benefits, which are unpaid because of employers who fail to acquire necessary coverage for employees. Funding for payment of awards is provided from collections of the tax on insurance carriers and self-insured persons in an amount sufficient to maintain the fund. The policy claims liability reported on the government-wide statement of net assets at June 30, 2010, was $35.710 million.

Changes in the balances of claims liabilities during the past two years were as follows (expressed in thousands):

Fiscal Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2009	$ 28,148	$ 14,838	$ (10,013)	$ 32,973
2010	32,973	10,070	(7,333)	35,710

f. Discretely Presented Component Unit—Public Service Authority (Santee Cooper)

The Public Service Authority (Santee Cooper), a major discretely presented component unit with a fiscal year ended December 31, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; and errors and omissions. The Authority purchases commercial insurance to cover these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. Policies are subject to deductibles ranging from $250 to $1.000 million with the exception of named storm losses, which carry deductibles from $1.000 million up to $5.000 million. In addition, a $1.400 million self-insured layer exists between the Authority's primary and excess liability policies.

The Authority self-insures its risks related to auto, dental, and environmental incidents that do not arise out of an insured event. Automotive exposure is up to $2.000 million per incident. Risk exposure for the dental plan is limited by plan provisions. There have not been any third-party claims for environmental damages for calendar year 2009.

The State reports all of the Authority's risk management activities within the Public Service Authority's accounts. The State reports the Authority's claims expenses and liabilities when it is probable that a loss has occurred and the amount of the loss is reasonably estimable.

At December 31, 2009, the policy claims liabilities were $1.753 million. Changes in the reported liability in each of the past two years were as follows (expressed in thousands):

Fiscal Year Ended December 31	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2008	$ 2,140	$ 3,550	$ (3,570)	$ 2,120
2009	2,120	2,027	(2,394)	1,753

NOTE 11: LEASES

a. Lease Commitments

The State leases land, office facilities, equipment, and other assets under both capital and operating leases. The present value of future minimum capital lease payments and total minimum annual lease payments for capital leases recorded in the government-wide statement of net assets at June 30, 2010 for the primary government and the State's discretely presented component units were as follows (expressed in thousands):

Fiscal Year Ending June 30	Governmental Activities	Business-type Activities	Totals
2011	$ 181	$ 12,144	$ 12,325
2012	169	10,969	11,138
2013	21	10,271	10,292
2014	—	9,843	9,843
2015	—	9,651	9,651
2016-2020	—	47,694	47,694
2021-2025	—	32,560	32,560
2026-2030	—	28,317	28,317
2031-2035	—	23,769	23,769
2036-2040	—	17,944	17,944
Total minimum payments.....	**371**	**203,162**	**203,533**
Less: interest and executory costs.....	(129)	(96,694)	(96,823)
Present value of net minimum payments.....	**$ 242**	**$ 106,468**	**$ 106,710**

Fiscal Year Ending December 31	Public Service Authority
2010	$ 1,934
2011	1,610
2012	1,343
2013	1,023
2014	252
Total minimum payments.....	**6,162**
Less: interest and executory costs.....	(563)
Present value of net minimum payments.....	**$ 5,599**

Fiscal Year Ending June 30	State Ports Authority
2011	$ 7
2012	8
2013	4
Total minimum payments.....	**19**
Less: interest and executory costs.....	(2)
Present value of net minimum payments.....	**$ 17**

Assets under capital leases recorded in the accompanying government-wide statement of net assets at June 30, 2010, were as follows (expressed in thousands):

	Primary Government			Component Units	
Assets Acquired Under Capital Leases	Governmental Activities	Business-type Activities	Totals	Public Service Authority	State Ports Authority
Land and non-depreciable improvements	$ —	$ 9,742	$ 9,742	$ —	$ —
Buildings and improvements	—	166,479	166,479	88,400	—
Machinery and equipment	782	12,822	13,604	—	26
Works of art and historical treasures	—	362	362	—	—
Assets acquired under capital leases before accumulated amortization	**782**	**189,405**	**190,187**	**88,400**	**26**
Less: accumulated amortization	(355)	(43,112)	(43,467)	(87,400)	(8)
Assets acquired under capital leases, net	**$ 427**	**$ 146,293**	**$ 146,720**	**$ 1,000**	**$ 18**

For the primary government's fiscal year ended June 30, 2010, minimum rental payments under operating leases were $85.407 million and contingent rental payments were $9.709 million. The State's contingent rental payments are for copiers, with expense being determined on a cost-per-copy basis.

For the Public Service Authority, a major discretely presented component unit, minimum rental payments under operating leases for the fiscal year totaled $4.200 million. For the State Ports Authority, a major discretely presented component unit, minimum rental payments under operating leases for the fiscal year totaled $920 thousand. For the Lottery Commission, a major discretely presented component unit, minimum rental payments under operating leases for the fiscal year totaled $875 thousand.

At June 30, 2010, future minimum payments under noncancelable operating leases with remaining terms in excess of one year were as follows (expressed in thousands):

		Component Unit
Fiscal Year Ending June 30	Primary Government	Lottery Commission
2011	$ 48,447	$ 754
2012	42,365	706
2013	31,910	635
2014	19,443	655
2015	13,043	673
2016-2020	27,565	523
2021-2025	7,921	—
2026-2030	4,257	—
2031-2035	1,882	—
2036-2040	300	—
Total minimum payments	**$ 197,133**	**$ 3,946**

Fiscal Year Ending December 31	Public Service Authority
2010	$ 600
2011	600
2012	600
2013	600
2014	600
Total minimum payments	**$ 3,000**

b. Facilities Leased to Others

At June 30, 2010, the State Ports Authority, a major discretely presented component unit, had leased to non-State parties certain land and facilities having a cost of approximately $565.321 million and related accumulated depreciation of $259.770 million. Future minimum rental payments to be received at June 30, 2010, under these operating leases were as follows (expressed in thousands):

Fiscal Year Ending June 30	State Ports Authority
2011	$ 24,702
2012	20,528
2013	20,735
2014	16,218
2015	6,100
2016-2020	12,742
2021-2025	—
2026-2030	—
Total	**$ 101,025**

NOTE 12: BONDS AND NOTES PAYABLE

a. General Obligation Bonds

General obligation bonds are backed by the full faith, credit, and taxing power of the State. General obligation bonds (expressed in thousands) outstanding at June 30, 2010, were:

Governmental Activities	
Capital improvement bonds, 3.00% to 5.50%, maturing serially through 2019	$ 355,264
State highway bonds, 2.00% to 6.00%, maturing serially through 2023	510,365
State school facilities bonds, 3.00% to 5.00%, maturing serially through 2018	375,742
Infrastructure Bank bonds, 3.00% to 5.00%, maturing serially through 2028	50,026
State economic development bonds, 1.00% to 6.75%, maturing serially through 2031	417,633
Research university infrastructure bonds, 3.00% to 6.25%, maturing serially through 2025	190,594
Air carrier hub terminal facilities bonds, 1.00% to 4.00%, maturing serially through 2025	50,424
Subtotal—governmental activities	**1,950,048**
Business-type Activities, Higher Education Fund	
State institution bonds, 2.50% to 6.00%, maturing serially through 2030	387,464
Total—general obligation bonds payable	**$ 2,337,512**

At June 30, 2010, $6.344 million of capital improvement bonds, $42.185 million of State economic development bonds, and $7.065 million of State research university infrastructure bonds were authorized but unissued.

At June 30, 2010, future debt service requirements (expressed in thousands) for general obligation bonds were:

Year Ending June 30	Governmental Activities Principal	Governmental Activities Interest	Business-type Activities (Higher Education Fund) Principal	Business-type Activities (Higher Education Fund) Interest
2011	$ 190,165	$ 82,226	$ 23,330	$ 16,057
2012	185,940	71,379	23,915	15,041
2013	191,025	62,836	24,845	14,041
2014	191,275	54,610	25,855	13,026
2015	199,185	46,377	26,800	11,947
2016-2020	632,115	126,649	124,325	42,744
2021-2025	291,735	28,633	96,395	18,485
2026-2030	29,255	3,104	42,040	3,220
2031	3,255	53	—	—
Total debt service requirements	**1,913,950**	**$ 475,867**	**387,505**	**$ 134,561**
Unamortized premiums	54,634		742	
Deferred amount on refunding	(18,536)		(783)	
Total principal outstanding	**$ 1,950,048**		**$ 387,464**	

The Department of Transportation Special Revenue Fund, a major governmental fund, pays the debt service for the State highway bonds. The Local Government Infrastructure Fund, a major governmental fund, pays the debt service for the Infrastructure Bank bonds. The General Fund pays the debt service for the other general obligation bonds recorded for governmental activities. The Higher Education Fund, a major enterprise fund, pays the debt service for general obligation bonds recorded in that fund.

Rather than directly limiting the amount of outstanding general obligation debt, State law imposes a limitation on annual debt service expenditures. The legal annual debt service margin at June 30, 2010, was $44.136 million in total for all institution bonds, $32.385 million for highway bonds, $132.182 million for general obligation bonds excluding institution and highway bonds, $2.990 million for economic development bonds, and $6.626 million for research university infrastructure bonds. During the fiscal year ended June 30, 2010, the State issued $170.000 million of economic development bonds which are not subject to the limitation on maximum annual debt service. This bond issue has been excluded from the debt service limit calculations. South Carolina State University exceeded its legal debt service limit on its State institution bonds by approximately $644 thousand at June 30, 2010. The University will adjust tuition fees in subsequent years to cover the debt requirement.

b. Limited Obligation Bonds

Limited obligation bonds are not backed by the full faith, credit, and taxing power of the State. Limited obligation bonds outstanding at June 30, 2010, which are reported in the internal service funds, totaled $6.435 million and mature serially through 2016. Interest rates on these bonds ranged from 4.30% to 6.10%.

At June 30, 2010, there were no limited obligation bonds authorized but unissued.

The State issued limited obligation lease revenue bonds to finance the cost of capital facilities for use by certain State agencies. Pledges of lease rental payments that the agencies will pay from their governmental funds secure the bonds.

At June 30, 2010, future debt service requirements (expressed in thousands) for limited obligation bonds were:

Year Ending June 30	Governmental Activities (Internal Service Funds) Principal	Governmental Activities (Internal Service Funds) Interest
2011	$ 1,280	$ 322
2012	1,345	256
2013	1,420	186
2014	1,495	110
2015	735	32
2016	185	9
Total debt service requirements	**6,460**	**$ 915**
Unamortized discounts	(25)	
Total principal outstanding	**$ 6,435**	

The internal service funds pay all debt service for the lease revenue bonds.

c. Revenue, Tobacco Authority, Infrastructure Bank, and Other Bonds and Notes

Revenue debt is not backed by the full faith, credit, and taxing power of the State. Revenue, Tobacco Settlement Revenue Management Authority (Tobacco Authority), Infrastructure Bank, and other bonds and notes (expressed in thousands) outstanding at June 30, 2010, were:

	Bonds	Notes
Primary Government:		
Governmental Activities:		
Infrastructure Bank bonds, 3.00% to 5.75%, maturing serially through 2038	$ 2,051,545	$ —
Tobacco Authority bonds, 5.00%, maturing serially through 2018	120,653	—
Heritage Trust Revenue bonds, 4.00% to 4.25%, maturing in 2022	17,163	—
Education Department note, 4.01%, maturing in 2011	—	144
Educational Television Commission note, 2.96%, maturing in 2014	—	227
Corrections Department notes, 5.25% to 5.97%, maturing through 2020	—	19,905
Probation Parole and Pardon Department note, 4.04%, maturing in 2012	—	100
Criminal Justice Academy note, 3.14%, maturing through 2016	—	9,345
Budget and Control Board bond and notes, 3.70% to 4.08%, maturing through 2018	16,088	31,223
Totals—governmental activities	**2,205,449**	**60,944**
Business-type Activities:		
Higher Education Fund bonds and notes, 1.28% to 7.17%, maturing serially through 2040	690,836	123,375
Housing Authority Fund bonds and note, 2.85% to 8.30%, maturing serially through 2041	819,384	—
Medical University Hospital Authority bonds and notes, 2.18% to 6.15%, maturing through 2035	451,561	38,530
Education Assistance Authority Fund bonds, 3.40% to 5.10%, maturing serially through 2030	894,700	—
Nonmajor enterprise funds:		
Nonmajor enterprise fund bonds and notes, 2.10% to 7.50%, maturing through 2038	59,685	57,374
Totals—business-type activities	**2,916,166**	**219,279**
Totals—primary government	**$ 5,121,615**	**$ 280,223**
Major Discretely Presented Component Units:		
Public Service Authority bonds, 2.00% to 8.37%, maturing serially through 2042	$ 4,595,190	$ —
State Ports Authority bonds and notes, 0.31% to 5.50%, maturing serially through 2027	$ 98,511	$ 1,294
Connector 2000 Association, Inc. bonds, 5.25% to 6.30%, maturing serially through 2038	$ 319,015	$ —

Debt Derivatives

Transportation Infrastructure Bank

During a prior fiscal year, the Transportation Infrastructure Bank, reported in the Local Government Infrastructure Fund, a major governmental fund, entered into interest rate exchange agreements with a termination date of October 1, 2031, to enhance savings and offset changes in tax-exempt variable interest rates on certain revenue bonds. On June 18, 2008, the Bank exercised the option to modify the interest rate exchange from the Auction Rate mode to a Variable Rate Demand Obligation mode. Under these variable-to-fixed interest rate exchanges, for the 2003B-1 and 2003B-3 agreements, the Bank pays a 3.86% fixed rate on a notional amount, having an amortization schedule equal to that of the revenue bonds. For the 2003B-2 agreement, the Bank pays a 3.93% fixed rate on a notional amount, having an amortization schedule equal to that of the revenue bond. In return, the counterparties of the agreement pay the Bank a variable rate equal to 67.0% of the one-month London Interbank Offered Rate on such notional amount. For the fiscal year ended June 30, 2010, the Bank made variable bond interest payments of $855 thousand and fixed rate payments on the exchange agreement of $14.045 million. The Bank received variable swap payments on the exchange agreement of $640 thousand. The June 30, 2010, mark to market value of this swap was negative $76.759 million, representing a change in fair value of negative $20.678 million from prior year. The deferred outflow of the interest rate swap and the derivative instrument liability are shown on the statement of net assets.

Medical University Hospital Authority

The Medical University Hospital Authority of the Medical University of South Carolina (MUHA), a blended component unit and major enterprise fund, entered into an Enhanced Total Return Contract (ETRC) with a bank to assist in minimizing the difference between the interest rate related to the Series A Tax Exempt Serial Bonds that mature February 15, 2027 through August 15, 2028 and the Series A Tax Exempt Term Bond that matures August 15, 2034, and reinvest earnings related to those respective bonds during the construction period of the replacement hospital facility. The ETRC essentially converted MUHA's borrowing costs for the related bonds from a fixed rate to a variable rate instrument based on the Bond Market Association index, subject to a cap of 4.93%. This part of ETRC expired on the contractual termination date of June 1, 2008.

The ETRC also included an option for the bank to obtain reimbursement from MUHA for the negative difference, if any, between the amortized purchase price of the bonds underlying the ETRC and the bonds' market value adjusted for the bank's cumulative net settlement receipts (if any) under the ETRC. Under the option terms, MUHA received from the bank a premium of 0.85% of the notional amount of the underlying bonds. MUHA's liability related to the net settlement of the option was subject to a cap of $8.750 million and was secured with funds deposited by MUHA in an escrow account. The option, and thus all existing provisions of the ETRC, was terminated by MUHA and the bank on December 1, 2009, at which time MUHA made the final net settlement payment to the bank in the maximum amount of $8.750 million.

During the implementation period of GASB Statement No. 53, the ETRC was considered an investment derivative instrument which was fully terminated by MUHA on December 1, 2009. As such, changes in its fair value were required to be recognized in MUHA's Statement of Revenues, Expenses, and Changes in Net Assets. However, since the ETRC reached its capped maximum negative value of $8.750 million as of June 30, 2009, its termination and net settlement in fiscal year 2010 did not have an impact on MUHA's income for fiscal year 2009-2010. Because it related to periods prior to fiscal year 2009-2010, the $8.750 million decline in the fair value of the ETRC as of June 30, 2009, has been recognized as an adjustment to the beginning balance of MUHA's net assets.

University Medical Associates

University Medical Associates of the Medical University of South Carolina (UMA) is a blended component unit and nonmajor enterprise fund. On December 18, 2008, UMA issued Series 2008 South Carolina Jobs-Economic Development Authority Variable Rate Demand Bonds (Series 2008 Bonds) in the amount of $65.085 million in conjunction with the refunding of its 1994, 1997, 1999A and 1999B Select Auction Variable Rate Securities (SAVRS). The proceeds of the Series 2008 Bonds were used to fully redeem the 1999 A&B SAVRS and pay certain costs of issuance. The Series 2008 Bonds mature in various installments ranging from $1.700 million to $3.925 million beginning on July 1, 2019 with final maturity on July 1, 2037.

In addition to issuing the Series 2008 Bonds, UMA borrowed $37.915 million via a taxable term loan payable. UMA used the proceeds from the Series 2008 Bonds and the term loan, along with $9.644 million of cash from the existing debt service reserve funds, to advance refund outstanding SAVRS direct note obligations of $85.100 million, terminate previous swap agreements with a fair value of $23.482 million, and pay issue costs of $1.062 million. This refunding resulted in an economic gain of $4.165 million and an increase in cash flows of $4.811 million due to extending the term by ten years. The deferred refunding costs of $26.737 million, including the swap termination payment, are being amortized over the shorter life of the refunded debt (ending May 15, 2027) using the effective interest method.

UMA has entered into an interest rate swap agreement with a financial institution to modify interest rates on the Series 2008 Bonds in an effort to convert its variable rate debt to a synthetic fixed rate of 2.10% on the bonds. The Series 2008 Bonds swap agreement was issued on December 5, 2008, with an effective date of December 18, 2008, and matures on July 1, 2037. The notional amount as of June 30, 2010 is $62.085 million, which equals the principal outstanding. Under the Series 2008 Bonds swap agreement, UMA pays the financial institution a fixed interest payment of 2.10% and receives a variable payment equal to 67% of the one month LIBOR rate. The variable rate in effect at June 30, 2010 was 0.15%. The fair value of the Series 2008 Bonds' swap was $1.459 million as of June 30, 2010. The fair value was estimated by independent financial advisors using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. Consistent with the guidance provided by GASB Statement No. 53, the positive fair value of the Series 2008 Bonds' cash flow hedge swap has been recorded on the Statement of Net Assets as an asset and offset by an identical amount for the deferred inflows from this swap since the swap is considered an effective hedging instrument. The decrease in the fair value of the Series 2008 Bonds' cash flow hedge swap from June 30, 2009 of $3.150 million is not recognized in these financial statements.

On December 18, 2008, UMA borrowed $37.915 million via a taxable term loan payable to cover the taxable portion of the refunding of the aforementioned SAVRS. The proceeds of the loan were used to fully redeem the outstanding 1994 and

1997 SAVRS, terminate the previously outstanding swap agreements, and pay certain costs of issuance. The note is payable in level monthly principal installments of $316 thousand through January 1, 2019 plus interest.

UMA has entered into an interest rate swap agreement with a financial institution to modify interest rates on the term loan in an effort to convert its variable rate to a synthetic fixed rate of 3.87%. The swap agreement related to the term loan was issued on December 5, 2008, with an effective date of December 18, 2008, and matures January 1, 2019. The notional amount as of June 30, 2010 was $32.544 million, which equaled the principal outstanding. Under the swap agreement, UMA pays the financial institution a fixed interest payment of 3.87% on the term loan. UMA receives a variable payment equal to the one month LIBOR rate plus 1.30% on the swap associated with the taxable term loan. The variable rate for the 2008 term loan in effect at June 30, 2010 was 1.65%. The fair value of the term loan swap was negative $709 thousand as of June 30, 2010. The fair value was estimated by independent financial advisors using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. Consistent with the guidance provided by GASB Statement No. 53, the negative fair value of the term loan cash flow hedge swap has been recorded on the Statement of Net Assets as an asset and offset by an identical amount for the deferred outflows from this swap since the swap is considered an effective hedging instrument. The decrease in the fair value of the term loan cash flow hedge swap from June 30, 2009 of $1.382 million is not recognized in these financial statements.

As of June 30, 2010, debt service requirements of the UMA variable rate debt and net swap payments (expressed in thousands), assuming current interest rates remain the same for their term, were as follows:

Year Ending	Variable Rate Debt		Interest Rate	
June 30	Principal	Interest	Swaps, Net	Totals
2011	$ 3,792	$ 600	$ 1,871	$ 6,263
2012	3,792	537	1,783	6,112
2013	3,792	475	1,695	5,962
2014	3,791	412	1,607	5,810
2015	3,791	349	1,519	5,659
2016-2020	18,786	865	6,247	25,898
2021-2025	13,430	366	4,557	18,353
2026-2030	14,905	260	3,239	18,404
2031-2035	17,100	139	1,726	18,965
2036-2038	11,450	17	218	11,685
Totals.....	**$ 94,629**	**$ 4,020**	**$ 24,462**	**$ 123,111**

State Ports Authority

In December 2005, the State Ports Authority, a major discretely presented component unit, entered into two interest swap contracts intended to manage interest expense of fixed-rate debt. The contracts provide that the Authority will pay the swap provider interest on a notional amount at a fixed rate of 3.67%, and the swap provider will pay the Authority at a rate based on 70% of the one-month LIBOR on such notional amount. The notional amounts at June 30, 2010 were $61.128 million and $26.197 million. The payments began August 1, 2008 and continue until the contracts expire on July 1, 2026. In June 2008, the Authority entered into a third interest swap contract intended to manage interest expense and offset the effects of the interest rate swaps entered into in 2005. The contracts provide that the Authority will pay the swap provider interest on a notional amount at a variable rate equal to the SIFMA Municipal Swap Index rate beginning on August 1, 2008 and the first day of each succeeding month up to and including July 1, 2026, when the contract expires. The swap provider will pay the Authority at a fixed rate of 3.51%. The notional amount under this swap agreement is $87.325 million at June 30, 2010. As of June 30, 2010, the swaps had a negative fair value of approximately $5.088 million. The unrealized loss related to these agreements recorded at June 30, 2010 is $715 thousand and is included in interest expense.

Pledged Revenues for Payment of Debt

Certain revenue bonds require the individual business-type activities to provide sufficient revenue to pay debt service and to fund all necessary expenses of the activities. The funds that receive the proceeds of revenue, Tobacco Authority, Infrastructure Bank, and other bonds and notes have pledged revenues for payment of debt service as follows:

Primary Government:

Governmental Activities:

Infrastructure Bank bonds: fees and interest revenues recorded in the Local Government Infrastructure Fund, a major governmental fund

Tobacco Authority bonds: tobacco settlement revenues recorded in the nonmajor governmental funds

Heritage Trust bonds: revenues derived from portion of State Deed Recording Fee dedicated to the Heritage Land Trust Fund

Corrections Department note: farm facility revenues

Budget and Control Board bonds: loan repayments

Business-type Activities:

Higher education bonds and notes: various specific higher education revenues

State Housing Authority bonds and note: revenues of the Housing Authority Fund, a major enterprise fund

Education Assistance Authority bonds: loan repayments and United States Commissioner of Education funds in the Education Assistance Authority Fund, a major enterprise fund

Major Discretely Presented Component Units:

Public Service Authority bonds: Public Service Authority revenues

State Ports Authority bonds: State Ports Authority revenues

Connector 2000 Association, Inc. bonds: toll revenues

For its business-type activities, the State separately identifies amounts of pledged revenues available at June 30, 2010, in the statement of revenues, expenses, and changes in fund net assets for proprietary funds.

Debt Service Requirements

At June 30, 2010, future debt service requirements (expressed in thousands) for revenue, Tobacco Authority, Infrastructure Bank, and other bonds and notes of the primary government were as follows:

	Primary Government			
	Governmental Activities		Business-type Activities	
Year Ending June 30	Principal	Interest	Principal	Interest
2011	$ 62,730	$ 103,562	$ 120,323	$ 126,682
2012	66,316	100,430	104,776	121,746
2013	74,294	96,995	96,122	118,305
2014	91,312	93,216	71,065	114,010
2015	106,328	88,781	78,698	110,584
2016-2020	466,919	366,510	377,246	495,480
2021-2025	384,375	260,971	939,741	383,821
2026-2030	454,785	167,434	708,434	207,264
2031-2035	454,990	57,617	424,501	90,360
2036-2040	49,900	3,434	115,870	10,883
2041	—	—	120,000	—
Total debt service requirements	**2,211,949**	**$ 1,338,950**	**3,156,776**	**$ 1,779,135**
Net unamortized premiums	83,210		21,688	
Deferred amount on refunding	(28,766)		(43,019)	
Total principal outstanding	**$ 2,266,393**		**$ 3,135,445**	

The fiscal year for the Public Service Authority ends December 31 while the fiscal year for the State Ports Authority ends June 30. Both entities are major discretely presented component units. At December 31, 2009, the carrying value of the Public Service Authority's debt was $4.385 billion while the fair value was approximately $4.400 billion. At June 30, 2010, the carrying value of the State Ports Authority debt was $99.266 million while the fair value was approximately $94.810 million. The fair values were estimated using current rates available to the entities for similar borrowing arrangements and on the market rate of comparable traded debt.

At June 30, 2010, future debt service requirements (expressed in thousands) for bonds and notes of the State's major discretely presented component units were as follows:

Year Ending December 31	Public Service Authority Principal	Public Service Authority Interest	Connector 2000 Assoc. Principal	Connector 2000 Assoc. Interest
2010	$ 122,655	$ 230,777	$ 7,300	$ 3,411
2011	126,920	229,390	8,100	3,358
2012	129,993	222,827	9,900	3,303
2013	175,200	215,470	10,500	3,243
2014	429,075	198,146	11,000	3,180
2015-2019	1,120,739	791,380	73,100	14,851
2020-2024	864,981	527,447	105,700	12,747
2025-2029	557,827	365,885	146,400	9,987
2030-2034	544,428	211,337	182,300	6,343
2035-2039	533,090	71,502	178,900	1,731
2040-2042	30,925	684	—	—
Total debt service requirements.....	**4,635,833**	**$ 3,064,845**	**733,200**	**$ 62,154**
Unamortized premiums (discounts)..	127,791		(414,185)	
Deferred amount on refunding.....	(168,434)		—	
Total principal outstanding.....	**$ 4,595,190**		**$ 319,015**	

Year Ending June 30	State Ports Authority Principal	State Ports Authority Interest
2011	$ 4,255	$ 4,995
2012	4,470	4,756
2013	4,695	4,505
2014	4,849	4,252
2015	4,835	3,989
2016-2020	28,220	15,736
2021-2025	36,365	7,117
2026-2027	11,560	164
Total debt service requirements.....	**99,249**	**$ 45,514**
Unamortized premiums.....	556	
Total principal outstanding.....	**$ 99,805**	

Interest Expense

Borrowing is essential to the continuation of programs associated with certain entities reported within the primary government's governmental activities. The primary government reported interest expense during the fiscal year ended June 30, 2010, in governmental functions for these entities as follows (expressed in thousands):

	Amount
General government.....	$ 17,245
Transportation.....	135,272
Total allocated interest expense..	**$ 152,517**

The amount shown above in the general government function relates to bonds that a blended component unit issued.

d. Bond Anticipation Notes

At June 30, 2010, $30.000 million in short-term general obligation bond anticipation notes and $51.100 million in short-term revenue bond anticipation notes were outstanding in the Higher Education Fund, a major enterprise fund. These notes are due on or before June 30, 2011.

e. Defeased Bonds

During its fiscal year ended December 31, 2009, the Public Service Authority, a major discretely presented component unit, issued $115.000 million in 2009 Tax-Exempt Refunding Series A revenue bonds with an average interest rate of 4.83% to refund $119.600 million in revenue bonds with an average interest rate of 5.06%. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $8.700 million. This difference, reported in the

accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2031 using the effective-interest method. The bonds were refunded to reduce total debt service payments over the next 23 years by approximately $10.800 million and to obtain an economic gain of approximately $3.700 million.

Also during its fiscal year ended December 31, 2009, the Public Service Authority issued $39.700 million in 2009 Tax-Exempt Refunding Series D revenue bonds with an average interest rate of 4.52% to refund $40.800 million in revenue bonds with an average interest rate of 5.59%. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $1.000 million. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations during the year 2009 using the effective-interest method. The bonds were refunded to reduce total debt service payments over the next 4 years by approximately $2.300 million and to obtain an economic gain of approximately $2.100 million.

For all defeasances involving advance refundings in the current and prior years, the securities purchased were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the State has not recorded the defeased bonds in the accompanying financial statements. At June 30, 2010, the following outstanding bonds of the primary government (expressed in thousands) were considered defeased:

	Governmental Activities	Business-type Activities	Totals—Primary Government
Capital improvement bonds.....	$ 40,310	$ —	$ 40,310
State highway bonds.....	195,775	—	195,775
Infrastructure Bank bonds.....	311,460	—	311,460
Tobacco Authority bonds.....	335,270	—	335,270
Higher Education Fund bonds..	—	112,774	112,774
Totals.....	**$ 882,815**	**$ 112,774**	**$ 995,589**

In addition, at December 31, 2009, $155.780 million of bonds associated with the Public Service Authority were considered defeased.

f. Arbitrage Rebate Payable

The Internal Revenue Code and arbitrage regulations issued by the Internal Revenue Service require rebate to the federal government of excess investment earnings on bond proceeds if the yield on those earnings exceeds the effective yield on the related tax-exempt bonds issued. At June 30, 2010, reported as other liabilities for governmental activities is an arbitrage rebate liability of $3.593 million associated with the State's General Obligation Debt and a $683 thousand arbitrage rebate liability associated with revenue bonds of the Local Government Infrastructure Fund (a major governmental fund). The Higher Education Fund (a major enterprise fund) and the Education Assistance Authority Fund (a major enterprise fund) have also incurred arbitrage rebate liabilities in connection with student loan and revenue bonds sold in previous years. Arbitrage rebates payable at June 30, 2010, are reported as other liabilities of $509 thousand in the Higher Education Fund, and as other liabilities payable from restricted assets of $1.349 million in the Education Assistance Authority Fund.

g. Conduit Debt

State law authorizes issuance of certain bonds for which the State assumes no responsibility for repayment. These bonds, therefore, do not appear as liabilities in the accompanying financial statements.

The Educational Facilities Authority, reported in the General Fund, issues bonds to assist nonprofit educational institutions that do not receive State appropriations in the acquisition, construction, and financing of facilities for educational programs. The bonds are payable solely from, and secured by, a lease agreement on the facilities between the Authority and the institution. When the bonds have been fully paid, the Authority conveys the title for the facility to the institution. At June 30, 2010, the outstanding balance of bonds issued was $357.587 million.

The Jobs-Economic Development Authority, a nonmajor enterprise fund, issues industrial revenue bonds to develop and benefit business enterprises. The bonds are payable solely by revenues of the business enterprise and generally are secured by an irrevocable letter of credit. At June 30, 2010, the outstanding balance of bonds issued after June 30, 1995, was $4.558 billion. The original amount of bonds issued prior to that date is not available.

The Housing Authority Fund, a major enterprise fund, issues certain mortgage loan notes and housing revenue bonds for developers to construct moderate to low income housing projects. The bonds are payable solely from housing rental payments received by the developer and generally are secured by an irrevocable letter of credit or bond insurance. At June 30, 2010, the outstanding balance of bonds issued was $290.168 million.

h. Commercial Paper Notes and Letters of Credit

Note 13 Changes in Liabilities, displays the activity of commercial paper notes and lines of credit during the fiscal year ended June 30, 2010, including beginning and ending balances (if any) as well as all draws and repayments. The Public Service Authority presents its outstanding amounts as commercial paper notes, but all other amounts outstanding on lines of credit at June 30, 2010 are reported as notes payable. Other relevant information regarding these accounts is provided below.

The University Medical Associates of the Medical University of South Carolina (UMA), a blended component unit and nonmajor enterprise fund, secured its Series 2008 South Carolina Jobs-Economic Development Authority Variable Rate Demand Bonds by an irrevocable direct-pay letter of credit issued in the initial stated amount of $62.799 million. This amount included initial principal and accrued interest components. UMA is obligated to repay amounts drawn under the letter of credit as set forth in the Reimbursement and Security Agreement, dated as of December 1, 2008. Also, UMA has a line of credit with a maximum borrowing limit of $10.000 million, on which UMA could draw for working capital. The loan bears interest at the 30 day LIBOR rate plus 1.15% and is secured by all unrestricted accounts receivable. During fiscal year 2009-2010, there were no advances under this line of credit. In June 2010, this line of credit expired and was renewed with basically the same terms.

The Public Service Authority, a discretely presented component unit, has recorded a $276.551 million liability for commercial paper notes at its fiscal year ended December 31, 2009. The paper is issued for valid corporate purposes with terms not to exceed 270 days. The Authority has a $450.000 million revolving credit agreement to support the issuance of commercial paper. There were no borrowings under the agreement during 2009.

The Ports Authority, a discretely presented component unit, has a $10.000 million revolving line of credit from a commercial bank. There are no borrowings under the line of credit as of June 30, 2010.

i. Advances from Federal Government

On December 26, 2008, the Unemployment Compensation Fund, a major enterprise fund, began to obtain advances from the Federal government in order to pay unemployment benefits due to the exhaustion of all other funds to pay benefits. These advances were obtained due to the significant increase in unemployment benefits resulting from a significant increase in the unemployment rate in the State and the extension of the period by the Federal government that benefits are paid to claimants. Section 1201 of Title XII of the Social Security Act provides that an advance from the Federal Unemployment Fund to the account of a state's unemployment trust fund is allowed if the governor of a state applies for payment for any 3-month period. Only amounts actually drawn down for benefit payments must be repaid.

At June 30, 2010, the outstanding balance of these advances was $886.662 million. Principal payments are required to begin on September 30, 2011, with interest accruing at an interest rate of approximately 4% beginning on January 1, 2011. The loan is considered noncurrent since the first principal payment is due one or more years after June 30, 2010.

Under Section 1201 of Title XII of the Social Security Act, if a balance of advances to a State is outstanding on January 1, in two consecutive years and not fully repaid prior to November 10 of the second year, employers subject to contributions under such state's unemployment compensation law will be subject to additional Federal unemployment taxes determined by a formula of reductions in credit against the tax. Such credit reduction will apply beginning with the second consecutive January 1 as of the beginning of which there is a balance of such advances. The credit reductions, pursuant to Section 3302(c)(2) of FUTA, increase employers' Federal tax liability each year. The amount equal to the reduced credits, excluding penalty and interest, will be applied to reduce the State's balance of advances.

The State has implemented comprehensive changes to the Unemployment Insurance (UI) tax structure specifically designed to assist in putting the Fund back on the path to solvency. State unemployment tax rates for future years will be structured to raise revenues that more accurately address the demands on the Fund and the changing economic environment in which the Fund operates. While the Fund remains in Federal loan status, required tax revenues will consist of estimated benefit payouts for the subsequent year, an amount required to repay the principal on all outstanding federal advances over five years, and an additional surcharge designated to pay accrued interest on outstanding advances. As the expected level of state UI benefits continues to decrease, a greater proportion of state UI tax revenues will be available to repay the advanced funds.

As of November 30, 2010, the Fund has not taken any additional advances. Increased tax collections coupled with decreases in the number of individuals eligible for and claiming state UI benefits have enabled the Fund to operate without obtaining additional advances from the federal government since April 2010. Management plans to continue to borrow from the Federal government as needed, to fund its deficits for the foreseeable future; however, it is estimated that no additional advances will be required until December 2010. The Federal government has not established a maximum amount that the Fund can borrow.

j. Subsequent Events

In November 2010, the State's primary government entered into a $1.972 million Master Lease note, which will be reported in the State's governmental activities. On November 16, 2010, the Board of Directors of the Transportation Infrastructure Bank, reported in the Local Government Infrastructure Fund, a major governmental fund, approved the issuance of $203.580 million in revenue bonds.

Since June 30, 2010, the State's Higher Education Fund, a major enterprise fund, issued $65.855 million in athletic facilities revenue bonds and $26.375 million in athletic facilities revenue refunding bonds. The State Housing Finance and Development Authority, a major enterprise fund, issued $100.000 million in Homeownership Revenue Bonds on July 1, 2010. The Housing Authority expects to issue an additional $80.000 million in Homeownership Revenue Bonds in fiscal year 2011.

In November 2010, the South Carolina Student Loan Corporation issued bonds, the proceeds of which will be used to retire its finance loan with the Education Assistance Authority, a major enterprise fund. In turn, the Education Assistance Authority will use the proceeds of the finance loan repayment to retire all of its auction rate bonds outstanding. The balance of these auction rate bonds was $809.700 million at June 30, 2010. The South Carolina Student Loan Corporation expects to have proceeds available from its closing on November 30. The bonds of the Education Assistance Authority will be paid on the next available auction date after November 30.

Subsequent to its fiscal year end, the Public Service Authority, a major discretely presented component unit, has issued $234.861 million in revenue obligations, $231.060 million in revenue refunding obligations, and $44.766 million in tax-exempt revenue mini-bonds.

NOTE 13: CHANGES IN LIABILITIES

a. Long-Term Liabilities

Changes in major classes of long-term liabilities (expressed in thousands) for the fiscal year ended June 30, 2010, were:

	Balances at July 1, 2009	Increases	Decreases	Balances at June 30, 2010	Amounts Due Within One Year
Primary Government:					
Governmental Activities					
Policy claims	$ 660,394	$ 1,740,191	$ (1,749,751)	$ 650,834	$ 471,752
Notes payable	$ 35,820	$ 31,672	$ (6,548)	$ 60,944	$ 12,640
General obligation bonds payable	$ 1,845,745	$ 569,860	$ (501,655)	$ 1,913,950	$ 190,165
Unamortized discounts and premiums	17,698	39,427	(2,491)	54,634	—
Deferred amount on refunding	(5,933)	(14,194)	1,591	(18,536)	—
Total general obligation bonds payable	$ 1,857,510	$ 595,093	$ (502,555)	$ 1,950,048	$ 190,165
Tobacco Authority bonds payable	$ 200,000	$ —	$ (63,035)	$ 136,965	$ —
Unamortized discount	(5,984)	—	1,886	(4,098)	—
Deferred amount on refunding	(17,836)	—	5,622	(12,214)	—
Total Tobacco Authority bonds payable	$ 176,180	$ —	$ (55,527)	$ 120,653	$ —
Revenue bonds payable	$ 35,210	$ —	$ (2,640)	$ 32,570	$ 2,760
Unamortized discounts and premiums	772	—	(91)	681	—
Total revenue bonds payable	$ 35,982	$ —	$ (2,731)	$ 33,251	$ 2,760
Infrastructure Bank bonds payable	$ 2,037,360	$ 88,590	$ (144,480)	$ 1,981,470	$ 47,330
Unamortized discounts and premiums	78,500	10,086	(1,959)	86,627	—
Deferred amount on refunding	(23,996)	—	7,444	(16,552)	—
Total Infrastructure Bank bonds payable	$ 2,091,864	$ 98,676	$ (138,995)	$ 2,051,545	$ 47,330
Limited obligation bonds payable	$ 7,660	$ —	$ (1,200)	$ 6,460	$ 1,280
Unamortized discounts and premiums	(31)	—	6	(25)	—
Total limited obligation bonds payable	$ 7,629	$ —	$ (1,194)	$ 6,435	$ 1,280
Capital leases payable	$ 404	$ —	$ (162)	$ 242	$ 117
Compensated absences payable	$ 219,949	$ 119,604	$ (125,440)	$ 214,113	$ 116,109
National Guard Retirement System net pension obligation payable	$ 9,234	$ 366	$ (252)	$ 9,348	$ —
Judgments and contingencies payable	$ 33,568	$ —	$ (10,036)	$ 23,532	$ 10,494
Arbitrage payable	$ 2,754	$ 1,522	$ —	$ 4,276	$ 3,560

The National Guard Retirement System net pension obligation payable, judgments and contingencies payable, and arbitrage payable are included in *other liabilities* in the accompanying financial statements.

The governmental fund that pays an employee's salary is responsible for liquidating the employee's related compensated absence liability. The General Fund is responsible for liquidating the National Guard Retirement System liability. Historically, the State has paid most judgments related to governmental funds from its General Fund unless an identifiable amount was directly attributable to another specific fund.

	Balances at July 1, 2009	Increases	Decreases	Balances at June 30, 2010	Amounts Due Within One Year
Primary Government:					
Business-type Activities					
Policy claims	$ 155,574	$ 23,454	$ (40,373)	$ 138,655	$ 13,054
Advances from Federal government	$ 344,881	$ 541,781	$ —	$ 886,662	$ —
Notes payable	$ 273,894	$ 6,048	$ (52,448)	$ 227,494	$ 34,270
Unamortized discounts and premiums	78	—	(6)	72	—
Deferred amount on refunding	(9,798)	—	1,511	(8,287)	—
Total notes payable	$ 264,174	$ 6,048	$ (50,943)	$ 219,279	$ 34,270
General obligation bonds payable	$ 354,310	$ 54,000	$ (20,805)	$ 387,505	$ 23,330
Unamortized discounts and premiums	806	—	(64)	742	—
Deferred amount on refunding	(864)	—	81	(783)	—
Total general obligation bonds payable	$ 354,252	$ 54,000	$ (20,788)	$ 387,464	$ 23,330
Revenue bonds payable	$ 2,996,602	$ 245,010	$ (312,330)	$ 2,929,282	$ 86,053
Unamortized discounts and premiums	20,837	2,102	(1,323)	21,616	—
Deferred amount on refunding	(36,350)	17	1,601	(34,732)	—
Total revenue bonds payable	$ 2,981,089	$ 247,129	$ (312,052)	$ 2,916,166	$ 86,053
Capital leases payable	$ 87,224	$ 29,075	$ (9,831)	$ 106,468	$ 5,615
Compensated absences payable	$ 143,475	$ 93,374	$ (89,292)	$ 147,557	$ 79,029
Arbitrage payable	$ 3,519	$ 25	$ (1,686)	$ 1,858	$ 301

	Balances at January 1, 2009	Increases	Decreases	Balances at December 31, 2009	Amounts Due Within One Year
Major Component Units:					
Public Service Authority					
Policy claims	$ 2,120	$ 2,027	$ (2,394)	$ 1,753	$ 1,753
Revenue bonds payable	$ 4,109,025	$ 918,126	$ (391,318)	$ 4,635,833	$ 122,655
Unamortized discounts and premiums	107,843	31,014	(11,066)	127,791	—
Deferred amount on refunding	(185,839)	(9,564)	26,969	(168,434)	—
Total revenue bonds payable	$ 4,031,029	$ 939,576	$ (375,415)	$ 4,595,190	$ 122,655
Capital leases payable	$ 7,983	$ 1,686	$ (4,070)	$ 5,599	$ 1,685
Compensated absences payable	$ 17,213	$ 2,304	$ (1,482)	$ 18,035	$ —
Connector 2000 Association, Inc.					
Revenue bonds payable	$ 739,900	$ —	$ (6,700)	$ 733,200	$ 7,300
Unamortized discounts and premiums	(428,848)	14,663	—	(414,185)	—
Total revenue bonds payable	$ 311,052	$ 14,663	$ (6,700)	$ 319,015	$ 7,300

	Balances at July 1, 2009	Increases	Decreases	Balances at June 30, 2010	Amounts Due Within One Year
State Ports Authority					
Notes payable	$ 1,639	$ —	$ (345)	$ 1,294	$ 345
Revenue bonds payable	$ 101,660	$ —	$ (3,705)	$ 97,955	$ 3,910
Unamortized discounts and premiums	602	—	(46)	556	—
Total revenue bonds payable	$ 102,262	$ —	$ (3,751)	$ 98,511	$ 3,910
Capital leases payable	$ 23	$ —	$ (6)	$ 17	$ 6
Compensated absences payable	$ 2,672	$ 1,323	$ (1,806)	$ 2,189	$ 2,189
Lottery Commission					
Compensated absences payable	$ 858	$ 506	$ (658)	$ 706	$ 590

b. Short-Term Debt

The State's Higher Education Fund may issue Bond Anticipation Notes (BANS) to provide interim financing for capital projects while in the process of issuing bonds. The Public Service Authority, a major discretely presented component unit, may issue commercial paper as short-term financing for valid corporate purposes as allowed by the Authority's Board of Directors. Short-term debt for the fiscal year ended June 30, 2010, included: BANS in the Higher Education Fund, a major enterprise fund; commercial paper notes in the Public Service Authority; and letters of credit in the nonmajor enterprise funds. Short-term debt activity during the fiscal year (expressed in thousands) was as follows:

	Balances at July 1, 2009	Increases	Decreases	Balances at June 30, 2010
Primary Government:				
Business-type Activities				
General obligation bond anticipation notes payable	$ 30,000	$ 30,000	$ (30,000)	$ 30,000
Revenue bond anticipation notes payable	$ 53,100	$ 51,100	$ (53,100)	$ 51,100
Letters of credit	$ —	$ —	$ —	$ —

	Balances at January 1, 2009	Increases	Decreases	Balances at December 31, 2009
Major Component Unit:				
Public Service Authority				
Commercial paper notes	$ 152,807	$ 180,719	$ (56,975)	$ 276,551

NOTE 14: RESERVATIONS AND DESIGNATIONS OF FUND BALANCES IN GOVERNMENTAL FUNDS

Reserved components of fund balances represent amounts in governmental funds that are legally segregated or that the State cannot appropriate. Designated portions of unreserved fund balances reflect tentative plans for future use of available financial resources.

The unreserved component of fund balance equals the total fund balance less reserved amounts.

At June 30, 2010, the following amounts of fund balance in governmental funds (expressed in thousands) were reserved:

	General	Departmental General Operating	Local Government Infrastructure	Department of Transportation Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances reserved for:						
General reserve fund	$ 110,883	$ —	$ —	$ —	$ —	$ 110,883
Inventories	7,924	14,209	—	5,161	3	27,297
Prepaid items	—	—	—	6,302	—	6,302
Interfund receivables	—	381	321,113	—	11,030	332,524
Appropriations to be carried forward	64,283	—	—	—	—	64,283
Endowments	—	—	—	—	3,270	3,270
Long-term loans and notes receivable	—	1,158	497,338	4,275	32,939	535,710
Debt requirements	—	—	1,163,122	—	55,833	1,218,955
School building aid	1,555	—	—	—	51,119	52,674
Total reserved fund balances	**$ 184,645**	**$ 15,748**	**$ 1,981,573**	**$ 15,738**	**$ 154,194**	**$ 2,351,898**

The following subsections contain further descriptive information regarding the reserved and designated components of fund balance.

a. Reserved

General Reserve Fund

The South Carolina Constitution requires that the State maintain a reserve to prevent deficits in the Budgetary General Fund. The Reserve is fully funded whenever it equals three percent of the Budgetary General Fund's revenue (budgetary basis) of the previous fiscal year.

If the State withdraws funds from the Reserve to cover a year-end deficit, it must replace the funds within three years. The Constitution requires that at least one percent of the Budgetary General Fund revenue (budgetary basis) of the latest completed fiscal year, if so much is necessary, be restored each year following the deficit until full funding is achieved.

At June 30, 2010, the Reserve was $110.883 million which was $80.889 million below the full funding amount.

Reserved for Inventories

Governmental funds reserve a portion of fund balance equal to year-end inventory balances to indicate that the funds are not available for appropriation.

Reserved for Prepaid Items

Governmental funds reserve a portion of fund balance equal to year-end prepaid item balances to indicate that the funds are not available for appropriation.

Reserved for Interfund Receivables and Reserved for Long-Term Loans and Notes Receivable

Long-term loans and notes receivable and long-term interfund receivables are assets that do not represent expendable available resources. Governmental funds, therefore, reserve a corresponding portion of fund balance.

Reserved for Appropriations to be Carried Forward

The General Fund does not use encumbrance accounting. It uses the reserve for appropriations to be carried forward if the General Assembly has authorized the carry-forward of General Fund appropriations to the next fiscal year.

Reserved for Endowments

This reserve recognizes restrictions on donated resources.

Reserved for Debt Requirements

When financing agreements or bond indentures require a reservation, the State records an amount as reserved for debt requirements.

Reserved for School Building Aid

If the State promises to pay a school district to build school buildings or to retire debt on such buildings, it records an amount as reserved for school building aid. The State has recorded such amounts, which are not available for appropriation, in its General Fund and its nonmajor governmental funds.

b. Designated, Reported in Special Revenue Funds

The total designated amount reported on the governmental funds balance sheet for nonmajor special revenue funds is designated for scholarships. The amount is for the Teacher Loan Program, reported within the nonmajor governmental funds. This program makes loans to students. The State cancels 20.0% to 33.0% of the loan for each year that the borrower teaches in a critical-need area. Borrowers who do not teach in such an area must repay their loans.

c. Designated, Reported in the Capital Projects Fund

The total designated amount reported on the governmental funds balance sheet for the State's Capital Projects Fund, a nonmajor governmental fund, is designated for capital expenditures.

NOTE 15: INTERFUND BALANCES AND TRANSFERS

The following tables summarize interfund balances at June 30, 2010 (expressed in thousands):

Funds	Due From	Due To
General		
Departmental General Operating	$ 5	$ 25,886
Local Government Infrastructure	—	8,597
Department of Transportation Special Revenue	—	7,909
State Tobacco Settlement	8	—
Nonmajor governmental funds	36,226	30,100
Higher Education	—	2,843
Unemployment Compensation	8,448	226
Nonmajor enterprise funds	80	—
Internal service	975	7,697
Fiduciary	—	32,550
	45,742	115,808
Departmental General Operating		
General	25,886	5
Local Government Infrastructure	—	135
Department of Transportation Special Revenue	44	9
Nonmajor governmental funds	2,318	2,976
Higher Education	—	11,893
Nonmajor enterprise funds	—	599
Internal service	122	12,936
Fiduciary	—	19,151
	28,370	47,704
Local Government Infrastructure		
General	8,597	—
Departmental General Operating	135	—
Department of Transportation Special Revenue	8,209	15,491
Internal service	—	2
Fiduciary	—	53
	16,941	15,546

Funds	Due From	Due To
Department of Transportation Special Revenue Fund		
General	7,909	—
Departmental General Operating	9	44
Local Government Infrastructure	15,491	8,209
Nonmajor governmental funds	—	5
Higher Education	80	—
Internal service	435	1,985
Fiduciary	—	5,929
	23,924	16,172
State Tobacco Settlement		
General	—	8
	—	8
Nonmajor Governmental Funds		
General	30,100	36,226
Departmental General Operating	2,976	2,318
Department of Transportation Special Revenue	5	—
Nonmajor governmental funds	3,167	3,167
Higher Education	55	41,581
Nonmajor enterprise funds	92	695
Internal service	1,532	627
Fiduciary	—	932
	37,927	85,546
Higher Education		
General	2,843	—
Departmental General Operating	11,893	—
Department of Transportation Special Revenue	—	80
Nonmajor governmental funds	41,581	55
Hospital Authority	—	8,636
Nonmajor enterprise funds	—	27,646
Internal service	—	12,604
Fiduciary	—	7,605
	56,317	56,626
Unemployment Compensation Benefits		
General	226	8,448
Internal service	2	—
	228	8,448
Housing Authority		
Internal service	—	14
	—	14
Medical University Hospital Authority		
Higher Education	8,636	—
Nonmajor enterprise funds	287	—
	8,923	—
Nonmajor Enterprise Funds		
General	—	80
Departmental General Operating	599	—
Nonmajor governmental funds	695	92
Higher Education	27,646	—
Hospital Authority	—	287
Internal service	9	68
Fiduciary	—	99
	28,949	626

Funds	Due From	Due To
Internal Service		
General	7,697	975
Departmental General Operating	12,936	122
Local Government Infrastructure	2	—
Department of Transportation Special Revenue	1,985	435
Nonmajor governmental funds	627	1,532
Higher Education	12,604	—
Unemployment Compensation	—	2
Housing Authority	14	—
Nonmajor enterprise funds	68	9
Internal service	295	295
Fiduciary	16,403	1,421
	52,631	4,791
Fiduciary		
General	32,550	—
Departmental General Operating	19,151	—
Local Government Infrastructure	53	—
Department of Transportation Special Revenue	5,929	—
Nonmajor governmental funds	932	—
Higher Education	7,605	—
Nonmajor enterprise funds	99	—
Internal service	1,421	16,403
Fiduciary	38,703	38,703
	106,443	55,106
Totals	**$ 406,395**	**$ 406,395**

Amounts due from/to funds resulted from interfund goods and services provided or reimbursable expenditures/expenses incurred on or before June 30 for which payment was received/made after June 30.

Funds	Interfund Receivables	Interfund Payables	Receivables Long-term Portion
General			
Departmental General Operating	$ 4,560	$ —	$ —
Nonmajor governmental funds	340	—	—
Higher Education	114	—	—
Internal service	500	—	—
	5,514	—	—
Departmental General Operating			
General	—	4,560	—
Nonmajor governmental funds	—	453	—
Higher Education	781	22	381
Nonmajor enterprise funds	—	330	—
Internal service	500	—	—
	1,281	5,365	381
Local Government Infrastructure			
Department of Transportation Special Revenue	343,692	—	321,113
Department of Transportation Special Revenue Fund			
Local Government Infrastructure	—	343,692	—

Funds	Interfund Receivables	Interfund Payables	Receivables Long-term Portion
Nonmajor Governmental Funds			
General	—	340	—
Departmental General Operating	453	—	304
Nonmajor governmental funds	4,040	4,040	20
Higher Education	1,629	—	1,148
Nonmajor enterprise funds	9,227	—	9,228
Internal service	541	15,400	330
	15,890	19,780	11,030
Higher Education			
General	—	114	—
Departmental General Operating	22	781	22
Nonmajor governmental funds	—	1,629	—
Nonmajor enterprise funds	—	29,006	—
	22	31,530	22
Medical University Hospital Authority			
Nonmajor enterprise funds	—	2,055	—
Nonmajor Enterprise Funds			
Departmental General Operating	330	—	—
Nonmajor governmental funds	—	9,227	—
Higher Education	29,006	—	29,007
Hospital Authority	2,055	—	2,055
Internal service	—	6,837	—
	31,391	16,064	31,062
Internal Service			
General	—	500	—
Departmental General Operating	—	500	—
Nonmajor governmental funds	15,400	541	13,780
Nonmajor enterprise funds	6,837	—	6,837
	22,237	1,541	20,617
Totals	**$ 420,027**	**$ 420,027**	**$ 384,225**

The preceding interfund receivables and payables generally include loans for building improvements, economic development initiatives, and initial funding for new programs. Additional balances include the following:

- $343.692 million owed by the Department of Transportation Special Revenue Fund, a major governmental fund, to the Local Government Infrastructure Fund, a major governmental fund. The Department of Transportation has entered into various agreements to provide assistance for highway and transportation facilities projects being constructed by the Local Government Infrastructure Fund.
- $29.007 million owed by the Medical University of South Carolina reported within the Higher Education Fund, a major enterprise fund, to the nonmajor enterprise funds, in relation to internal leasing arrangements.
- $15.400 million owed by the nonmajor governmental funds to the internal service funds. The nonmajor governmental funds borrowed the money to purchase and renovate new headquarters facilities for the State Department of Public Safety.
- $9.228 million owed by the nonmajor enterprise funds to the nonmajor governmental funds. Patriots Point Development Authority borrowed the money for the purpose of funding repairs to the destroyer *USS Laffey*.
- $6.837 million owed by the nonmajor enterprise funds to the internal service funds. The nonmajor enterprise funds lent the money received to a county for infrastructure within a residential development.

The following table summarizes interfund transfers during the fiscal year ended June 30, 2010 (expressed in thousands):

Funds	Transfers In	Transfers Out
General Fund		
Departmental General Operating	$ 52,166	$ 161,165
Local Government Infrastructure	—	1,254
Department of Transportation Special Revenue	—	111
Nonmajor governmental funds	18,757	370,785
Higher Education	—	617,933
Unemployment Compensation Benefits	1,408	470
Nonmajor enterprise funds	12	12
Internal service	—	272
	72,343	1,152,002
Departmental General Operating		
General	161,165	52,166
Local Government Infrastructure	21,269	20
Department of Transportation Special Revenue	41	—
Nonmajor governmental funds	45,042	10,206
Higher Education	17,909	14,678
Unemployment Compensation Benefits	200	—
Housing Authority	28	—
Nonmajor enterprise funds	1,621	32
Internal service	10,017	4,137
	257,292	81,239
Local Government Infrastructure		
General	1,254	—
Departmental General Operating	20	21,269
Department of Transportation Special Revenue	—	1,000
	1,274	22,269
Department of Transportation Special Revenue Fund		
General	111	—
Departmental General Operating	—	41
Local Government Infrastructure	1,000	—
Nonmajor governmental funds	—	48
	1,111	89
Nonmajor Governmental Funds		
General	370,785	18,757
Departmental General Operating	10,206	45,042
Department of Transportation Special Revenue	48	—
Higher Education	22,533	62,984
Housing Authority	—	400
Nonmajor enterprise funds	104	695
Internal service	19	422
	403,695	128,300
Higher Education		
General	617,933	—
Departmental General Operating	14,678	17,909
Nonmajor governmental funds	62,984	22,533
Medical University Hospital Authority	—	248
Nonmajor enterprise funds	47,570	2,230
	743,165	42,920
Unemployment Compensation Benefits		
General	470	1,408
Departmental General Operating	—	200
	470	1,608

Funds	Transfers In	Transfers Out
Housing Authority		
Departmental General Operating	—	28
Nonmajor governmental funds	400	—
	400	28
Medical University Hospital Authority		
Higher Education	248	—
	248	—
Nonmajor Enterprise Funds		
General	12	12
Departmental General Operating	32	1,621
Nonmajor governmental funds	695	104
Higher Education	2,230	47,570
	2,969	49,307
Internal Service		
General	272	—
Departmental General Operating	4,137	10,017
Nonmajor governmental funds	422	19
Internal service	493	493
	5,324	10,529
Totals	**$ 1,488,291**	**$ 1,488,291**

The State routinely uses transfers to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move State grant monies from grantor funds to grantee funds, and (3) transfer bond proceeds from the original fund to other funds authorized to receive portions of the proceeds. During the fiscal year ended June 30, 2010, transfers included $343.584 million of tax revenues from the Tax Relief Trust Fund, reported as part of the State's General Fund, transferred to the Homestead Exemption Fund for subsequent distribution for property tax relief.

NOTE 16: PROPRIETARY FUND REVENUES–ALLOWANCES AND DISCOUNTS

In the financial statements, the State presents its revenues net of allowances for uncollectible accounts receivable and contractual adjustments. Note 5 reports these allowances.

Scholarship allowances in the Higher Education Fund represent the sum of differences between stated charges for goods and services provided to students and amounts billed to students and/or third parties making payments on behalf of students. For the fiscal year ended June 30, 2010, scholarship allowances reduced the revenues of the Higher Education Fund by the following amounts (expressed in thousands):

	Scholarship Allowances
Charges for services	$ 564,246
Operating revenues pledged for revenue bonds	29,469
Total	**$ 593,715**

For the fiscal year ended June 30, 2010, the State's enterprise funds presented $1.274 billion included in net charges for services after provisions for contractual and other adjustments in the amount of $1.698 billion and uncollectible accounts in the amount of $89.025 million.

NOTE 17: DONOR-RESTRICTED ENDOWMENTS AND PLEDGES

a. Donor-Restricted Endowments

The State's permanent funds (nonmajor governmental funds) and the Higher Education Fund, a major enterprise fund, maintain donor-restricted endowments. Net appreciation consists of realized and unrealized increases in the fair value of an endowment's assets over the historic dollar value of the assets.

At June 30, 2010, $4.484 million of the amount reported as *restricted net assets, expendable for education*, represented net appreciation on investments of donor-restricted endowments available for authorization for expenditure by governing boards of the higher education institutions. In addition, $263 thousand of the amount reported as *restricted net assets, expendable for other*, represented net appreciation on investments of donor-restricted endowments of permanent funds.

The South Carolina Uniform Prudent Management of Institutional Funds Act (Title 34, Chapter 6, of the South Carolina Code of Laws, which is referred to below as "the Act") permits an agency's/institution's governing board to authorize for expenditure all of an endowment's net appreciation, unless the applicable gift instrument indicates the donor's intention that net appreciation not be expended. The Act requires that the authorized expenditure be limited to the uses, benefits, purposes, and duration for which the endowment was established and that the institution's governing board exercise ordinary business care and prudence in authorizing the expenditure of net appreciation.

Specific policies for authorizing and spending endowment investment income vary among the agencies and institutions that hold endowments. Generally, the governing boards establish these policies. Among those agencies/institutions that recorded investment income in donor-restricted endowments during the fiscal year ended June 30, 2010, the predominant policy was to authorize the spending of 4.00% to 5.00% of the fair value of total endowment assets annually.

b. Pledges

The State's Higher Education Fund, a major enterprise fund, and related blended component units reported as nonmajor enterprise funds, recognize receivables and revenues for pledges or promises of cash or other assets from nongovernmental entities when all eligibility requirements are met, provided that the promise is verifiable and the resources are measurable and probable of collection. The financial statements report these amounts as accounts receivable. However, various benefactors have established split interest agreements with The Citadel Trust, Inc., a nonmajor enterprise fund. Among these agreements are a charitable remainder uni-trust and a charitable remainder trust. The Citadel, a higher education institution reported in the Higher Education Fund, will receive a specified portion of the assets remaining under these agreements at the benefactors' deaths. The parties who manage the assets associated with these agreements are not included within the State of South Carolina's financial reporting entity. The State's financial statements do not report these trust assets because the ultimate amounts that the State will receive were not deemed to be measurable at June 30, 2010, and the eligibility requirements for the gifts have not been met.

NOTE 18: SEGMENT INFORMATION

The Housing Authority provides low-cost housing to the State's citizens by issuing bonds/notes and by administering federal contracts and grants. The State issues various separate revenue bonds to finance activities within the Single Family Finance program of its Housing Authority Fund, a major enterprise fund. Covenants of the following revenue bonds within the Single Family Finance program require separate accounting and financial reporting: (a) Single Family, (b) Mortgage Revenue, (c) Homeownership Bond and (d) Revenue Reserve. Investors in these bonds rely solely on the revenue generated by the individual activities for repayment. Accordingly, condensed financial statements (expressed in thousands) for these segments for the fiscal year ended June 30, 2010, are presented on the following pages:

CONDENSED STATEMENT OF NET ASSETS

	Single Family	Mortgage Revenue	Homeownership Bond	Revenue Reserve
Assets				
Current restricted assets	$ 21,729	$ 63,496	$ —	$ 10,053
Other current assets	33	395	—	12
Noncurrent restricted assets	181,631	611,828	121,118	28,551
Other noncurrent assets	639	4,714	375	—
Total assets	204,032	680,433	121,493	38,616
Liabilities				
Current liabilities payable from restricted assets	16,396	45,886	—	—
Other current liabilities	—	4	1,077	65,166
Noncurrent liabilities	88,841	566,850	120,000	—
Total liabilities	105,237	612,740	121,077	65,166
Net assets				
Restricted and expendable for:				
Debt service	13,610	30,120	—	—
Bond reserves	3,209	7,622	—	—
Special programs	81,976	29,952	416	38,551
Total net assets	**$ 98,795**	**$ 67,694**	**$ 416**	**$ 38,551**

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	Single Family	Mortgage Revenue	Homeownership Bond	Revenue Reserve
Operating revenues:				
Pledged revenues:				
Interest on loans	$ 7,669	$ 37,360	$ —	$ 483
Income on deposit	248	2,587	26	126
Other revenues:				
Administrative fees and other	47	556	—	141
Total operating revenues	7,964	40,503	26	750
Operating expenses:				
Bond issuance cost amortization	33	443	—	—
Other operating expenses	5,627	34,492	—	208
Total operating expenses	5,660	34,935	—	208
Operating income	2,304	5,568	26	542
Transfers:				
Transfers in	—	3,213	390	7,773
Transfers out	(11,471)	—	—	—
Increase in net assets	(9,167)	8,781	416	8,315
Beginning net assets	107,962	58,912	—	30,236
Ending net assets	**$ 98,795**	**$ 67,693**	**$ 416**	**$ 38,551**

CONDENSED STATEMENT OF CASH FLOWS

	Single Family	Mortgage Revenue	Homeownership Bond	Revenue Reserve
Net cash provided (used) by:				
Operating activities	$ 1,255	$ 72,028	$ —	$ (26,895)
Noncapital financing activities	(16,813)	(118,029)	121,092	7,771
Investing activities	254	2,571	26	(7,491)
Net increase (decrease)	(15,304)	(43,430)	121,118	(26,615)
Beginning cash and cash equivalents	40,324	123,041	—	23,472
Ending cash and cash equivalents	**$ 25,020**	**$ 79,611**	**$ 121,118**	**$ (3,143)**

Because the above separately identifiable activities provide essentially similar services to the Authority's customers, they are not considered to be different activities for financial reporting purposes. Accordingly, all of the Housing Authority's activities are reported as a single fund and as a single business-type activity in the accompanying financial statements.

NOTE 19: JOINT VENTURE AND JOINT OPERATION

a. Joint Venture

In May 1997, the Public Service Authority (the Authority), a major discretely presented component unit, along with two unrelated publicly owned electric utilities formed a wholesale power marketing joint venture called The Energy Authority (TEA). Subsequently, three additional unrelated entities joined TEA. The Authority engages in gas hedging activities through TEA to reduce the cost of fuel inventories. The Authority now has a 25% ownership interest, which it records as an equity investment. TEA provides services to its member organizations, as well as to certain non-member organizations, and allocates transaction savings and operating expenses to its member organizations pursuant to a settlement agreement.

During its fiscal year ended December 31, 2009, the Authority received distributions of $8.065 million from TEA and recognized $9.301 million in reductions to power costs and increases in electric revenues.

The Authority has provided certain guarantees and has pledged certain collateral to support TEA's transactions. The Authority's Board of Directors has approved the use of up to $89.700 million to support TEA's activities.

At December 31, 2009, the Authority had a payable to TEA of $4.400 million for power and gas purchases. In addition, the Authority had a receivable due from TEA of approximately $3.700 million for power sales and sales of excess gas capacity.

Interested parties may obtain a copy of TEA's financial statements by writing to:

The Energy Authority
301 West Bay Street, Suite 2600
Jacksonville, Florida 32202
www.teainc.org

b. Joint Operation

The Summer Nuclear Station is a joint operation owned by the Public Service Authority (the Authority), a major discretely presented component unit and regulated electric utility, and the South Carolina Electric and Gas Company (SCE&G), a non-governmental electric utility. The Authority owns an undivided one-third interest in the Station while SCE&G owns an undivided two-thirds interest. SCE&G is solely responsible for the Station's design, construction, management, budgeting, operation, maintenance, and decommissioning; and the Authority is obligated to pay its ownership share of all costs relating thereto. The Authority receives one-third of the net electricity generated.

In accordance with regulatory accounting practices, the Authority reported capital assets of $522.700 million, accumulated depreciation of $301.700 million, and expenses of $64.000 million, which represent its interest in this joint operation. The Summer Nuclear Station is not a separate legal entity and does not prepare separate financial statements.

The Nuclear Regulatory Commission (NRC) requires a licensee of a nuclear reactor to provide minimum financial assurance of its ability to decommission its nuclear facilities. A site-specific decommissioning study completed in 2006 estimated the Authority's share of decommissioning costs for the Summer Nuclear Station as $178.900 million in 2006 dollars. The Authority accrues its share of the estimated decommissioning costs over the remaining life of the facility. These costs are being recovered through the Authority's rates.

To comply with the NRC regulations, the Authority established an external trust fund and has been making deposits into this fund since September 1990. In addition, the Authority established an internal decommissioning account. The Authority

makes deposits into this fund in the amount necessary to fund the difference between the 2006 site-specific study and the NRC's imposed minimum requirement. Based on current decommissioning cost estimates developed by SCE&G, these funds, which totaled $155.000 million (adjusted to market) at December 31, 2009, along with future deposits into both the external and internal decommissioning accounts and investment earnings, are expected to provide sufficient funds for the Authority's share of the estimated decommissioning costs.

On May 22, 2008, the Authority and SCE&G entered into an agreement for the design and construction of two 1,100 megawatt nuclear generating units at the existing Summer Nuclear Station site. The Authority's Board of Directors approved spending up to $1.900 billion on this project through December 31, 2011.

NOTE 20: RELATED PARTY TRANSACTIONS

These financial statements exclude certain related foundations and other organizations, including those discussed below. (See also Note 1a, Scope of Reporting Entity.)

During the fiscal year ended June 30, 2010, the Educational Television Endowment of South Carolina, Inc., disbursed $4.419 million on behalf of the Departmental General Operating Fund, a major governmental fund, for programs, development, advertising, and other costs.

The following organizations are related to the Higher Education Fund, a major enterprise fund: the University of South Carolina Development Foundation; the University of South Carolina Business Partnership Foundation; the University of South Carolina Research Foundation; the Greater University of South Carolina Alumni Association; the Carolina Piedmont Foundation, Inc.; the Lancaster County Educational Foundation, Inc.; the Clemson University Research Foundation; the Clemson University Continuing Education and Conference Complex Corporation; the Clemson Advancement Foundation for Design and Building; the MUSC Foundation of the Medical University of South Carolina; the Medical University of South Carolina Foundation for Research Development; the Coastal Educational Foundation, Inc.; the Coastal Carolina University Student Housing Foundation; the Horry County Higher Education Commission; the College of Charleston Foundation; the Winthrop University Foundation; the Winthrop University Real Estate Foundation; the Francis Marion University Foundation; the Francis Marion University Student Housing LLC; The Citadel Foundation; The Citadel Alumni Association; The Citadel's Brigadier Foundation; South Carolina State Educational Foundation; the Lander Foundation; Aiken Technical College Foundation, Inc.; Florence-Darlington Technical College Foundation; Horry-Georgetown Technical College Foundation; Greenville Tech Foundation, Inc.; Midlands Technical College Foundation; Orangeburg-Calhoun Technical College Foundation; Piedmont Technical College Foundation; Spartanburg Technical College Foundation; Tri-County Technical College Foundation; Trident Technical College Enterprise Campus Authority; and York Technical College Foundation. During the fiscal year ended June 30, 2010, the State entered into various transactions with these organizations. Approximate amounts within the State's Higher Education Fund that represent transactions with these related parties include: receivable from foundations–$78.282 million; donations of cash and other assets from foundations–$160.012 million; expenditures paid to foundations–$5.131 million; and reimbursements to the State for expenses/expenditures the State incurred on behalf of foundations–$4.957 million.

The Education Assistance Authority Fund, a major enterprise fund, has designated the South Carolina Student Loan Corporation (SLC) as the entity to administer the enterprise fund's student loan program. During the fiscal year ended June 30, 2010, the enterprise fund entered into various transactions with SLC. Approximate amounts within the enterprise fund that represent these transactions include: accounts receivable from SLC–$907.929 million; program revenue from SLC–$16.456 million; reimbursements to SLC for administrative costs–$6.765 million; and payable to SLC–$19.848 million.

NOTE 21: MAJOR DISCRETELY PRESENTED COMPONENT UNITS

a. Significant Transactions of Major Component Units with the Primary Government

The Public Service Authority makes payments to the General Fund in lieu of taxes each year based on requirements under bond indentures. These payments totaled $20.511 million during the Authority's fiscal year ended December 31, 2009.

During the fiscal year ended June 30, 2002, the State Ports Authority resolved to contribute a total of $45.000 million over twenty-six years to the Local Government Infrastructure Fund, a major governmental fund, for the Cooper River Bridge project in Charleston. The Authority made a payment of $1.000 million during the fiscal year ended June 30, 2010.

The South Carolina Lottery for Education Act requires the Lottery Commission to transfer all proceeds from lottery ticket sales and other revenues net of expenses to the Education Lottery Fund, a nonmajor governmental fund. The Commission transferred $270.509 million during the fiscal year ended June 30, 2010; the Commission owed an additional $25.634 million to the Fund at June 30, 2010.

b. Concentrations of Credit Risk

The Public Service Authority and State Ports Authority have chosen to present their statements in accordance with applicable pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989. Accordingly, these component units present disclosures regarding concentrations of credit risk.

Public Service Authority

Concentrations of credit risk with respect to the Public Service Authority's receivables are limited due to its large number of customers and their dispersion across different industries. The Authority maintains an allowance for uncollectible accounts based on the expected collectibility of all accounts receivable. The Authority's sales to its two major customers for its fiscal year ended December 31, 2009, were as follows (expressed in thousands):

Customer	Revenue	% of Total Sales Revenue
Central Electric Power Cooperative, Inc.....	$ 997,000	59%
Alumax of South Carolina, Inc.....	169,000	10%

No other customer accounted for more than 10% of the Authority's sales.

State Ports Authority

During the fiscal year ended June 30, 2010, of the State Ports Authority's total revenues, three customers accounted for approximately 15%, 13%, and 12% each. The Authority performs ongoing credit evaluations of its customers and generally operates under international laws, which may provide for a maritime lien on vessels in the event of default on credit terms. The Authority maintains reserves for potential credit losses.

c. Inequality of Due from Component Units and Due to Primary Government

Due from Component Units was $163.236 million and Due to Primary Government was $163.054 million, a difference of $182 thousand. This situation occurred because the Public Service Authority and the Connector 2000 Association, Inc. report using a fiscal year ending December 31. At June 30, 2010, the Public Service Authority owed the General Fund its semi-annual payment of $9.620 million in lieu of taxes, which is reported as Due from Component Units. At December 31, 2009, the Connector 2000 Association, Inc. owed the Department of Transportation Special Revenue Fund $9.438 million for maintenance costs, which is reported as Due to Primary Government.

NOTE 22: CONTINGENCIES AND COMMITMENTS

a. Litigation

Primary Government

Among the unresolved legal actions in which the State was involved at June 30, 2010, are seven cases that challenge the legality of certain taxes. In the event of unfavorable outcomes for these cases, the State does not expect the ultimate liability to exceed $160.912 million. Although State losses in these cases could reduce future revenues, the preceding estimates do not include any impact on future revenues.

The South Carolina Retirement Systems (the Systems) has been involved in three lawsuits, which are putative class actions, involving legislation (Act No. 153, 2005 S.C. Acts and Joint Resolutions) requiring that employees who return to work after retirement (including employees participating in the Teacher and Employee Retention Incentive [TERI] Program) resume making contributions into the retirement system. In the first suit, the plaintiffs alleged that requiring such contributions constituted a breach of contract, an impairment of contractual rights, an unlawful taking of property and was precluded by promissory estoppel. A circuit court judge has certified the class of this case and issued an order on the merits in the matter granting the Plaintiffs relief based on the equitable theory of estoppel. The circuit court denied all other claims for relief made by the Plaintiffs, including their contract causes of action. This matter is in appeal to the S.C. Supreme Court. It is premature to estimate any potential loss associated with this order; however, as of June 30, 2010, the Systems had collected approximately $44.5 million in the form of retirement contributions from members who retired prior to July 1, 2005 and returned to work. If the Plaintiffs were to prevail, these contributions would be refunded to the members and no future contributions could be collected from them. The Systems and the State believe their defense is meritorious and intend to vigorously contest these claims. The second putative class action case filed in August, 2005, alleges that the law requiring working retirees in the Police Officers Retirement System (PORS) to make employee contributions is unconstitutional and illegal. This is the companion case of the case above. A circuit court judge has certified the class of this case and issued an order on the merits in the matter granting the Plaintiffs relief based on the equitable theory of estoppel. The circuit court

denied all other claims for relief made by the Plaintiffs, including their contract causes of action. This matter is in appeal to the S.C. Supreme Court. It is premature to estimate any potential loss associated with this order; however, as of June 30, 2010, the Systems had collected approximately $14.3 million in the form of retirement contributions from members who retired prior to July 1, 2005 and returned to work. If the Plaintiffs were to prevail, these contributions would be refunded to the members and no future contributions could be collected from them. The Systems and the State believe their defense is meritorious and intend to vigorously contest these claims. The third putative class action was filed in federal court in August, 2010. It seeks relief based on causes of action similar to those that were raised and disposed of in the two cases described above. Additionally, the plaintiffs all retired after Act No. 153, 2005 S.C. Acts and Joint Resolutions, was enacted and thus were on notice that they would pay retirement contributions if they chose to return to work. As of June 30, 2010, the Systems had collected approximately $71.5 million in the form of retirement contributions from members who are retired and returned to work on or after July 1, 2005. The Systems and the State believe their defense is meritorious and intend to vigorously contest these claims.

The State is involved in other legal proceedings pertaining to matters incidental to the performance of routine governmental operations. Such litigation includes cases involving claims asserted against the State arising from alleged torts, breach of contract, and possible violations of State laws. In the event of unfavorable outcomes in all of the above matters, the State's estimated liability would be approximately $16.6 million.

While the State is uncertain as to the ultimate outcome of any of the above-described lawsuits, it believes its positions are meritorious and it is vigorously defending its position in each case.

The State is involved in a number of cases in which the amounts of potential losses, if any, are not presently determinable. These cases include one contending that the funding of public education in South Carolina is inequitable and inadequate. The State moved to dismiss the case, and the Circuit Court granted that motion. The plaintiffs appealed, and the State Supreme Court affirmed part of the Circuit Court's order but remanded the case to the Circuit Court for further proceedings as to the issue of alleged inadequate educational opportunity. The Court denied the plaintiffs' request to add a damage claim. The Court issued an order during December 2005 in which the Court found in favor of the State on most issues, but ruled that the State is failing to fund early childhood intervention programs adequately. Motions to alter or amend the Circuit Judge's Order were filed in July 2007, but the Court denied the motions. The plaintiffs, the House and the Senate appealed to the Supreme Court and the case was argued in June 2008. The Court has not yet issued an Opinion. In a second unrelated case, the plaintiffs allege that a State Dentistry Board's actions interfered with their businesses. The State has filed a motion for summary judgment. In the event the State loses this case, the loss amount may not be limited by the State Tort Claims Act and may exceed the allowable reimbursement from the State's self-insurance fund. In a third unrelated case, the plaintiffs contend that a lack of funding has resulted in the unconstitutional treatment of prison inmates with mental illnesses.

Due to the uncertainty involving the ultimate outcome of the several previously discussed unresolved lawsuits, no provision for potential liability has been made for them in the accompanying financial statements.

Generally, liabilities recorded by the State's Insurance Reserve Fund (see Note 10a), an internal service fund, are sufficient to cover claims arising from alleged torts, up to the liability limits established by the South Carolina Tort Claims Act. Currently, except as described above, no tort claims are pending that are expected to result in any significant liability in excess of the provision for policy claims recorded by the Insurance Reserve Fund.

Major Discretely Presented Component Unit—Public Service Authority

The Public Service Authority, a major discretely presented component unit and electric utility company, is a party to or has an indirect interest in several lawsuits in which the amounts of potential losses, if any, are not presently determinable. The following paragraph discusses the most significant of these cases.

Landowners located along the Santee River contend that the Authority is liable for damage to their real estate because of flooding that has occurred since the U. S. Army Corps of Engineers completed its Cooper River Rediversion Project in 1985. A 1997 trial returned a jury verdict against the Authority on certain causes of action. The Authority appealed the decision and the case was remanded to District Court. The Authority has entered into a settlement agreement with the plaintiffs, which will involve mediation of the claims and a non-jury hearing regarding those claims which cannot be resolved through mediation. Pursuant to this agreement, the claims of five landowners have been resolved with the Authority paying $15.6 million for those claims. The claims of seven landowners were tried in July 2009. The court entered a judgment in the amount of $55 million plus prejudgment interest at eight percent compounded annually. The Authority's motion to reconsider was denied and the Court entered an amended judgment. The Authority paid the judgment amount, approximately $206 million including interest. The contract between the Corps and the Authority requires that the Corps indemnify the Authority for certain claims arising out of the construction and operation of the project. The Authority will seek recovery from the Corps with regard to payment of these claims. No estimate of potential loss to the Authority can be made at this time.

b. Tobacco Settlement Revenue Management Authority

The Tobacco Settlement Revenue Management Authority (the Authority), a blended component unit and nonmajor governmental fund established in 2001, is a public body and an instrumentality of the State. State law transferred to the Authority all of the State's rights and interests under the Master Settlement Agreement (the MSA) and the Consent Decree and Final Judgment between all participating states and the participating tobacco manufacturers. These rights include the State of South Carolina's share of all tobacco settlement revenues (TSRs) actually received after June 30, 2001, or to be received in the future under the MSA.

The Authority issued asset-backed term bonds in 2001, which were defeased on June 26, 2008, in part by issuing asset-backed refunding bonds. The payment of such refunding bonds is dependent on the receipt of TSRs. The amount of TSRs actually collected is dependent on many factors, including cigarette consumption and the continued financial capability of the original participating manufacturers. Such bonds are secured by, and payable solely from, TSRs and investment earnings pledged under the bond indenture and amounts established and held in accordance with the bond indenture. The term bonds are payable only from the Authority's assets. If the Authority has no assets, it will not pay any principal or interest on the bonds. The TSRs represent the Authority's only source of funds for payments on the bonds; the Authority has no taxing power.

Various parties have instituted litigation alleging, among other things, that the MSA violates certain provisions of federal and State laws. Certain of these actions, if ultimately successful, could result in a determination that the MSA is void or unenforceable. In the event of an adverse court ruling, the Authority may not have adequate financial resources to make payment on the bonds.

c. Federal Grants

The State receives significant federal grant and entitlement revenues. Compliance audits of federal programs may identify disallowed expenditures. Disallowances by federal program officials as a result of these audits may become liabilities of the State. The State records a liability for pending disallowances if settlement is probable and the settlement amount is reasonably estimable. Otherwise, the liability is recorded only when the State and the federal government agree on reimbursement terms. Based on an analysis of historical data, the State believes that any such disallowances relating to the fiscal year ended June 30, 2010, or earlier years will not have a material impact on the State's financial statements.

d. Other Loan Guarantees

The South Carolina Education Assistance Authority, a major enterprise fund, guarantees student loans. At June 30, 2010, these loans totaled $3.813 billion. The United States Department of Education reinsures 100% of losses under these guarantees for loans made prior to October 1, 1993; 98% of losses for loans made on or after October 1, 1993, but before October 1, 1998; and 95% for loans made on or after October 1, 1998. If the loan default rate exceeds 5% of the loans in repayment status, the United States Department of Education decreases the reinsurance rate. The State's default rate during the fiscal year ended June 30, 2010, was less than 1%.

The nonmajor enterprise funds guarantee a portion of a mortgage debt up to a maximum of $1.531 million.

e. Purchase Commitments

Major Discretely Presented Component Unit—Public Service Authority

At December 31, 2009, the Public Service Authority, a major discretely presented component unit and electric utility company, had outstanding minimum obligations under existing purchase contracts totaling $2.170 billion for coal. In addition, minimum obligations under three purchased power contracts as of December 31, 2009, were approximately $65.100 million with a remaining term of twenty-five years, $38.400 million with delivery beginning 2011 with a term of four years, and $685.000 million with delivery beginning 2012 with a term of twenty years. Also at December 31, 2009, the Authority had commitments for nuclear fuel and nuclear fuel conversion contracts of $259.000 million over the next fourteen years. The enrichment and fabrication component of these commitments from 2010 through 2013 totaling $33.300 million is contingent upon the operating requirements of the nuclear unit.

The Authority amended a service agreement in the approximate amount of $103.500 million. The agreement provides a service director, initial spare parts, parts and services for specified maintenance outages, remote monitoring and diagnostics of the turbine generators, and combustion tuning for the gas turbines. In exchange for reduced pricing and added features, the contract term was extended through 2024, but can be terminated at the end of 2015. Also, the Authority has entered into network integration transmission service agreements totaling approximately $8.191 million annually through July 2023.

Major Discretely Presented Component Unit—Lottery Commission

At June 30, 2010, the Lottery Commission had remaining commitments of $56.539 million under service contracts expiring in 2019. The contracts provide, among other things, services and equipment to operate the on-line lottery.

f. Commitments to Provide Grants and Other Financial Assistance

The South Carolina Transportation Infrastructure Bank, reported within the Local Government Infrastructure Fund (a major governmental fund), has agreements with various counties to provide financial assistance totaling $2.358 billion for certain highway and transportation facilities projects. At June 30, 2010, the remaining commitments for these agreements totaled $909.198 million.

At June 30, 2010, the Department of Commerce had outstanding commitments of $285.387 million to provide funds to local governmental entities. These commitments included grants for water and wastewater infrastructure projects, airport construction projects, and rural infrastructure projects. Of the outstanding commitment, $35.305 million will be funded by federal grants and 1.220 million will be funded with private aid.

At June 30, 2010, the Budget and Control Board had outstanding commitments of $142.324 million to provide loans and grants for water and wastewater projects and energy efficiency improvement projects. Federal grants will fund $61.334 million of this commitment.

At June 30, 2010, the Division of Aeronautics had outstanding commitments of $1.979 million for grants made to municipal and county airports for capital improvements.

At June 30, 2010, the State Board for Technical and Comprehensive Education had outstanding commitments of $8.288 million to provide training for new and expanding business and industry in the State.

At June 30, 2010, the Department of Public Safety had outstanding commitments of $34.836 million for pass-through grants to various State agencies, local governments, and not-for-profit entities, of which $34.663 million will be funded by federal grants.

At June 30, 2010, the South Carolina Law Enforcement Division had outstanding commitments of $55.181 million, all of which will be funded by federal grants.

The State Housing Finance and Development Authority had $1.785 million in outstanding commitments for special initiatives under the Program Fund at June 30, 2010. The Housing Trust Fund, reported within the nonmajor governmental funds, had financial award commitments outstanding of $7.938 million at June 30, 2010, for affordable housing projects and developments.

g. Connector 2000 Association, Inc.—Going Concern

During its fiscal year ended December 31, 2001, the Connector 2000 Association, Inc., a major discretely presented component unit, opened the Southern Connector toll road to public traffic and began toll collections. Since commencing operations, the Southern Connector has experienced significantly lower traffic counts than those projected during the planning phase of the project. Because the Association pledged these toll collections for debt service payments on its toll road revenue bonds, the Association's debt service capability also is affected. Debt service on the bonds increased sharply beginning in January 2008 as principal began to mature. Through 2009, the shortfall was covered by withdrawals from the Debt Service Reserve Accounts maintained by the Trustee under the indenture.

The Association has been unable to comply with the bond revenue covenant since January 2005. As of January 1, 2008 (after 36 consecutive months), the Association is in technical default under the bond indenture. The Association received a notice of default from the Trustee in January 2008 and again in May 2009. The bond documents provide the Trustee with certain specific remedies in the event of such default. As of June 2010, the Association had not received any communications from the Trustee initiating any proceedings under the Specific Remedies provision of the bond indenture.

In February 2008, the Association hired a special financial consultant to explore alternatives related to its existing capital structure. Based on the findings of the financial analysis, the Association announced in April 2009, that a long-term concession agreement with a new toll road operator does not appear feasible, nor does a conventional refunding of the Association's existing bonds by issuing or incurring new debt. The consultant informed the Association that restructuring the bonds outside of bankruptcy would be extremely difficult.

The Association also hired an engineering consultant to perform an investment grade traffic and revenue study to inform the concession or restructuring process. In May 2009, in response to the study's findings, the Association requested SCDOT revise the toll rate schedule for the Southern Connector Toll Road. SCDOT granted the Association's request in August 2009.

On June 12, 2009, SCDOT asserted that an Event of Default had occurred under Section 14.1(d) of the License Agreement. The License Agreement permits SCDOT to terminate the License Agreement upon the occurrence of an Event of Default. SCDOT did not terminate the agreement and agreed to give the Association at least 90 days prior written notice of the effective date of any such termination. In consideration of the 90 day notice, the Association agreed to diligently undertake efforts to restructure its indebtedness and to include in its proposed debt adjustment plan the funding of repairs and replacements to the Southern Connector.

The Association presented to the Senior Bond Trustee, the Subordinate Trustee, SCDOT and the Restricted Owners a draft debt adjustment plan (the Association's Plan) dated August 2009. This plan was structured to return the greatest value to the owners of the Senior Bonds as possible under the constraints of the remaining term of the License Agreement, the obligation to repair and resurface the road, and the projected toll revenues and operating expenses based upon the engineering

study. Under the Association's Plan, the Subordinate Bonds would not receive any payment since the Senior Bonds would not receive full payment.

The Senior Bond Trustee and its counsel then engaged a financial advisor to review the Association's Plan. The Senior Bond Trustee, the Subordinate Bond Trustee, and the Restricted Owners rejected the Association's Plan. The financial advisor met with the Association, SCDOT, and others and developed an alternative plan, which was presented to the Association, SCDOT, and the Restricted Owners in October 2009. The plan was based on the engineers projections, proposed to exchange two series of securities for the outstanding principal and interest owing on the Association's Senior Bonds, called for a 35-year extension of the License Agreement, and included provisions to fund a substantial portion of the projected road resurfacing and repair costs out of toll revenues under the extended License Agreement. Although the plan did not address repayment of the Subordinate Bonds, implementation of the plan under the assumptions set forth therein would permit the Association to use toll revenues to repay a portion of the amounts currently owed to the Subordinate Bondholders during the remaining term of the extended License Agreement after the securities exchanged for the Senior Bonds were repaid.

In compliance with the provisions of the Continuing Disclosure Agreement with the Trustee, the Association filed Event Notice No. 2010-1 in January 2010. This notice announced that (a) traffic on the Southern Connector was inadequate to permit the Association to collect sufficient toll revenues to pay debt service on the Bonds which came due on January 1, 2010 and (b) as a result of the payment default, the Association has been advised that the rating on the Series 1998A Bonds and the Series 1998B Bonds will be further reduced by Standard & Poor's Rating Group from the then current rating of "C" to "D". The Series 1998C Bonds have never been rated by any nationally recognized municipal credit rating agency.

In May 2010, the Association was informed by the Senior Bond Trustee and SCDOT that they did not expect to obtain approval of legislation deemed by SCDOT to be necessary to authorize SCDOT to extend the term of the License Agreement. Based upon these developments, the Association then pursued discussions with the Senior Bond Trustee, the financial advisor and the Restricted Owners regarding a debt adjustment plan which could be implemented over the remaining term of the License Agreement without any extension. These efforts resulted in the Restricted Owners and the Association developing the terms of a debt adjustment plan.

In an effort to obtain consent from all interested parties, the Association presented the debt adjustment plan to SCDOT. SCDOT informed the Association in June 2010 that SCDOT would not agree to the debt adjustment plan. Efforts to solicit or negotiate acceptable changes to the debt adjustment plan failed. As a result of the foregoing, in June 2010, the Association filed a petition for adjustment of its obligations in the U.S. Bankruptcy Court for the State of South Carolina.

As a result of the above, there is substantial doubt about the Association's ability to continue as a going concern.

h. Unemployment Compensation Benefits Fund—Liquidity

To date, the Unemployment Compensation Fund, a major enterprise fund, has generated substantial operating losses and has been required to use all of its cash resources to fund its operations. Due to the increasing unemployment rate and the resulting increased amount of unemployment benefits, and the increased length of time over which the benefits are paid, the Fund has been required to obtain advances from the Federal Unemployment Fund, the balance of which is $886.662 million as of June 30, 2010.

Management plans to continue to borrow from the Federal government to fund its deficits for the foreseeable future. The State has implemented comprehensive changes to the Unemployment Insurance (UI) tax structure specifically designed to assist in putting the Fund back on the path to solvency. See Note 12, subsection i.

NOTE 23: INVESTMENT MARKET UNCERTAINTY

As of June 30, 2010, the State's investment portfolio has incurred a increase in the values reported in the accompanying financial statements. However, as the values of individual investments fluctuate with market conditions, the amount of investment gains that the State may recognize in its future financial statements, if any, cannot be determined. The State believes that any investments that experience increase in value will be temporary unrealized gains as they have the intent and ability to hold such investments until maturity.

NOTE 24: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2010, the Social Rehabilitation Services function within Other Budgeted Funds had $228.149 million of expenditures in excess of appropriations at the level of legal control. These over-expenditures were mostly associated with the Federal Food Stamp Assistance Program. The Department of Social Services (DSS) had sufficient budgetary-basis revenue and cash to provide for all of its budgetary-basis expenditures, but failed to obtain formal authorization from Office of State Budget for the over expenditures. DSS has been converted to the new state-wide accounting system that contains edits that would not allow DSS to record these type of expenditures without receiving the proper budgetary authorization.

REQUIRED SUPPLEMENTARY INFORMATION—

Other than Management's Discussion and Analysis

(Unaudited)

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)
BUDGETARY GENERAL FUND

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget—Positive (Negative)
	Original	Final		
Revenues:				
Regular sources				
Retail sales tax	$ 2,192,353	$ 2,137,180	$ 2,190,976	$ 53,796
Income tax, individual	2,469,023	2,037,184	2,170,910	133,726
Income tax, corporation	128,927	114,463	109,557	(4,906)
Total income and sales tax	4,790,303	4,288,827	4,471,443	182,616
Admissions tax	27,467	27,467	26,164	(1,303)
Aircraft tax	5,115	5,115	5,357	242
Alcoholic liquor tax	57,362	57,362	57,463	101
Bank tax	7,425	7,425	15,672	8,247
Beer and wine tax	107,385	107,385	99,230	(8,155)
Tobacco tax	28,000	28,000	35,257	7,257
Coin-operated device tax	1,518	1,518	1,723	205
Corporation license tax	92,132	90,340	73,413	(16,927)
Departmental revenue (primarily fees for services)	43,108	43,108	63,753	20,645
Documentary tax	37,966	37,966	31,003	(6,963)
Earned on investments	67,000	51,000	41,707	(9,293)
Estate tax	—	—	73	73
Insurance tax	173,600	173,650	158,647	(15,003)
Motor transport fees	10	10	1	(9)
Motor vehicle licenses	15,658	15,627	12,362	(3,265)
Private car lines tax	4,034	4,034	3,957	(77)
Public Service Authority	16,340	16,340	18,588	2,248
Retailers' license tax	884	884	799	(85)
Savings and loan association tax	2,002	2,003	3,422	1,419
Workers' compensation insurance tax	14,656	14,656	12,945	(1,711)
Total regular sources	5,491,965	4,972,717	5,132,979	160,262
Miscellaneous sources				
Circuit and family court fines	10,664	10,664	9,724	(940)
Debt service reimbursement	188	188	536	348
Indirect cost recoveries	16,680	16,680	16,086	(594)
Mental health fees	3,200	3,200	3,400	200
Parole and probation supervision fees	3,393	3,393	3,393	—
Unclaimed property fund transfer	12,000	12,000	12,000	—
Nonrecurring revenue	13,912	13,912	63,778	49,866
Total miscellaneous sources	60,037	60,037	108,917	48,880
Total revenues	**5,552,002**	**5,032,754**	**5,241,896**	**209,142**

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)

BUDGETARY GENERAL FUND (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget—Positive (Negative)
	Original	Final		
Expenditures:				
Legislative	$ 38,051	$ 35,345	$ 29,826	$ 5,519
Judicial	25,228	22,791	22,783	8
Executive and administrative	138,117	130,327	114,943	15,384
Educational	2,902,666	2,677,640	2,668,008	9,632
Health	1,413,739	1,259,754	1,027,887	231,867
Social rehabilitation services	128,009	133,853	132,591	1,262
Correctional and public safety	501,030	489,241	487,143	2,098
Conservation, natural resources, and development	138,892	125,223	109,280	15,943
Regulatory	46,167	45,327	45,298	29
Transportation	5,093	9,035	3,147	5,888
Debt service	197,274	197,274	194,729	2,545
Aid to subdivisions	270,638	280,659	280,606	53
Total expenditures	**5,804,904**	**5,406,469**	**5,116,241**	**290,228**
Excess of revenues over (under) expenditures—budgetary basis	**(252,902)**	**(373,715)**	**125,655**	**499,370**
Fund balance at beginning of year—budgetary basis	**120,512**	**120,512**	**120,512**	**—**
Fund balance (deficit) at end of year—budgetary basis	**$ (132,390)**	**$ (253,203)**	**$ 246,167**	**$ 499,370**

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)
OTHER BUDGETED FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget—Positive (Negative)
	Original	Final		
Revenues:				
Federal	$ 7,857,662	$ 8,993,569	$ 8,042,528	$ (951,041)
Earmarked	4,581,224	5,331,333	4,016,701	(1,314,632)
Restricted	2,495,150	2,899,320	2,682,813	(216,507)
Total revenues	**14,934,036**	**17,224,222**	**14,742,042**	**(2,482,180)**
Expenditures:				
Legislative	2,946	3,822	2,026	1,796
Judicial	31,574	42,950	34,629	8,321
Executive and administrative	451,611	719,691	505,671	214,020
Educational	4,804,506	5,889,838	4,427,597	1,462,241
Health	6,093,156	6,402,498	5,749,022	653,476
Social rehabilitation services	1,578,479	1,660,830	1,888,979	(228,149)
Correctional and public safety	210,561	362,072	225,304	136,768
Conservation, natural resources, and development	364,608	543,093	347,408	195,685
Regulatory	284,916	432,682	353,252	79,430
Transportation	1,201,365	1,532,181	1,374,155	158,026
Other	81,039	81,039	81,039	—
Total expenditures	**15,104,761**	**17,670,696**	**14,989,082**	**2,681,614**
Net increase (decrease) in fund balance—budgetary basis	**(170,725)**	**(446,474)**	**(247,040)**	**199,434**
Fund balance at beginning of year—budgetary basis	**1,937,896**	**1,937,896**	**1,937,896**	**—**
Fund balance at end of year—budgetary basis	**$ 1,767,171**	**$ 1,491,422**	**$ 1,690,856**	**$ 199,434**

Notes to the Required Supplementary Information--Budgetary

NOTE 1: BUDGETARY FUNDS AND PERSPECTIVE DIFFERENCES

a. Budgetary Funds

South Carolina's Annual Appropriation Act, the State's legally adopted budget, does not present budgets by GAAP fund. Instead, it presents program-level budgets for the following two funds:

General Funds. These funds are general operating funds. The resources in these funds are primarily taxes. The State expends General Funds to provide traditional State government services. The General Funds column in the Appropriation Act differs somewhat from the GAAP General Fund and is referred to within these notes and in the accompanying schedule as the *Budgetary General Fund*.

Total Funds. The Total Funds column in the Appropriation Act includes all budgeted resources. Amounts in this column include General Funds as well as most, but not all, federal and department-generated resources. Total funds include portions of certain proprietary and capital project fund activities as well as most special revenue activities but, exclude the pension trust funds and some other fiduciary fund activities.

Amounts obtained by subtracting the General Funds column in the Appropriation Act from the Total Funds column in the Appropriation Act are referred to within these notes and in the accompanying schedules as *Other Budgeted Funds*.

b. Perspective Differences

Perspective differences exist when the structure of financial information for budgetary purposes differs from the fund structure that is defined by GAAP. Although there are some perspective differences between the Budgetary General Fund and the GAAP General Fund, those differences are *not* significant enough to prevent the State from preparing a budgetary comparison schedule for the Budgetary General Fund.

In contrast, however, there are *significant* perspective differences between the Other Budgeted Funds and the State's GAAP funds, including its major special revenue funds. These perspective differences are so significant that the State is unable to present separate budgetary comparison schedules for its major special revenue funds. Accordingly, the State instead has presented a budgetary comparison schedule for its Other Budgeted Funds in accordance with GASB Statement No. 41, *Budgetary Comparison Schedules—Perspective Differences*.

NOTE 2: ORIGINAL AND FINAL BUDGETED AMOUNTS; BASIS OF PRESENTATION

a. Budgetary General Fund

Each year, the General Assembly enacts an Appropriation Act that includes initial estimated revenue and appropriation figures for the Budgetary General Fund. The *original appropriations* presented in the accompanying schedule for the Budgetary General Fund include the amounts displayed in the Appropriation Act as well as any appropriations authorized to carry forward from the preceding fiscal year. *Original estimated revenues* in the accompanying schedule for the Budgetary General Fund include amounts displayed in Section 88 (*Revenue*) of the Appropriation Act and nonrecurring transfers from other funds that were legislatively required by various provisos within the Appropriation Act.

The accompanying schedule for the Budgetary General Fund presents a fund balance section whereas the budget document does not present fund balances; in other respects, however, the format of the accompanying schedule is substantively the same as for the legally enacted budget.

After the beginning of the fiscal year, departments and agencies may request transfers of appropriations among programs. No such transfer request may exceed 20.0% of the program budget. In addition, the Budget and Control Board, composed of five key executive and legislative officials, has the authority to approve transfers of appropriations between personal service and other operating accounts.

The Appropriation Act for the 2009-2010 fiscal year directs the Budget and Control Board to reduce the Budgetary General Fund's appropriations during the year if necessary to prevent a deficit. Likewise, the State Board of Economic Advisors may approve revisions of estimated revenues for the Budgetary General Fund during the year.

b. Other Budgeted Funds

The *original appropriations* presented in the accompanying schedule for Other Budgeted Funds include the amounts displayed in the Appropriation Act as well as any appropriation reductions specifically authorized by law to prevent duplicate appropriations. The terminology, classifications, and format of the appropriations section of the accompanying schedule for Other Budgeted Funds is substantively the same as for the legally enacted budget.

The State's General Assembly does not approve estimated revenue or fund balance amounts for Other Budgeted Funds (or for Total Funds). However, Section 87 (*Recapitulation*) of the Appropriation Act includes net *source of funds* amounts (i.e., estimated cash brought forward from the previous fiscal year plus estimated revenue for the current fiscal year minus estimated cash to be carried forward to the following fiscal year) for three categories of Other Budgeted Funds: Federal, Earmarked, and Restricted. The *original estimated revenue* amounts in the accompanying schedule for Other Budgeted Funds were obtained from the State Budget Office's breakdown of the source of funds amounts.

As operating conditions change, departments and agencies may request revisions of budgeted amounts in Other Budgeted Funds. Such changes require the Budget and Control Board's approval. Departments and agencies also may request revisions of estimated revenues and appropriations for permanent improvement projects. The Budget and Control Board and the Joint Bond Review Committee must approve and review those changes.

NOTE 3: LEGAL LEVEL OF BUDGETARY CONTROL

The State maintains budgetary control at the level of summary object category of expenditure within each program of each department or agency. The State's Appropriation Act for the 2009-2010 fiscal year has approximately 2,500 appropriated line items. These line items constitute the level of legal control over expenditures. The level of legal control for all agencies is reported in a publication of the State Comptroller General's Office titled "A Detailed Report of Appropriations and Expenditures," not included herein.

NOTE 4: BASIS OF BUDGETING

Current legislation states that the General Assembly intends to appropriate all monies to operate State government for the current fiscal year. Unexpended appropriations lapse on July 31 unless the department or agency is given specific authorization to carry them forward to the next fiscal year. Cash-basis accounting for payroll expenditures is required.

State law does not precisely define the State's basis of budgeting. In practice, however, it is the cash basis with the following exceptions:

(i) Departments and agencies charge certain vendor and interfund payments against the preceding fiscal year's appropriations through July 16.

(ii) Certain revenues collected in advance are recorded as liabilities (deferred revenues) rather than as revenues.

(iii) The following taxes are recorded on the modified accrual basis in accordance with State law: admissions tax, alcoholic liquors tax, beer and wine tax, business license tax, documentary tax, electric power tax, gasoline and motor fuel taxes, and sales, use, and casual excise taxes.

(iv) Certain non-cash activity, such as food stamp benefits, is recorded as revenue and expenditure in the fiscal year in which the resources are distributed to the beneficiaries.

(v) All other revenues are recorded only when the State receives the related cash.

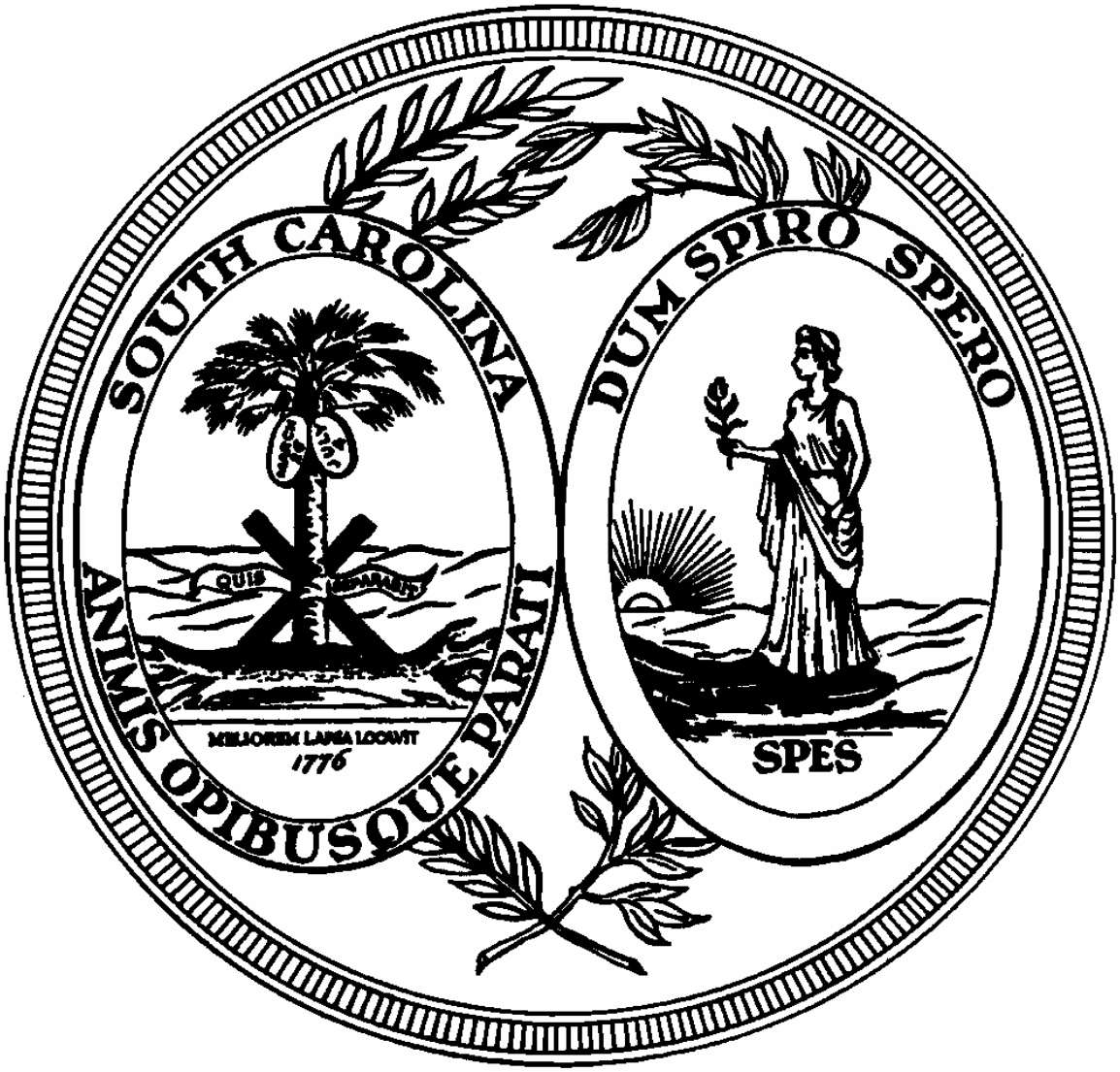
NOTE 5: RECONCILIATION OF BUDGET TO GAAP REPORTING DIFFERENCES

The accompanying budgetary comparison schedules compare the State's legally adopted budget with actual data in accordance with the State's basis of budgeting. Budgetary accounting principles differ significantly from GAAP accounting principles. These different accounting principles result in basis, perspective, and entity differences in the net increase in fund balance—budgetary basis. *Basis differences* arise because the basis of budgeting differs from the GAAP basis used to prepare the statement of revenues, expenditures, and changes in fund balances—governmental funds. *Perspective differences* result because the Appropriation Act's program-oriented structure differs from the fund structure required for GAAP. *Entity differences* arise because certain activity reported within the State's financial reporting entity for GAAP purposes is excluded from the Appropriation Act. These differences (expressed in thousands) for the fiscal year ended June 30, 2010, were as follows:

Budgetary funds	***Budgetary General Fund***	***Other Budgeted Funds***	**Major Special Revenue Funds**			
GAAP funds	**General Fund**	**Not Applicable**	**Departmental General Operating**	**Local Government Infrastructure**	**Department of Transportation Special Revenue**	**State Tobacco Settlement**
Net increase (decrease) in fund balance—budgetary basis	$ 125,655	$ (247,040)	$ —	$ —	$ —	$ —
Perspective differences:						
Other Budgeted Funds attributable to nonmajor governmental and other GAAP funds	—	81,272	—	—	—	—
Other Budgeted Funds net decrease allocated among the State's major governmental GAAP funds	3,345	165,768	(58,660)	(7,273)	(102,553)	(627)
Basis of accounting differences	(51,765)	—	97,452	579	29,588	(73)
Entity differences	(34,109)	—	(5,293)	70,540	—	(9,143)
Net increase (decrease) in fund balance—GAAP basis	**$ 43,126**	**$ —**	**$ 33,499**	**$ 63,846**	**$ (72,965)**	**$ (9,843)**

NOTE 6: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2010, the Social Rehabilitation Services function within Other Budgeted Funds had $228.149 million of expenditures in excess of appropriations at the level of legal control. These over-expenditures were mostly associated with the Federal Food Stamp Assistance Program. The Department of Social Services had sufficient budgetary-basis revenue and cash to provide for all of its budgetary-basis expenditures, but failed to obtain formal authorization from Office of State Budget for the over expenditures.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SUPPLEMENTARY INFORMATION

Governmental Funds

Governmental funds include the General Fund, several special revenue funds, a Capital Projects Fund, and two permanent funds. The State does not use debt service funds because it does not accumulate resources to pay future years' general long-term debt principal and interest; instead, the State finances such payments directly from the current year's resources.

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's governmental funds:

- Combining Balance Sheet—Nonmajor Governmental Funds
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Governmental Funds
- General Reserve Fund Activity—Budgetary General Fund

Generally accepted accounting principles (GAAP) for governments require that a Comprehensive Annual Financial Report (CAFR) include budgetary comparison schedules for "individual nonmajor special revenue funds and other governmental funds of the primary government (including its blended component units)." Such schedules would be included as supplementary information in this subsection of the CAFR if they were applicable. The State of South Carolina, however, does not prepare separate budgets for its individual special revenue funds or for its other governmental funds. Accordingly, this subsection includes no budgetary comparison schedules. (Also see the budgetary comparison schedules within the Required Supplementary Information section of this report.)

Note 1b in the notes to the financial statements describes the State's major governmental funds. The paragraphs below describe all other individual governmental funds that the State uses.

a. Nonmajor Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. The State uses the nonmajor special revenue funds described below:

Education Improvement Act Fund. This fund accounts for the special additional 1% sales tax levied to be used exclusively for improvements in elementary and secondary education, including academic loans for future teachers.

Children's Education Endowment Fund. This fund accounts for low-level radioactive waste fees collected from the Barnwell waste facility that are not required to be deposited to the General Fund or remitted to Barnwell County. These funds are to be used for public school facilities assistance and higher education scholarship grants.

Waste Management Fund. This fund accounts for fees collected from consumers, generators of solid and hazardous wastes, and owners and operators of solid waste and hazardous waste storage facilities. These fees must be used for the purposes set forth in the State's Solid Waste Policy and Management Act of 1991 and to cover the State's costs in governmental actions involving uncontrolled hazardous waste sites.

Accommodations and Local Option Sales Tax Fund. This fund accounts for: (1) a special additional 2% sales tax on the gross proceeds on the rental of transient accommodations and (2) a special 1% sales tax applicable in some localities within the State. The State allocates these revenues to counties and municipalities in accordance with State law.

Homestead Exemption Fund. This fund accounts for a special additional 1% sales tax to be used for property tax relief reimbursements. The State allocates these revenues to counties and municipalities in accordance with State law.

Medicaid Expansion Fund. Resources of this fund include county assessments for indigent medical care and a tax on licensed hospitals. The fund was established to provide Medicaid coverage to persons formerly ineligible for such coverage and to provide additional State matching funds for Medicaid.

Tobacco Settlement Revenue Management Authority Fund. The Tobacco Settlement Revenue Management Authority was created to issue bonds that securitized future payments received under the multi-state legal settlement with the tobacco industry. The State transferred to the Authority, from its General Fund, all of its rights to the future tobacco settlement revenues. In return, the Authority transferred part of the bond proceeds to the State Tobacco Settlement Fund.

Education Lottery Fund. State law requires the Lottery Commission, a major discretely presented component unit, to transfer all proceeds from lottery ticket sales and other revenues net of expenses to the Education Lottery Fund. The Fund distributes these monies for education purposes and programs as stipulated in State law. These programs include tuition assistance, needs-based grants, and scholarships for the State's universities and technical colleges.

Public Telecommunications Fund. The Public Telecommunications Fund of the State's Office of Regulatory Staff accounts for revenues collected from telephone companies within the State and redistributed to certain telephone companies in an effort to align prices and cost recovery with costs. This program also is intended to ensure basic telephone service at affordable rates is available to all citizens. Other revenues of the Fund include telephone customer surcharges for the 911 emergency system mandated by the FCC. These monies are collected from the telephone companies and distributed to local governments for their 911 emergency telephone systems.

Other Special Revenue Funds. These funds, aggregated for reporting purposes, account for various other revenues that must be used for specific purposes. These funds include operations of various employment services, water recreation, agricultural boards, forest renewal programs, certain housing programs, medical and dental scholarships, energy-related programs, and certain programs administered by the Department of Probation, Parole, and Pardon Services.

b. Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or in trust funds for individuals, private organizations, or other governments). Capital outlays financed from general obligation bond proceeds are accounted for through the Capital Projects Fund.

c. Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the State's programs—that is, for the benefit of the State or its citizenry.

Bequests Fund. Sometimes private citizens make bequests of specific assets within their wills to the State. Typically, these gifts provide that the State may expend the earnings, but not the principal, to support certain State agencies or certain programs within a specific State agency. The Bequests Fund accounts for these funds.

Wildlife Endowment Fund. The Wildlife Endowment Fund accounts for funds received from private citizens as gifts and contributions, as well as fees for certain lifetime hunting and fishing licenses. The State may expend the earnings, but not the principal, in furthering the conservation of wildlife resources and the efficient operation of the State's Department of Natural Resources.

Combining Balance Sheet

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2010
(Expressed in Thousands)

	SPECIAL					
	Education Improvement Act	Children's Education Endowment	Waste Management	Accommodations and Local Option Sales Tax	Homestead Exemption	Medicaid Expansion
ASSETS						
Cash and cash equivalents	$ 68,318	$ 18,031	$ 236,522	$ 136,834	$ 4,666	$ 24,538
Invested securities lending collateral	490	962	12,095	1,755	—	604
Receivables, net:						
Accounts	118	—	500	3	—	—
Accrued interest	2,726	115	1,497	149	169	168
Sales and other taxes	56,185	—	—	67,655	47,893	876
Loans and notes	21,980	—	—	—	—	—
Due from Federal government and other grantors	—	—	—	—	—	—
Due from other funds	1,101	—	—	107	21,309	—
Due from component units	—	—	—	—	—	—
Interfund receivables	4,000	—	—	—	—	—
Inventories	—	—	3	—	—	—
Restricted assets:						
Cash and cash equivalents	—	—	—	—	—	—
Other	—	—	—	—	—	—
Total assets	**$ 154,918**	**$ 19,108**	**$ 250,617**	**$ 206,503**	**$ 74,037**	**$ 26,186**
LIABILITIES AND FUND BALANCES (DEFICITS)						
Liabilities:						
Accounts payable	$ 5,604	$ —	$ 2,024	$ 38	$ —	$ —
Accrued salaries and related expenditures	770	—	236	—	—	—
Retainages payable	—	—	—	—	—	—
Tax refunds payable	350	—	—	105	338	—
Intergovernmental payables	2,142	189	513	246,081	25,778	—
Due to other funds	1,615	2,435	10,255	319	—	24,435
Interfund payables	313	—	—	—	—	—
Deferred revenues	—	—	—	—	—	24,338
Securities lending collateral	541	1,061	13,336	1,935	—	665
Other liabilities	29	—	—	—	—	—
Total liabilities	**11,364**	**3,685**	**26,364**	**248,478**	**26,116**	**49,438**
Fund balances (deficits):						
Reserved for:						
Inventories	—	—	3	—	—	—
Interfund receivables	—	—	—	—	—	—
Endowments	—	—	—	—	—	—
Long-term loans and notes receivable	20,089	—	—	—	—	—
Debt requirements	—	—	—	—	—	—
School building aid	51,119	—	—	—	—	—
Unreserved:						
Designated for scholarships	14,055	—	—	—	—	—
Designated for capital expenditures	—	—	—	—	—	—
Undesignated	58,291	15,423	224,250	(41,975)	47,921	(23,252)
Total fund balances (deficits)	**143,554**	**15,423**	**224,253**	**(41,975)**	**47,921**	**(23,252)**
Total liabilities and fund balances	**$ 154,918**	**$ 19,108**	**$ 250,617**	**$ 206,503**	**$ 74,037**	**$ 26,186**

REVENUE						PERMANENT			
Tobacco Settlement Revenue Management Authority	Education Lottery	Public Tele-commun-ications	Other Special Revenue	Totals	CAPITAL PROJECTS	Bequests	Wildlife Endowment	Totals	TOTALS
$ 6,766	$ 114,283	$ 41,597	$ 81,543	$ 733,098	$ 438,789	$ 1,430	$ 3,316	$ 4,746	$ 1,176,633
—	6,303	2,075	1,181	25,465	22,610	38	93	131	48,206
—	—	—	151	772	—	—	—	—	772
—	1,275	260	234	6,593	2,066	12	32	44	8,703
—	—	—	966	173,575	328	—	—	—	173,903
—	—	—	14,063	36,043	—	—	—	—	36,043
—	—	—	—	—	449	—	—	—	449
—	8,555	1,930	3,807	36,809	1,118	—	—	—	37,927
—	25,634	—	—	25,634	—	—	—	—	25,634
—	—	—	2,663	6,663	9,227	—	—	—	15,890
—	—	—	—	3	—	—	—	—	3
17,215	—	—	—	17,215	—	—	—	—	17,215
38,618	—	—	—	38,618	—	—	—	—	38,618
$ 62,599	**$ 156,050**	**$ 45,862**	**$ 104,608**	**$ 1,100,488**	**$ 474,587**	**$ 1,480**	**$ 3,441**	**$ 4,921**	**$ 1,579,996**
$ 162	$ 273	$ 1,423	$ 479	$ 10,003	$ 40,329	$ —	$ —	$ —	$ 50,332
—	26	—	762	1,794	13	—	23	23	1,830
—	—	—	—	—	470	—	—	—	470
—	—	—	3	796	—	—	—	—	796
—	378	9,849	3,634	288,564	—	—	—	—	288,564
450	17,949	322	5,780	63,560	21,976	—	10	10	85,546
—	4,027	—	—	4,340	15,440	—	—	—	19,780
—	—	—	61	24,399	104	—	—	—	24,503
—	6,949	2,289	1,302	28,078	24,930	42	103	145	53,153
—	—	—	—	29	—	—	—	—	29
612	**29,602**	**13,883**	**12,021**	**421,563**	**103,262**	**42**	**136**	**178**	**525,003**
—	—	—	—	3	—	—	—	—	3
—	—	—	1,802	1,802	9,228	—	—	—	11,030
—	—	—	—	—	—	714	2,556	3,270	3,270
—	—	—	12,850	32,939	—	—	—	—	32,939
55,833	—	—	—	55,833	—	—	—	—	55,833
—	—	—	—	51,119	—	—	—	—	51,119
—	—	—	—	14,055	—	—	—	—	14,055
—	—	—	—	—	362,097	—	—	—	362,097
6,154	126,448	31,979	77,935	523,174	—	724	749	1,473	524,647
61,987	**126,448**	**31,979**	**92,587**	**678,925**	**371,325**	**1,438**	**3,305**	**4,743**	**1,054,993**
$ 62,599	**$ 156,050**	**$ 45,862**	**$ 104,608**	**$ 1,100,488**	**$ 474,587**	**$ 1,480**	**$ 3,441**	**$ 4,921**	**$ 1,579,996**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	SPECIAL					
	Education Improvement Act	Children's Education Endowment	Waste Management	Accommodations and Local Option Sales Tax	Homestead Exemption	Medicaid Expansion
Revenues:						
Taxes:						
Retail sales and use	$ 550,122	$ —	$ 1,702	$ 597,746	$ 504,734	$ —
Other	—	1,144	—	1	—	265,271
Licenses, fees, and permits	138	—	26,807	—	—	—
Interest and other investment income	3,268	690	7,114	760	1,313	759
Federal	1	—	—	—	—	—
Departmental services	—	—	396	—	—	—
Contributions	—	—	—	—	—	6,713
Fines and penalties	—	—	428	—	—	—
Tobacco legal settlement	—	—	—	—	—	—
Other	478	—	2,010	—	—	—
Total revenues	**554,007**	**1,834**	**38,457**	**598,507**	**506,047**	**272,743**
Expenditures:						
Current:						
General government	8,368	—	63	—	—	—
Education	72,893	7,466	—	—	—	—
Health and environment	585	—	29,145	—	—	311,639
Social services	133	—	—	—	—	—
Administration of justice	775	—	—	—	—	—
Resources and economic development	—	—	—	—	—	—
Capital outlay	—	—	—	—	—	—
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—
Intergovernmental	444,802	6,956	5,512	591,584	854,555	—
Total expenditures	**527,556**	**14,422**	**34,720**	**591,584**	**854,555**	**311,639**
Excess of revenues over (under) expenditures	**26,451**	**(12,588)**	**3,737**	**6,923**	**(348,508)**	**(38,896)**
Other financing sources (uses):						
Bonds and notes issued	—	—	—	—	—	—
Premiums on bonds issued	—	—	—	—	—	—
Transfers in	988	5,038	—	3	350,343	—
Transfers out	(1,424)	(7)	(11,411)	(6,550)	—	—
Total other financing sources (uses)	**(436)**	**5,031**	**(11,411)**	**(6,547)**	**350,343**	**—**
Net change in fund balances	**26,015**	**(7,557)**	**(7,674)**	**376**	**1,835**	**(38,896)**
Fund balances (deficit) at beginning of year (restated)	**117,539**	**22,980**	**231,927**	**(42,351)**	**46,086**	**15,644**
Fund balances (deficits) at end of year	**$ 143,554**	**$ 15,423**	**$ 224,253**	**$ (41,975)**	**$ 47,921**	**$ (23,252)**

REVENUE						PERMANENT			
Tobacco Settlement Revenue Management Authority	Education Lottery	Public Tele-commun-ications	Other Special Revenue	Totals	CAPITAL PROJECTS	Bequests	Wildlife Endowment	Totals	TOTALS
$ —	$ —	$ —	$ —	$ 1,654,304	$ —	$ —	$ —	$ —	$ 1,654,304
—	—	—	26,217	292,633	59	—	—	—	292,692
—	—	65,355	19,751	112,051	—	—	230	230	112,281
7	5,844	1,278	1,083	22,116	11,924	71	187	258	34,298
—	—	—	99	100	10,975	—	—	—	11,075
—	—	8,758	1,063	10,217	207	—	—	—	10,424
—	275,901	—	151	282,765	—	—	—	—	282,765
—	—	—	21,735	22,163	35	—	—	—	22,198
68,709	—	—	—	68,709	—	—	—	—	68,709
—	529	20,098	445	23,560	87	—	—	—	23,647
68,716	**282,274**	**95,489**	**70,544**	**2,488,618**	**23,287**	**71**	**417**	**488**	**2,512,393**
781	2,500	85,999	30,219	127,930	21	—	—	—	127,951
—	238,259	—	—	318,618	—	3	—	3	318,621
—	186	—	30	341,585	—	11	—	11	341,596
—	—	—	9,308	9,441	—	—	—	—	9,441
—	1	—	13,392	14,168	—	—	—	—	14,168
—	—	—	5,150	5,150	—	—	273	273	5,423
—	—	—	—	—	151,555	—	—	—	151,555
63,035	—	—	47	63,082	1,100	—	—	—	64,182
10,000	—	—	6	10,006	1,520	—	—	—	11,526
—	54,460	9,122	18,905	1,985,896	—	—	—	—	1,985,896
73,816	**295,406**	**95,121**	**77,057**	**2,875,876**	**154,196**	**14**	**273**	**287**	**3,030,359**
(5,100)	**(13,132)**	**368**	**(6,513)**	**(387,258)**	**(130,909)**	**57**	**144**	**201**	**(517,966)**
—	—	—	—	—	301,672	—	—	—	301,672
—	—	—	—	—	3,385	—	—	—	3,385
532	1,088	—	10,575	368,567	35,128	—	—	—	403,695
(2,310)	(6,656)	(481)	(4,180)	(33,019)	(95,281)	—	—	—	(128,300)
(1,778)	**(5,568)**	**(481)**	**6,395**	**335,548**	**244,904**	**—**	**—**	**—**	**580,452**
(6,878)	**(18,700)**	**(113)**	**(118)**	**(51,710)**	**113,995**	**57**	**144**	**201**	**62,486**
68,865	**145,148**	**32,092**	**92,705**	**730,635**	**257,330**	**1,381**	**3,161**	**4,542**	**992,507**
$ 61,987	**$ 126,448**	**$ 31,979**	**$ 92,587**	**$ 678,925**	**$ 371,325**	**$ 1,438**	**$ 3,305**	**$ 4,743**	**$ 1,054,993**

General Reserve Fund Activity

BUDGETARY GENERAL FUND

Last Ten Fiscal Years

Article III, Section 36, of the South Carolina Constitution establishes requirements relating to the General Reserve Fund. The reserve primarily is designed to prevent Budgetary General Fund deficits. On November 4, 1988, a Constitutional amendment was passed, which permanently changed the funding requirement for the Reserve to three percent of the Budgetary General Fund revenue of the previous fiscal year.

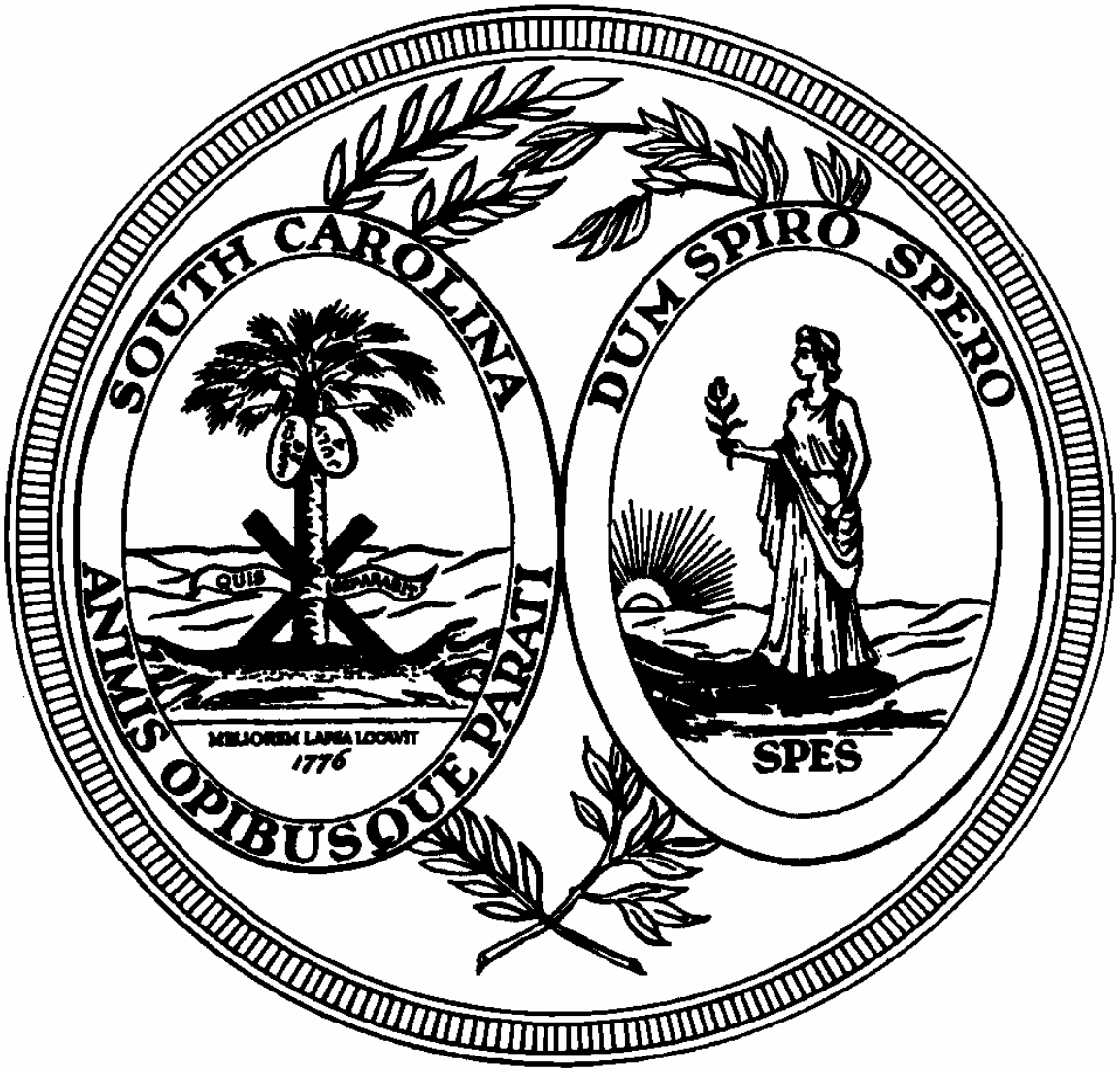
If amounts are withdrawn from the Reserve, the State Constitution requires restoration of the Reserve to full funding within three years.

Key amounts (dollars in thousands) for the General Reserve Fund for the last ten fiscal years are:

Fiscal Year Ended June 30	Start-of-Year Balance	Deposits	Withdrawals	End-of-Year Balance	Full-Funding Amount[a]	Actual End-of-Year % Funded[b]
2001	145,371	2,545	(87,393)	60,523	147,916	41%
2002	60,523	2,286	(62,809)	—	150,202	0%
2003	—	38,797	(38,797)	—	152,410	0%
2004	—	74,455	(49,300)	25,155	147,708	17%
2005	25,155	50,000	—	75,155	149,034	50%
2006	75,155	78,333	—	153,488	153,488	100%
2007	153,488	14,244	—	167,732	167,732	100%
2008	167,732	19,049	(91,658)	95,123	186,781	51%
2009	95,123	12,974	(108,097)	—	199,755	0%
2010	—	110,883	—	110,883	191,772	58%

[a]Equals 3% of the Budgetary General Fund revenues for the previous fiscal year.

[b]Equals (End-of-Year Balance/Full-Funding Amount) expressed as a percentage.


SOUTH CAROLINA
ANIMIS OPIBUSQUE PARATI
QUIS SEPARABIT
MELIOREM LANIA LOCAVIT
1776
DUM SPIRO SPERO
SPES

Proprietary Funds

Proprietary funds include enterprise and internal service funds. This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's proprietary funds:

- Combining Statement of Net Assets—Nonmajor Enterprise Funds
- Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets—Nonmajor Enterprise Funds
- Combining Statement of Cash Flows—Nonmajor Enterprise Funds
- Combining Statement of Net Assets—Internal Service Funds
- Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets—Internal Service Funds
- Combining Statement of Cash Flows—Internal Service Funds

Note 1b in the notes to the financial statements describes the State's major enterprise funds. The paragraphs below describe all nonmajor enterprise funds and the internal service funds that the State uses.

a. Nonmajor Enterprise Funds

The State uses enterprise funds to report activities for which it charges fees to external users for goods or services if *any* of the following situations applies:

- The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
- Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges rather than with taxes or similar revenues.
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

The State uses the nonmajor enterprise funds described below.

Patients' Compensation Fund. This fund provides medical malpractice insurance to any public or private health care provider within the State. This fund is reported as an insurance enterprise.

Patriots Point Development Authority Fund. The Patriots Point Development Authority is responsible for developing and operating the Patriots Point area near Charleston, including a naval museum. The Authority is supported by user fees.

Second Injury Fund. This fund serves as a claims processor for insurance carriers, self-insurers, and the State Accident Fund. The fund processes claims of employees with existing permanent physical impairment who are further injured in the course of their subsequent employment.

Tuition Prepayment Program Fund. This fund, previously known as the PACE program, allows contributors to make payments, under the terms of a tuition prepayment contract, to cover future undergraduate tuition expenses of a designated beneficiary at a South Carolina public higher education institution. Alternatively, the benefits of this contract can be applied toward the cost of tuition, up to the weighted average tuition at South Carolina public institutions, at any accredited college or university to which the designated beneficiary has been admitted.

The Citadel Trust, Inc., Fund. The Citadel Trust was formed for the purpose of investing funds in order to provide scholarship and other financial assistance or support to The Citadel, a higher education institution reported in the Higher Education Fund, a major enterprise fund.

University of South Carolina Trust Fund (the Trust). The Trust operates exclusively for the benefit of the University of South Carolina's School of Medicine to augment and aid education, research, and service in the field of health sciences. The University of South Carolina is a higher education institution reported in the Higher Education Fund, a major enterprise fund. The Trust's fiscal year ends December 31, and the accompanying supplementary information includes the Trust's financial information for the fiscal year ended December 31, 2009.

University Medical Associates Fund (UMA). UMA was established to promote and support educational, medical, scientific, and research purposes of the Medical University of South Carolina (MUSC), a higher education institution reported in the Higher Education Fund, a major enterprise fund. UMA promotes the recruitment and retention of superior faculty at MUSC.

Medical University Facilities Corporation Fund (MUFC). MUFC was established to obtain financing for the Medical University of South Carolina to purchase land, an office building, and a parking garage.

CHS Development Company Fund. The Company was established to provide financing for the Medical University of South Carolina by developing and leasing property.

Enterprise Campus Authority. The Authority was established to provide for the management, development, and operation of the Enterprise Campus of Midlands Technical College. Midlands Technical College is a higher education institution reported in the Higher Education Fund, a major enterprise fund.

Other Enterprise Funds. Other enterprise activities of the State include: the Savannah Valley Development and the Public Railways Divisions of the South Carolina Department of Commerce, the Jobs-Economic Development Authority, the Canteens Fund, operation of the Columbia Farmers' Market, and enterprise operations of the Adjutant General's Office and the State Board for Techical and Comprehensive Education.

b. Internal Service Funds

The State uses the internal service funds described below to report activities that provide goods or services to other State funds, departments, agencies, component units, and/or to other governments, on a cost-reimbursement basis if the State is the predominant participant in the activity. If the State is *not* the predominant participant, it reports the activity as an enterprise fund.

Insurance Reserve Fund. This is a risk management/reinsurance fund. It underwrites insurance risks on public buildings and their contents and tort liability, medical malpractice, and automobile liability for public employees. State law limits the Fund's customers to certain governmental persons/entities within the State and certain associated parties.

Employee Insurance Programs Fund. This is a risk management fund that underwrites the group health, dental, life, accidental death and dismemberment, disability, and long-term care benefits provided to State and public school employees and retirees.

State Accident Fund. This is a risk management fund that provides workers' compensation benefits predominantly to State employees. Premiums are collected from State agencies.

General Services Fund. This fund accounts for various services provided to State and local governmental units for which user fees are charged. These services include telecommunication and computer services, rental of office buildings, janitorial services, building maintenance, and procurement services.

Central Supplies and Equipment Fund. This fund sells office supplies and equipment, food, and paper products to other governmental units. It also stores food and paper products for State agencies.

Motor Pool Fund. This fund provides daily and permanent lease assignments of vehicles to State agencies. It also maintains an inventory of automotive parts to provide maintenance of these vehicles.

Pension Administration Fund. This fund administers the public employee retirement systems. Revenues of the fund primarily consist of assessments charged to the pension trust funds.

Prison Industries Fund. This fund accounts for goods produced by inmate labor. These goods are sold primarily to State agencies.

Other Internal Service Funds. These funds, aggregated for reporting purposes, account for other miscellaneous activities that meet the definition of internal service funds. Such activities include provision of training programs for State employees and work activity centers of the Vocational Rehabilitation Department.

Combining Statement of Net Assets

NONMAJOR ENTERPRISE FUNDS

June 30, 2010
(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program	The Citadel Trust, Inc.
ASSETS					
Current assets:					
Cash and cash equivalents	$ 5,878	$ 2,838	$ 355	$ 161,794	$ 181
Investments	17,720	—	—	—	1,418
Invested securities lending collateral	—	169	2,981	2,016	—
Receivables, net:					
Accounts	—	543	—	—	3
Contributions	—	—	—	—	15
Participants	—	—	—	2,168	—
Accrued interest	155	6	—	535	90
Patient accounts	—	—	—	—	—
Loans and notes	—	—	—	—	—
Due from other funds	9	—	—	—	—
Inventories	—	294	—	—	—
Restricted assets:					
Cash and cash equivalents	—	—	54,463	—	1,259
Investments	—	—	—	—	7,690
Loans receivable	—	—	—	—	80
Other	—	—	292	—	309
Prepaid items	327	9	—	—	36
Other current assets	—	—	306	—	—
Total current assets	24,089	3,859	58,397	166,513	11,081
Long-term assets:					
Investments	—	—	—	—	3,796
Receivables, net:					
Contributions	—	—	—	—	14
Participants	—	—	—	6,338	—
Interfund receivables	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	—	—	—	—	2,411
Investments	—	—	—	—	43,419
Loans receivable	—	—	—	—	141
Other	—	—	—	—	101
Prepaid items	—	—	—	—	—
Other long-term assets	—	—	—	—	12
Deferred charges	—	—	—	—	—
Non-depreciable capital assets	389	5,043	—	—	2,182
Depreciable capital assets, net	—	19,201	11	—	—
Total long-term assets	389	24,244	11	6,338	52,076
Total assets	**24,478**	**28,103**	**58,408**	**172,851**	**63,157**

University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
$ 5,299	$ 99,940	$ —	$ —	$ —	$ 45,003	$ 321,288
6,307	22,244	—	—	—	250	47,939
—	—	—	—	—	2,208	7,374
5,078	835	—	—	8	824	7,291
—	—	—	—	—	—	15
—	—	—	—	—	—	2,168
—	—	7	—	—	288	1,081
3,070	32,227	—	—	—	—	35,297
—	—	—	—	—	23	23
—	22,829	2,029	1,011	1,777	1,294	28,949
—	—	—	—	—	3,578	3,872
—	—	1,387	10	—	7	57,126
—	—	316	3,287	—	—	11,293
—	—	—	—	—	—	80
—	—	—	—	—	128	729
—	338	—	156	—	131	997
—	1,211	64	61	—	—	1,642
19,754	179,624	3,803	4,525	1,785	53,734	527,164
—	17,739	—	—	—	200	21,735
—	—	—	—	—	—	14
—	—	—	—	—	—	6,338
—	2,055	9,706	19,300	—	330	31,391
—	—	—	1,739	—	—	4,150
—	—	213	—	—	—	43,632
—	—	—	—	—	6,837	6,978
—	—	—	—	—	—	101
—	9,293	—	1,959	—	—	11,252
—	4,323	258	—	—	—	4,593
—	967	155	761	—	—	1,883
—	7,852	—	—	2,836	21,730	40,032
13,363	39,602	—	—	4,284	6,416	82,877
13,363	81,831	10,332	23,759	7,120	35,513	254,976
33,117	**261,455**	**14,135**	**28,284**	**8,905**	**89,247**	**782,140**

Continued on Next Page

Combining Statement of Net Assets

NONMAJOR ENTERPRISE FUNDS (Continued)

June 30, 2010
(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program	The Citadel Trust, Inc.
LIABILITIES					
Current liabilities:					
Accounts payable	$ 39	$ 4	$ —	$ —	$ 66
Accrued salaries and related expenses	35	274	97	—	1
Accrued interest payable	—	—	—	—	—
Tuition benefits payable	—	—	—	22,701	—
Policy claims	13,054	—	—	—	—
Due to other funds	—	85	—	—	—
Unearned revenues	6,903	202	—	—	—
Securities lending collateral	—	188	3,287	2,026	—
Liabilities payable from restricted assets:					
Accrued interest payable	—	—	—	—	—
Other	—	—	54,907	—	—
Notes payable	—	—	—	—	—
Revenue bonds payable	—	—	—	—	—
Capital leases payable	—	—	—	—	—
Compensated absences payable	13	16	87	—	3
Other current liabilities	370	—	—	—	9
Total current liabilities	20,414	769	58,378	24,727	79
Long-term liabilities:					
Tuition benefits payable	—	—	—	156,444	—
Policy claims	125,601	—	—	—	—
Interfund payables	—	9,227	—	—	—
Unearned revenues	—	413	—	—	—
Other liabilities payable from restricted assets	—	—	—	—	—
Notes payable	—	—	—	—	—
Revenue bonds payable	—	—	—	—	—
Capital leases payable	—	—	—	—	—
Compensated absences payable	—	268	19	—	—
Other long-term liabilities	—	—	—	—	14
Total long-term liabilities	125,601	9,908	19	156,444	14
Total liabilities	**146,015**	**10,677**	**58,397**	**181,171**	**93**
NET ASSETS (DEFICITS)					
Invested in capital assets, net of related debt	389	15,045	11	—	2,182
Restricted:					
Expendable:					
Education	—	—	—	—	22,493
Capital projects	—	—	—	—	1,178
Debt service	—	—	—	—	—
Nonexpendable:					
Education	—	—	—	—	31,567
Unrestricted	(121,926)	2,381	—	(8,320)	5,644
Total net assets (deficits)	**$ (121,537)**	**$ 17,426**	**$ 11**	**$ (8,320)**	**$ 63,064**

University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
$ 8,765	$ 3,098	$ —	$ —	$ —	$ 761	$ 12,733
113	15,190	—	—	—	357	16,067
—	229	140	633	—	—	1,002
—	—	—	—	—	—	22,701
—	—	—	—	—	—	13,054
—	287	—	—	—	254	626
—	—	16	—	—	33	7,154
—	—	—	—	—	2,434	7,935
—	—	—	—	—	128	128
—	—	—	—	—	—	54,907
—	3,863	1,300	1,300	—	—	6,463
425	—	797	—	—	—	1,222
121	27	—	—	—	—	148
1,404	2,137	—	—	—	402	4,062
—	3,094	—	—	—	—	3,473
10,828	27,925	2,253	1,933	—	4,369	151,675
—	—	—	—	—	—	156,444
—	—	—	—	—	—	125,601
—	—	—	—	—	6,837	16,064
—	—	—	—	—	—	413
—	—	—	—	—	6	6
—	20,514	4,470	25,927	—	—	50,911
6,375	46,276	5,812	—	—	—	58,463
520	—	—	—	—	—	520
—	1,425	—	—	—	186	1,898
411	2,168	258	—	—	—	2,851
7,306	70,383	10,540	25,927	—	7,029	413,171
18,134	**98,308**	**12,793**	**27,860**	—	**11,398**	**564,846**
5,922	11,681	—	—	7,120	28,146	70,496
—	—	—	—	—	—	22,493
—	—	—	—	—	—	1,178
—	—	1,342	424	—	—	1,766
—	—	—	—	—	—	31,567
9,061	151,466	—	—	1,785	49,703	89,794
$ 14,983	**$ 163,147**	**$ 1,342**	**$ 424**	**$ 8,905**	**$ 77,849**	**$ 217,294**

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program	The Citadel Trust, Inc.
Operating revenues:					
Charges for services	$ 22,708	$ 8,490	$ 1,645	$ 593	$ —
Contributions	—	—	—	(1,151)	—
Interest and other investment income	—	—	—	35,629	7,448
Operating revenues pledged for revenue bonds	—	—	—	—	—
Federal operating grants and contracts	—	—	—	—	—
Other operating revenues	—	—	—	—	—
Total operating revenues	**22,708**	**8,490**	**1,645**	**35,071**	**7,448**
Operating expenses:					
General operations and administration	2,008	7,855	1,686	—	165
Benefits and claims	316	—	—	—	—
Tuition plan disbursements	—	—	—	910	—
Depreciation and amortization	—	778	5	—	—
Other operating expenses	—	398	29	—	—
Total operating expenses	**2,324**	**9,031**	**1,720**	**910**	**165**
Operating income (loss)	**20,384**	**(541)**	**(75)**	**34,161**	**7,283**
Nonoperating revenues (expenses):					
Interest income	718	135	70	45	—
Contributions	—	208	—	—	2,423
Federal grants and contracts	—	24	—	—	—
Local/private grants and contracts	—	—	—	—	320
Interest expense	—	—	—	—	—
Net other nonoperating revenues (expenses)	—	(269)	—	—	292
Total nonoperating revenues (expenses)	**718**	**98**	**70**	**45**	**3,035**
Income (loss) before other revenues, expenses, and transfers	**21,102**	**(443)**	**(5)**	**34,206**	**10,318**
Additions to endowments	—	—	—	—	2,265
Transfers in	—	—	—	—	—
Transfers out	—	(28)	—	(528)	(5,327)
Change in net assets	**21,102**	**(471)**	**(5)**	**33,678**	**7,256**
Net assets (deficits) at beginning of year (restated)	**(142,639)**	**17,897**	**16**	**(41,998)**	**55,808**
Net assets (deficits) at end of year	**$ (121,537)**	**$ 17,426**	**$ 11**	**$ (8,320)**	**$ 63,064**

University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
$ 34,685	$ 299,257	$ —	$ —	$ —	$ 27,781	$ 395,159
—	—	—	—	—	—	(1,151)
—	—	33	—	—	16	43,126
—	—	830	1,066	—	—	1,896
—	—	—	—	—	70	70
26,104	12,490	—	—	99	333	39,026
60,789	**311,747**	**863**	**1,066**	**99**	**28,200**	**478,126**
62,077	233,036	—	—	25	23,954	330,806
—	—	—	—	—	—	316
—	—	—	—	—	—	910
1,095	3,135	64	217	113	593	6,000
—	—	737	1,294	—	151	2,609
63,172	**236,171**	**801**	**1,511**	**138**	**24,698**	**340,641**
(2,383)	**75,576**	**62**	**(445)**	**(39)**	**3,502**	**137,485**
1,079	5,229	—	—	—	2,912	10,188
—	—	—	—	—	—	2,631
—	—	—	—	—	—	24
—	—	—	—	—	—	320
(334)	(4,374)	—	—	—	(322)	(5,030)
—	(6,009)	—	—	—	287	(5,699)
745	**(5,154)**	**—**	**—**	**—**	**2,877**	**2,434**
(1,638)	**70,422**	**62**	**(445)**	**(39)**	**6,379**	**139,919**
—	—	—	—	—	—	2,265
—	—	—	690	1,540	739	2,969
—	(42,206)	(37)	—	—	(1,181)	(49,307)
(1,638)	**28,216**	**25**	**245**	**1,501**	**5,937**	**95,846**
16,621	**134,931**	**1,317**	**179**	**7,404**	**71,912**	**121,448**
$ 14,983	**$ 163,147**	**$ 1,342**	**$ 424**	**$ 8,905**	**$ 77,849**	**$ 217,294**

Combining Statement of Cash Flows

NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program
Cash flows from operating activities:				
Receipts from customers, patients, and third-party payers	$ 19,820	$ 4,578	$ —	$ —
Assessments received	—	—	114,302	—
Tuition plan contributions received	—	—	—	1,111
Other operating cash receipts	—	3,596	345	36,393
Claims and benefits paid	(17,236)	—	(102,936)	—
Payments to suppliers for goods and services	(1,518)	(3,572)	(202)	—
Payments to employees	(362)	(3,702)	(1,031)	—
Other operating cash payments	—	(1,219)	(491)	(11,556)
Net cash provided by (used in) operating activities	**704**	**(319)**	**9,987**	**25,948**
Cash flows from noncapital financing activities:				
Proceeds from sale of noncapital debt	—	—	—	—
Principal paid on noncapital debt	—	—	—	—
Interest payments on noncapital debt	—	—	—	—
Gifts and grants for other than capital purposes	—	—	—	—
Other cash receipts	—	—	—	—
Other cash payments	—	—	—	—
Transfers in	—	—	—	—
Transfers out	—	—	—	(528)
Net cash provided by (used in) noncapital financing activities	**—**	**—**	**—**	**(528)**
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(102)	(10,920)	—	—
Principal payments on capital debt	—	—	—	—
Interest payments on capital debt	—	—	—	—
Proceeds from issuance of interfund loan	—	9,200	—	—
Proceeds from sale or disposal of capital assets	—	—	—	—
Capital grants and gifts received	—	—	—	—
Net cash used in capital and related financing activities	**(102)**	**(1,720)**	**—**	**—**
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	18,822	—	—	—
Purchase of investments	(24,028)	—	—	—
Interest and dividends on investments	566	110	3,106	(544)
Collection of escrow payments from borrower	—	—	—	—
Net cash provided by (used in) investing activities	**(4,640)**	**110**	**3,106**	**(544)**
Net increase (decrease) in cash and cash equivalents	**(4,038)**	**(1,929)**	**13,093**	**24,876**
Cash and cash equivalents at beginning of year (restated)	**9,916**	**4,767**	**41,725**	**136,918**
Cash and cash equivalents at end of year	**$ 5,878**	**$ 2,838**	**$ 54,818**	**$ 161,794**

The Citadel Trust, Inc.	University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
$ —	$ 34,865	$ 280,565	$ —	$ —	$ —	$ 26,150	$ 365,978
—	—	—	—	—	—	—	114,302
—	—	—	—	—	—	—	1,111
—	26,809	23,083	—	—	25	983	91,234
—	—	—	—	—	—	—	(120,172)
(69)	(17,421)	(86,854)	—	—	(25)	(19,076)	(128,737)
(96)	(41,065)	(142,788)	—	—	—	(5,394)	(194,438)
—	—	—	—	—	—	(24)	(13,290)
(165)	**3,188**	**74,006**	**—**	**—**	**—**	**2,639**	**115,988**
—	—	—	—	—	—	(1,457)	(1,457)
—	—	(1,850)	—	—	—	(372)	(2,222)
—	—	(1,301)	—	—	—	—	(1,301)
4,968	—	(9,914)	—	—	—	70	(4,876)
199	—	—	—	—	—	—	199
—	—	—	—	—	—	(251)	(251)
—	—	—	—	690	—	739	1,429
(5,327)	—	(42,206)	(37)	—	—	(1,181)	(49,279)
(160)	**—**	**(55,271)**	**(37)**	**690**	**—**	**(2,452)**	**(57,758)**
—	(778)	(5,760)	—	—	—	(1,518)	(19,078)
—	(531)	(2,028)	(1,986)	(1,235)	—	—	(5,780)
—	(331)	(1,384)	(753)	(1,331)	—	—	(3,799)
—	—	—	—	—	—	—	9,200
—	—	—	—	—	—	5	5
—	—	—	—	—	—	77	77
—	**(1,640)**	**(9,172)**	**(2,739)**	**(2,566)**	**—**	**(1,436)**	**(19,375)**
55,997	2,163	7,264	3,218	6,372	—	—	93,836
(56,920)	(2,026)	(24,649)	(1,312)	(8,004)	—	(450)	(117,389)
809	151	991	859	1,007	—	2,498	9,553
—	—	—	—	—	—	1,827	1,827
(114)	**288**	**(16,394)**	**2,765**	**(625)**	**—**	**3,875**	**(12,173)**
(439)	**1,836**	**(6,831)**	**(11)**	**(2,501)**	**—**	**2,626**	**26,682**
4,290	**3,463**	**106,771**	**1,398**	**4,250**	**—**	**42,384**	**355,882**
$ 3,851	**$ 5,299**	**$ 99,940**	**$ 1,387**	**$ 1,749**	**$ —**	**$ 45,010**	**$ 382,564**

Continued on Next Page

Combining Statement of Cash Flows

NONMAJOR ENTERPRISE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program
Reconciliation of operating income(loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 20,384	$ (541)	$ (75)	$ 34,161
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	—	778	5	—
Provision for bad debts	—	—	—	—
Net (increase) decrease in the fair value of investments	—	—	—	—
Amounts received for payment of claims	—	—	112,587	—
Payment of claims	—	—	(102,591)	—
Other nonoperating revenues	—	42	—	—
Other nonoperating expenses	—	—	—	—
Effect of change in operating assets and liabilities:				
Accounts receivable, net	(1)	(248)	—	168
Receivable from participants, net	—	—	—	2,262
Loans receivable	—	—	—	—
Due from other funds	(8)	—	—	3
Inventories	—	(11)	—	—
Other assets	181	—	70	—
Accounts payable	(129)	(281)	(3)	—
Accrued salaries and related expenses	9	(3)	(1)	—
Tuition benefits payable	—	—	—	(10,646)
Policy claims	(16,920)	—	—	—
Due to other funds	—	19	—	—
Unearned revenues	(2,888)	(77)	—	—
Compensated absences payable	4	3	(5)	—
Other liabilities	72	—	—	—
Net cash provided by (used in) operating activities	**$ 704**	**$ (319)**	**$ 9,987**	**$ 25,948**
Noncash capital, investing, and financing activities:				
Borrowing under capital leases	$ —	$ —	$ —	$ —
Increase in fair value of investments	66,749	—	70	—
	$ 66,749	$ —	$ 70	$ —

The Citadel Trust, Inc.	University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
$ 7,283	$ (2,383)	$ 75,576	$ 62	$ (445)	$ (39)	$ 3,502	$ 137,485
—	1,095	3,135	64	217	113	593	6,000
—	—	22,495	—	—	—	—	22,495
(7,448)	—	—	—	—	—	—	(7,448)
—	—	—	—	—	—	—	112,587
—	—	—	—	—	—	—	(102,591)
—	—	4,973	(863)	(1,066)	—	744	3,830
—	—	—	737	1,294	—	(23)	2,008
—	704	(22,859)	—	—	10	145	(22,081)
—	—	—	—	—	—	—	2,262
—	180	—	—	—	—	—	180
—	—	(13,564)	—	—	—	(1,603)	(15,172)
—	—	—	—	—	—	(274)	(285)
—	—	657	—	—	—	(11)	897
—	3,858	3,594	—	—	—	(24)	7,015
—	116	—	—	—	—	7	128
—	—	—	—	—	—	—	(10,646)
—	—	—	—	—	—	—	(16,920)
—	—	(89)	—	—	(84)	(366)	(520)
—	—	—	—	—	—	—	(2,965)
—	80	88	—	—	—	(51)	119
—	(462)	—	—	—	—	—	(390)
$ (165)	**$ 3,188**	**$ 74,006**	**$ —**	**$ —**	**$ —**	**$ 2,639**	**$ 115,988**
$ —	$ 748	$ 143	$ —	$ —	$ —	$ —	$ 891
4,980	1,253	4,269	—	—	—	—	77,321
$ 4,980	$ 2,001	$ 4,412	$ —	$ —	$ —	$ —	$ 78,212

Combining Statement of Net Assets

INTERNAL SERVICE FUNDS

June 30, 2010
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services	Central Supplies and Equipment
ASSETS					
Current assets:					
Cash and cash equivalents	$ 62,233	$ 182,772	$ 170,898	$ 29,880	$ 535
Invested securities lending collateral	8,552	9,774	9,302	57	—
Receivables, net:					
Accounts	17,697	45,750	79,313	205	—
Accrued interest	4,403	17	1,133	8	—
Due from other funds	301	35,649	1,933	9,616	1,506
Due from component units	—	19	—	15	—
Inventories	—	—	—	703	1,551
Prepaid items	18,057	—	14	—	—
Total current assets	111,243	273,981	262,593	40,484	3,592
Long-term assets:					
Investments	374,579	—	—	—	—
Accounts receivable, net	—	—	84	146	—
Interfund receivables	6,837	—	—	15,400	—
Other long-term assets	—	—	482	—	—
Deferred charges	—	—	—	89	—
Non-depreciable capital assets	—	—	—	6,897	—
Depreciable capital assets, net	66	28	37	97,820	3
Total long-term assets	381,482	28	603	120,352	3
Total assets	**492,725**	**274,009**	**263,196**	**160,836**	**3,595**

Motor Pool	Pension Adminis-tration	Prison Industries	Other Internal Service	Totals
$ 9,967	$ 2,602	$ 1,045	$ 212	$ 460,144
—	133	—	—	27,818
730	—	1,011	—	144,706
—	33	—	—	5,594
2,877	—	745	4	52,631
8	—	—	—	42
26	—	3,779	—	6,059
—	—	—	—	18,071
13,608	2,768	6,580	216	715,065
—	—	—	—	374,579
346	—	—	—	576
—	—	—	—	22,237
—	—	—	—	482
—	—	—	—	89
—	—	—	—	6,897
11,038	558	5,630	—	115,180
11,384	558	5,630	—	520,040
24,992	**3,326**	**12,210**	**216**	**1,235,105**

Continued on Next Page

Combining Statement of Net Assets

INTERNAL SERVICE FUNDS (Continued)

June 30, 2010
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services	Central Supplies and Equipment
LIABILITIES					
Current liabilities:					
Accounts payable	$ 620	$ 685	$ 565	$ 2,290	$ 109
Accrued salaries and related expenses	291	449	279	1,255	—
Accrued interest payable	—	—	—	456	—
Retainages payable	—	—	—	248	—
Intergovernmental payables	—	—	—	167	—
Policy claims	230,011	156,969	76,772	—	—
Due to other funds	78	9	4	2,643	4
Unearned revenues	59,168	12,283	88,116	—	—
Securities lending collateral	9,430	10,777	10,257	62	—
Notes payable	—	—	—	14	—
Revenue bonds payable	—	—	—	1,620	—
Limited obligation bonds payable	—	—	—	1,280	—
Compensated absences payable	136	201	269	1,219	—
Other current liabilities	—	—	9,547	—	—
Total current liabilities	299,734	181,373	185,809	11,254	113
Long-term liabilities:					
Policy claims	—	—	151,373	—	—
Interfund payables	—	—	—	541	1,000
Notes payable	—	—	—	11	—
Revenue bonds payable	—	—	—	14,467	—
Limited obligation bonds payable	—	—	—	5,155	—
Compensated absences payable	162	302	80	1,110	—
Total long-term liabilities	162	302	151,453	21,284	1,000
Total liabilities	**299,896**	**181,675**	**337,262**	**32,538**	**1,113**
NET ASSETS (DEFICITS)					
Invested in capital assets, net of related debt	66	28	37	82,259	3
Restricted:					
Expendable:					
Loan programs	20,000	—	—	—	—
Insurance programs	172,763	92,306	—	—	—
Unrestricted	—	—	(74,103)	46,039	2,479
Total net assets (deficits)	**$ 192,829**	**$ 92,334**	**$ (74,066)**	**$ 128,298**	**$ 2,482**

Motor Pool	Pension Adminis-tration	Prison Industries	Other Internal Service	Totals
$ 1,056	$ 567	$ 589	$ 2	$ 6,483
90	771	901	15	4,051
217	—	—	—	673
—	—	—	—	248
—	—	—	—	167
—	—	—	—	463,752
100	504	1,441	8	4,791
—	—	—	—	159,567
—	146	—	—	30,672
3,582	—	—	—	3,596
—	—	—	—	1,620
—	—	—	—	1,280
88	724	270	19	2,926
—	—	—	—	9,547
5,133	2,712	3,201	44	689,373
—	—	—	—	151,373
—	—	—	—	1,541
3,985	—	—	—	3,996
—	—	—	—	14,467
—	—	—	—	5,155
80	659	246	17	2,656
4,065	659	246	17	179,188
9,198	**3,371**	**3,447**	**61**	**868,561**
3,652	558	5,630	—	92,233
—	—	—	—	20,000
—	—	—	—	265,069
12,142	(603)	3,133	155	(10,758)
$ 15,794	**$ (45)**	**$ 8,763**	**$ 155**	**$ 366,544**

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services	Central Supplies and Equipment
Operating revenues:					
Charges for services	$ 70,395	$ 1,683,291	$ 87,631	$ 65,163	$ 5,686
Interest and other investment income	—	—	—	765	—
Licenses, fees, and permits	—	—	—	66	—
Other operating revenues	—	105,470	—	—	—
Total operating revenues	**70,395**	**1,788,761**	**87,631**	**65,994**	**5,686**
Operating expenses:					
General operations and administration	60,745	155,192	4,712	60,453	4,954
Benefits and claims	51,466	1,645,980	70,659	—	—
Depreciation and amortization	51	53	120	5,880	1
Other operating expenses	—	—	4,631	514	7
Total operating expenses	**112,262**	**1,801,225**	**80,122**	**66,847**	**4,962**
Operating income (loss)	**(41,867)**	**(12,464)**	**7,509**	**(853)**	**724**
Nonoperating revenues (expenses):					
Interest income	35,554	8,424	8,810	70	—
Interest expense	—	—	—	(1,061)	—
Net other nonoperating revenues	5	—	50	2,817	2
Total nonoperating revenues (expenses)	**35,559**	**8,424**	**8,860**	**1,826**	**2**
Income (loss) before other revenues and transfers	**(6,308)**	**(4,040)**	**16,369**	**973**	**726**
Transfers in	—	60	—	3,433	815
Transfers out	(2,281)	(265)	—	(3,449)	—
Change in net assets	**(8,589)**	**(4,245)**	**16,369**	**957**	**1,541**
Net assets (deficits) at beginning of year	**201,418**	**96,579**	**(90,435)**	**127,341**	**941**
Net assets (deficits) at end of year	**$ 192,829**	**$ 92,334**	**$ (74,066)**	**$ 128,298**	**$ 2,482**

Motor Pool	Pension Adminis-tration	Prison Industries	Other Internal Service	Totals
$ 23,823	$ 21,687	$ 14,263	$ 193	$ 1,972,132
—	(41)	—	—	724
—	—	—	—	66
1	—	—	—	105,471
23,824	**21,646**	**14,263**	**193**	**2,078,393**
16,348	19,897	21,144	405	343,850
—	—	—	—	1,768,105
10,689	187	265	—	17,246
2	160	11	—	5,325
27,039	**20,244**	**21,420**	**405**	**2,134,526**
(3,215)	**1,402**	**(7,157)**	**(212)**	**(56,133)**
—	223	—	—	53,081
(371)	—	—	—	(1,432)
320	77	2,898	—	6,169
(51)	**300**	**2,898**	**—**	**57,818**
(3,266)	**1,702**	**(4,259)**	**(212)**	**1,685**
1,011	—	5	—	5,324
(3,992)	(523)	—	(19)	(10,529)
(6,247)	**1,179**	**(4,254)**	**(231)**	**(3,520)**
22,041	**(1,224)**	**13,017**	**386**	**370,064**
$ 15,794	**$ (45)**	**$ 8,763**	**$ 155**	**$ 366,544**

Combining Statement of Cash Flows

INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services
Cash flows from operating activities:				
Receipts from customers	$ 56,607	$ 1,235,196	$ 17,976	$ —
Internal activity–payments from other funds	12,101	428,121	75,353	66,136
Other operating cash receipts	—	94,350	18,911	3,012
Claims paid	(50,873)	(1,635,661)	(69,037)	—
Payments to suppliers for goods and services	(52,985)	(180,836)	(4,725)	(40,440)
Payments to employees	(3,359)	(5,507)	(3,733)	(25,672)
Internal activity–payments to other funds	(13)	—	(7,558)	—
Net cash provided by (used in) operating activities	**(38,522)**	**(64,337)**	**27,187**	**3,036**
Cash flows from noncapital financing activities:				
Principal payments received from other funds	3,457	—	—	—
Principal payments made to other funds	—	—	—	(1,540)
Receipt of interest from other funds	372	—	—	—
Transfers in	—	60	—	3,433
Transfers out	(2,281)	(265)	—	(3,449)
Net cash provided by (used in) noncapital financing activities	**1,548**	**(205)**	—	**(1,556)**
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(7)	(17)	(7)	(2,711)
Principal payments on limited obligation bonds	—	—	—	(1,830)
Principal payments on capital debt	—	—	—	(1,280)
Interest payments on capital debt	—	—	—	(966)
Net cash used in capital financing activities	**(7)**	**(17)**	**(7)**	**(6,787)**
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	125,917	—	—	—
Purchase of investments	(62,378)	—	—	—
Interest on investments	14,560	7,466	8,636	—
Net cash provided by investing activities	**78,099**	**7,466**	**8,636**	—
Net increase (decrease) in cash and cash equivalents	**41,118**	**(57,093)**	**35,816**	**(5,307)**
Cash and cash equivalents at beginning of year	**21,115**	**239,865**	**135,082**	**35,187**
Cash and cash equivalents at end of year	**$ 62,233**	**$ 182,772**	**$ 170,898**	**$ 29,880**

Central Supplies and Equipment	Motor Pool	Pension Adminis-tration	Prison Industries	Other Internal Service	Totals
$ —	$ —	$ —	$ 14,263	$ 193	$ 1,324,235
5,686	24,938	21,686	—	—	634,021
—	—	121	2,898	—	119,292
—	—	(4,669)	—	—	(1,760,240)
(6,122)	(14,093)	(13,977)	(3,362)	—	(316,540)
—	(1,598)	(1,654)	(15,366)	(285)	(57,174)
—	—	—	—	(85)	(7,656)
(436)	**9,247**	**1,507**	**(1,567)**	**(177)**	**(64,062)**
—	—	—	—	—	3,457
(500)	—	—	—	—	(2,040)
—	—	—	—	—	372
815	1,011	—	5	—	5,324
—	(3,992)	(523)	—	(19)	(10,529)
315	**(2,981)**	**(523)**	**5**	**(19)**	**(3,416)**
—	(1,539)	(228)	—	—	(4,509)
—	—	—	—	—	(1,830)
—	(3,487)	—	—	—	(4,767)
—	—	—	—	—	(966)
—	**(5,026)**	**(228)**	**—**	**—**	**(12,072)**
—	—	—	—	—	125,917
—	—	—	—	—	(62,378)
—	—	165	—	—	30,827
—	**—**	**165**	**—**	**—**	**94,366**
(121)	**1,240**	**921**	**(1,562)**	**(196)**	**14,816**
656	**8,727**	**1,681**	**2,607**	**408**	**445,328**
$ 535	**$ 9,967**	**$ 2,602**	**$ 1,045**	**$ 212**	**$ 460,144**

Continued on Next Page

Combining Statement of Cash Flows

INTERNAL SERVICE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ (41,867)	$ (12,464)	$ 7,509	$ (853)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	51	53	120	5,880
Other nonoperating revenues	—	—	51	2,993
Effect of change in operating assets and liabilities:				
Accounts receivable, net	3,536	(8,879)	(2,078)	144
Accrued interest	—	—	—	17
Due from other funds	(301)	(22,275)	—	(3,595)
Inventories	—	—	—	2
Other assets	102	—	5	—
Accounts payable	1,839	—	19,546	(2,421)
Accrued salaries and related expenses	11	(105)	(2)	(149)
Accrued interest payable	—	—	—	(82)
Retainages payable	—	—	—	248
Policy claims	3,177	(28,868)	—	—
Due to other funds	(83)	—	—	1,134
Unearned revenues	(4,922)	8,310	2,028	—
Compensated absences payable	(65)	(109)	8	(282)
Net cash provided by (used in) operating activities	**$ (38,522)**	**$ (64,337)**	**$ 27,187**	**$ 3,036**
Noncash capital, investing, and financing activities:				
Increase in fair value of investments	$ —	$ —	$ —	$ —
Total noncash capital, investing, and financing activities	**$ —**	**$ —**	**$ —**	**$ —**

Central Supplies and Equipment	Motor Pool	Pension Adminis-tration	Prison Industries	Other Internal Service	Totals
$ 724	$ (3,215)	$ 1,402	$ (7,157)	$ (212)	$ (56,133)
1	10,689	187	265	—	17,246
—	—	162	2,898	—	6,104
—	(118)	—	2,273	—	(5,122)
—	—	(1)	—	—	16
(836)	1,234	—	(380)	30	(26,123)
(32)	(2)	—	(64)	—	(96)
—	876	—	—	—	983
(293)	(235)	(394)	502	—	18,544
—	—	12	153	—	(80)
—	—	—	—	—	(82)
—	—	—	—	—	248
—	—	—	—	—	(25,691)
—	37	107	(7)	1	1,189
—	—	—	—	—	5,416
—	(19)	32	(50)	4	(481)
$ (436)	**$ 9,247**	**$ 1,507**	**$ (1,567)**	**$ (177)**	**$ (64,062)**
$ —	$ —	$ 17	$ —	$ —	$ 17
$ —	**$ —**	**$ 17**	**$ —**	**$ —**	**$ 17**

Fiduciary Funds

Fiduciary funds include pension and other post-employment benefit trust funds, investment trust funds, private-purpose trust funds, and agency funds. Note 1b in the notes to the financial statements provides definitions of each of these fund types.

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's fiduciary funds:

- Combining Statement of Plan Net Assets—Pension and Other Post-Employment Benefit Trust Funds
- Combining Statement of Changes in Plan Net Assets—Pension and Other Post-Employment Benefit Trust Funds
- Combining Statement of Fiduciary Net Assets—Private-Purpose Trust Funds
- Combining Statement of Changes in Fiduciary Net Assets—Private-Purpose Trust Funds
- Combining Statement of Fiduciary Net Assets—Agency Funds
- Combining Statement of Changes in Assets and Liabilities—Agency Funds

The State maintains only one investment trust fund, so no combining statements are necessary for that fund type. The paragraphs below describe all other individual fiduciary funds that the State uses.

a. Pension and Other Post-Employment Benefit Trust Funds

South Carolina Retirement System. This is a multiple-employer pension system that benefits employees of the State, public schools, and political subdivisions of the State.

Police Officers' Retirement System. This is a multiple-employer pension system that benefits police officers and fire fighters employed by the State or its political subdivisions.

General Assembly Retirement System. This is a single-employer pension system that benefits members of the South Carolina General Assembly.

Judges' and Solicitors' Retirement System. This is a single-employer pension system that benefits the judges of the State's Supreme Court, Court of Appeals, circuit courts, family courts, and the State's circuit solicitors.

National Guard Retirement System. The State administers this single-employer pension system that provides a supplemental retirement benefit to members of the South Carolina National Guard. The State is a nonemployer contributor to the system.

South Carolina Retiree Health Insurance Trust Fund. This trust was established to fund the State's cost-sharing multiple employer post-employment health and dental benefit plans.

Long-term Disability Insurance Trust Fund. This trust was established to fund the State's cost-sharing multiple employer long-term disability insurance plans.

b. Private-Purpose Trust Funds

College Savings Plan Fund. The Future Scholar 529 College Savings Plan (the Plan), accounted for in this fund, provides participant families a tax-advantaged method of saving for future college costs. A primary objective of both the financial advisor program and the direct program within the Plan is to provide families with flexibility and professional investment management in meeting their college savings objectives.

Other Private-Purpose Trust Funds. This fund accounts for monies the State has received as trustee under various trust arrangements that specify how the principal and interest earnings must be used. In each case, all of the principal and income benefit individuals, private organizations, or governments outside the State reporting entity; none of the monies may be used for State purposes. The purposes to which the resources of these funds are dedicated include scholarships, the operation of the equestrian center and activities at the Springdale Race Course (for the exclusive benefit of the Carolina Cup Racing Association, Inc., a private nonprofit corporation), and the decommissioning of a low-level radioactive waste disposal facility on behalf of Chem-Nuclear Systems, Inc., a for-profit corporation.

c. Agency Funds

Insurance Company Deposits Fund. This fund accounts for deposits which are required to be made by insurance companies in lieu of surety bonds.

Payroll Clearing Fund. This fund accounts for employee deductions and contributions for the short period of time between the issuance of payroll checks and payment to the proper recipient.

Other Agency Funds. Balances in these funds, aggregated for presentation purposes, represent amounts held for prisoners and patients of State institutions, cash bonds, miscellaneous clearing accounts, and other deposits.

Combining Statement of Plan Net Assets

PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS

June 30, 2010
(Expressed in Thousands)

	PENSION TRUST				
	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Retirement System
ASSETS					
Cash and cash equivalents	$ 3,473,930	$ 487,115	$ 6,954	$ 19,663	$ 3,695
Receivables:					
Accounts	—	—	—	—	—
Contributions	153,539	18,264	41	757	3
Employer long-term	340	12	—	—	—
Accrued interest	55,179	7,701	93	309	39
Unsettled investment sales	920,106	131,595	1,448	5,129	637
Other investment receivables	2,441	338	4	13	2
Total receivables	1,131,605	157,910	1,586	6,208	681
Due from other funds	7,697	367	1	67	—
Investments, at fair value:					
Short term securities	495	71	1	3	—
Debt-domestic	3,384,091	483,997	5,327	18,864	2,343
Debt-international	2,467,288	352,874	3,883	13,754	1,709
Equity-domestic	1,407,616	201,319	2,216	7,846	975
Equity-international	255	36	—	1	1
Alternatives	9,101,529	1,301,710	14,326	50,736	6,302
Financial and other	—	—	—	—	—
Total investments	16,361,274	2,340,007	25,753	91,204	11,330
Invested securities lending collateral	282,044	40,338	444	1,572	195
Capital assets, net	2,902	297	8	14	—
Prepaid items	838	119	2	4	1
Total assets	**21,260,290**	**3,026,153**	**34,748**	**118,732**	**15,902**
LIABILITIES					
Accounts payable	14,861	2,126	24	82	10
Accounts payable–unsettled investment purchases	803,024	114,849	1,264	4,477	556
Due to other funds	37,795	837	70	—	1
Deferred retirement benefits	322,350	—	—	743	—
Securities lending collateral	372,821	53,321	587	2,078	258
Other liabilities	28,302	3,546	33	126	24
Total liabilities	**1,579,153**	**174,679**	**1,978**	**7,506**	**849**
NET ASSETS					
Held in trust for pension and other post-employment benefits	**$ 19,681,137**	**$ 2,851,474**	**$ 32,770**	**$ 111,226**	**$ 15,053**

OPEB TRUST		
South Carolina Retiree Health Insurance Trust Fund	Long-term Disability Insurance Trust Fund	Totals
$ 96,284	$ 6,298	$ 4,093,939
—	42	42
—	—	172,604
—	—	352
4,901	333	68,555
—	—	1,058,915
—	—	2,798
4,901	375	1,303,266
41,682	—	49,814
—	—	570
345,825	22,572	4,263,019
—	—	2,839,508
—	—	1,619,972
—	—	293
—	—	10,474,603
17,218	3,476	20,694
363,043	26,048	19,218,659
19,898	—	344,491
—	—	3,221
—	—	964
525,808	**32,721**	**25,014,354**
—	—	17,103
—	—	924,170
16,372	31	55,106
—	—	323,093
21,940	—	451,005
—	—	32,031
38,312	**31**	**1,802,508**
$ 487,496	**$ 32,690**	**$ 23,211,846**

Combining Statement of Changes in Plan Net Assets

PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	PENSION TRUST				
	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Retirement System
Additions:					
Contributions:					
Employer	$ 819,480	$ 123,205	$ 2,598	$ 8,414	$ 4,052
Employee	561,261	77,051	544	2,343	—
Total contributions	1,380,741	200,256	3,142	10,757	4,052
Investment income:					
Interest income and net appreciation in investments	2,653,338	368,322	4,711	14,875	1,892
Securities lending income	4,817	675	8	26	4
Total investment income	2,658,155	368,997	4,719	14,901	1,896
Less investment expense:					
Investment expense	44,462	6,288	75	249	30
Securities lending expense	1,030	143	2	6	1
Net investment income	2,612,663	362,566	4,642	14,646	1,865
Assets moved between pension trust funds	—	1,266	36	114	—
Total additions	**3,993,404**	**564,088**	**7,820**	**25,517**	**5,917**
Deductions:					
Regular retirement benefits	1,856,661	223,473	6,512	13,869	3,624
Supplemental retirement benefits	957	42	—	—	—
Deferred retirement benefits	156,800	—	—	299	—
Refunds of retirement contributions to members	75,814	13,673	4	—	—
Death benefit claims	19,921	2,019	6	11	—
Accidental death benefits	—	1,462	—	—	—
Other post-employment benefits	—	—	—	—	—
Depreciation	107	11	1	—	—
Administrative expense	18,070	2,566	32	101	13
Assets moved between pension trust funds	1,416	—	—	—	—
Total deductions	**2,129,746**	**243,246**	**6,555**	**14,280**	**3,637**
Change in net assets	**1,863,658**	**320,842**	**1,265**	**11,237**	**2,280**
Net assets at beginning of year	**17,817,479**	**2,530,632**	**31,505**	**99,989**	**12,773**
Net assets at end of year	**$ 19,681,137**	**$ 2,851,474**	**$ 32,770**	**$ 111,226**	**$ 15,053**

OPEB TRUST		
South Carolina Retiree Health Insurance Trust Fund	Long-term Disability Insurance Trust Fund	Totals
$ 296,502	$ 6,850	$ 1,261,101
—	—	641,199
296,502	6,850	1,902,300
35,137	3,033	3,081,308
155	5	5,690
35,292	3,038	3,086,998
—	—	51,104
69	2	1,253
35,223	3,036	3,034,641
—	—	1,416
331,725	**9,886**	**4,938,357**
—	—	2,104,139
—	—	999
—	—	157,099
—	—	89,491
—	—	21,957
—	—	1,462
284,042	6,606	290,648
—	—	119
90	31	20,903
—	—	1,416
284,132	**6,637**	**2,688,233**
47,593	**3,249**	**2,250,124**
439,903	**29,441**	**20,961,722**
$ 487,496	**$ 32,690**	**$ 23,211,846**

Combining Statement of Fiduciary Net Assets

PRIVATE-PURPOSE TRUST FUNDS

June 30, 2010
(Expressed in Thousands)

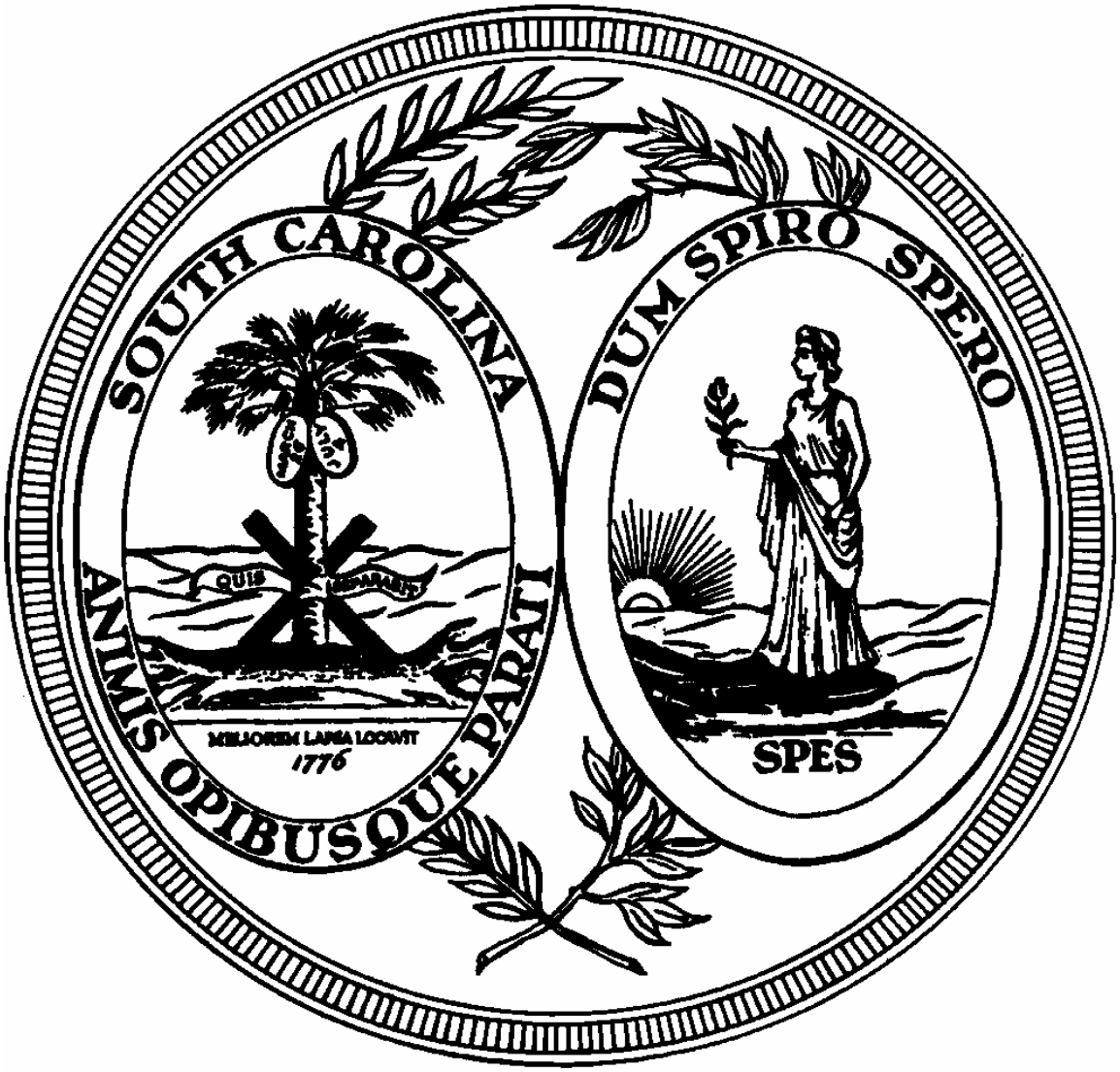
	College Savings Plan	Other Private-Purpose Trust	Totals
ASSETS			
Cash and cash equivalents	$ —	$ 17,164	$ 17,164
Receivables, net:			
Accrued interest	748	170	918
Unsettled investment sales	1,045	—	1,045
Investments	1,114,175	—	1,114,175
Invested securities lending collateral	—	511	511
Other assets	—	4,975	4,975
Total assets	**1,115,968**	**22,820**	**1,138,788**
LIABILITIES			
Accounts payable	1,350	619	1,969
Accounts payable–unsettled investment purchases	330	—	330
Securities lending collateral	—	564	564
Total liabilities	**1,680**	**1,183**	**2,863**
NET ASSETS			
Held in trust for other purposes	**$ 1,114,288**	**$ 21,637**	**$ 1,135,925**

Combining Statement of Changes in Fiduciary Net Assets

PRIVATE-PURPOSE TRUST FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	College Savings Plan	Other Private-Purpose Trust	Totals
Additions:			
Licenses, fees, and permits	$ —	$ 150	$ 150
Tuition plan deposits	83,048	—	83,048
Interest income	101,587	760	102,347
Total additions	**184,635**	**910**	**185,545**
Deductions:			
Administrative expense	7,872	4,326	12,198
Payments in accordance with trust agreements	—	128	128
Other expenses	—	123	123
Total deductions	**7,872**	**4,577**	**12,449**
Change in net assets	**176,763**	**(3,667)**	**173,096**
Net assets at beginning of year	**937,525**	**25,304**	**962,829**
Net assets at end of year	**$ 1,114,288**	**$ 21,637**	**$ 1,135,925**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Combining Statement of Assets and Liabilities

AGENCY FUNDS

June 30, 2010
(Expressed in Thousands)

	Insurance Company Deposits	Payroll Clearing	Other Agency	Totals
ASSETS				
Cash and cash equivalents	$ —	$ 5,903	$ 225,548	$ 231,451
Receivables, net:				
Accounts	—	44	2,666	2,710
Accrued interest	—	—	1,222	1,222
Taxes	—	—	200	200
Due from other funds	—	50,709	5,920	56,629
Investments	—	—	29,023	29,023
Securities held in lieu of surety bonds	266,805	—	—	266,805
Invested securities lending collateral	—	—	9,812	9,812
Total assets	**$ 266,805**	**$ 56,656**	**$ 274,391**	**$ 597,852**
LIABILITIES				
Accounts payable	$ —	$ 13,449	$ 14,779	$ 28,228
Tax refunds payable	—	—	3,363	3,363
Intergovernmental payables	—	—	12,913	12,913
Deposits	—	—	3,372	3,372
Amounts held in custody for others	266,805	43,207	229,146	539,158
Securities lending collateral	—	—	10,818	10,818
Total liabilities	**$ 266,805**	**$ 56,656**	**$ 274,391**	**$ 597,852**

Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

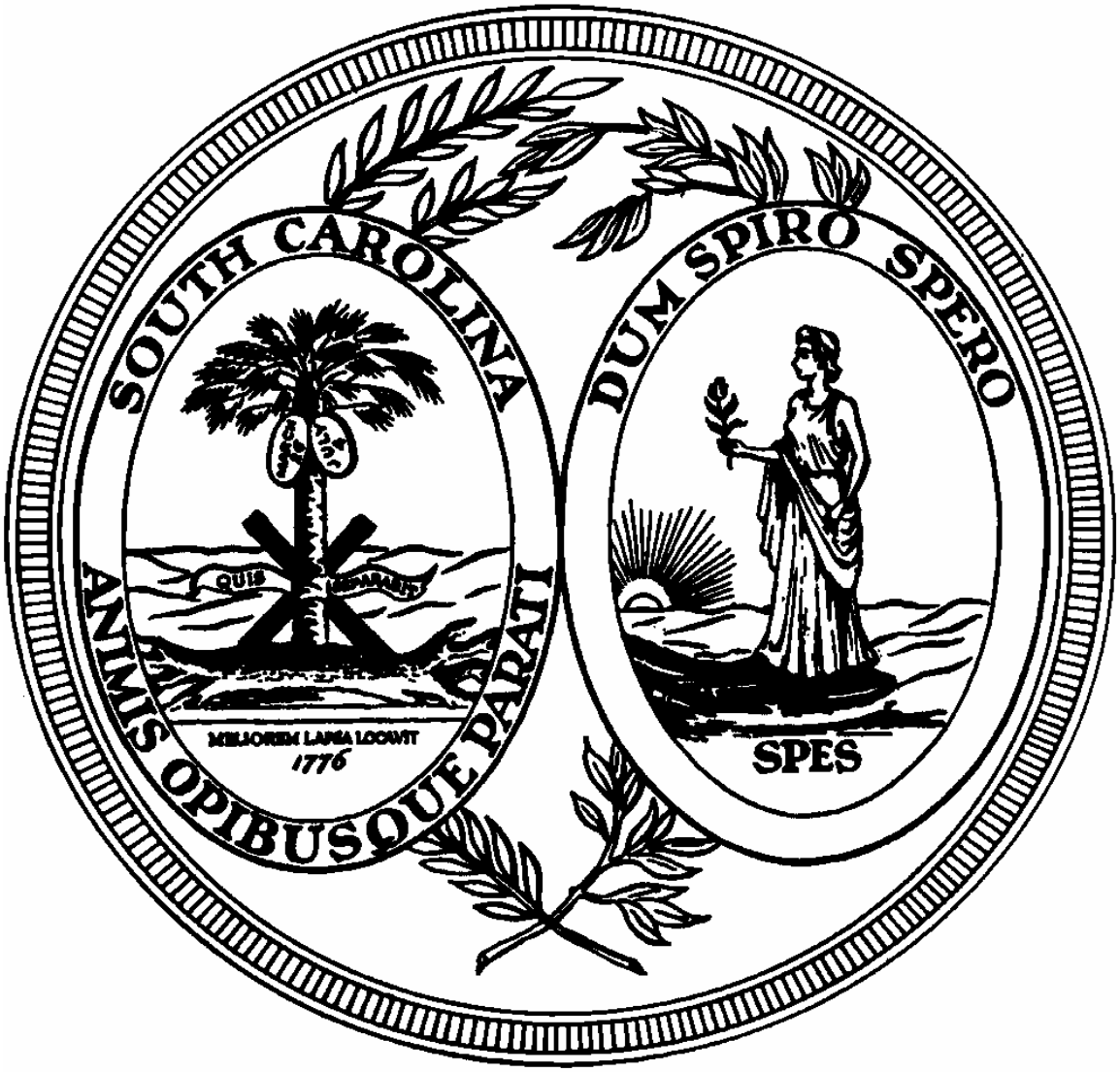
	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
INSURANCE COMPANY DEPOSITS				
Assets:				
Cash and cash equivalents	$ —	$ 3,799	$ 3,799	$ —
Securities held in lieu of surety bonds	270,604	—	3,799	266,805
Total assets	**$ 270,604**	**$ 3,799**	**$ 7,598**	**$ 266,805**
Liabilities:				
Amounts held in custody for others	$ 270,604	$ —	$ 3,799	$ 266,805
Total liabilities	**$ 270,604**	**$ —**	**$ 3,799**	**$ 266,805**
PAYROLL CLEARING				
Assets:				
Cash and cash equivalents	$ 13,306	$ 1,073,263	$ 1,080,666	$ 5,903
Accounts receivable	37	44	37	44
Due from other funds	46,836	50,709	46,836	50,709
Total assets	**$ 60,179**	**$ 1,124,016**	**$ 1,127,539**	**$ 56,656**
Liabilities:				
Accounts payable	$ 167	$ 13,449	$ 167	$ 13,449
Amounts held in custody for others	60,012	920,641	937,446	43,207
Total liabilities	**$ 60,179**	**$ 934,090**	**$ 937,613**	**$ 56,656**

Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
OTHER AGENCY				
Assets:				
Cash and cash equivalents	$ 190,822	$ 2,517,323	$ 2,482,597	$ 225,548
Accounts receivable	7,023	2,838	7,195	2,666
Accrued interest receivable	1,060	1,222	1,060	1,222
Taxes receivable	1,877	200	1,877	200
Due from other funds	12,599	5,920	12,599	5,920
Investments	34,775	—	5,752	29,023
Invested securities lending collateral	21,559	9,812	21,559	9,812
Total assets	**$ 269,715**	**$ 2,537,315**	**$ 2,532,639**	**$ 274,391**
Liabilities:				
Accounts payable	$ 11,256	$ 29,040	$ 25,517	$ 14,779
Tax refunds payable	1,462	3,363	1,462	3,363
Intergovernmental payables	9,112	13,488	9,687	12,913
Deposits	3,228	3,372	3,228	3,372
Amounts held in custody for others	221,773	2,077,711	2,070,338	229,146
Securities lending collateral	22,884	10,818	22,884	10,818
Total liabilities	**$ 269,715**	**$ 2,137,792**	**$ 2,133,116**	**$ 274,391**
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	$ 204,128	$ 3,594,385	$ 3,567,062	$ 231,451
Accounts receivable	7,060	2,882	7,232	2,710
Accrued interest receivable	1,060	1,222	1,060	1,222
Taxes receivable	1,877	200	1,877	200
Due from other funds	59,435	56,629	59,435	56,629
Investments	34,775	—	5,752	29,023
Securities held in lieu of surety bonds	270,604	—	3,799	266,805
Invested securities lending collateral	21,559	9,812	21,559	9,812
Total assets	**$ 600,498**	**$ 3,665,130**	**$ 3,667,776**	**$ 597,852**
Liabilities:				
Accounts payable	$ 11,423	$ 42,489	$ 25,684	$ 28,228
Tax refunds payable	1,462	3,363	1,462	3,363
Intergovernmental payables	9,112	13,488	9,687	12,913
Deposits	3,228	3,372	3,228	3,372
Amounts held in custody for others	552,389	2,998,352	3,011,583	539,158
Securities lending collateral	22,884	10,818	22,884	10,818
Total liabilities	**$ 600,498**	**$ 3,071,882**	**$ 3,074,528**	**$ 597,852**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Discretely Presented Component Units

Note 1a in the notes to the financial statements explains the relationship of component units to the primary government and the differences between blended component units and discretely presented component units. Note 1b in the notes to the financial statements explains that the State has designated four of its discretely presented component units as major component units. Government-wide financial statements for each of the four major component units are included in the basic financial statements (immediately preceding the notes to the financial statements).

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's nonmajor discretely presented component units:

- Combining Statement of Net Assets—Nonmajor Discretely Presented Component Units
- Combining Statement of Activities—Nonmajor Discretely Presented Component Units
- Balance Sheet—South Carolina First Steps to School Readiness Board of Trustees
- Statement of Revenues, Expenditures, and Changes in Fund Balances—South Carolina First Steps to School Readiness Board of Trustees

The paragraphs below describe the State's nonmajor discretely presented component units:

The Clemson University Foundation is a non-profit, tax-exempt public charity that was established to raise and manage private gifts for the advancement and benefit of Clemson University.

The University of South Carolina Educational Foundation (the Foundation) is an eleemosynary corporation operating for the benefit and support of the University of South Carolina. The Foundation establishes and implements long-range fund raising programs to assist in the expansion and improvement of the educational functions of the University.

The South Carolina Medical Malpractice Liability Joint Underwriting Association (the Association) was established to provide medical malpractice insurance on a self supporting basis. The financial information presented in the accompanying supplemental information is for the Association's fiscal year ended December 31, 2009.

The South Carolina First Steps to School Readiness Board of Trustees (First Steps) was established in 1999 as a non-profit, tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. The corporation was created specifically to carry out the objectives of The South Carolina First Steps to School Readiness Act and to lessen the burdens on government by overseeing the South Carolina First Steps to School Readiness initiative for improving early childhood development.

The State presents fund financial statements for First Steps, a nonmajor discretely presented component unit, because that organization does not issue separately audited financial statements of its own. First Steps uses accounting principles that apply to special revenue funds. As such, it uses the current financial resources measurement focus and the modified accrual basis of accounting.

The Children's Trust Fund of South Carolina, Inc. (the Fund) is a non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Fund's purpose is to stimulate innovative prevention and treatment programming to meet critical needs of South Carolina's children by awarding grants to private non-profit organizations. The financial information presented in the accompanying supplemental information is for the Fund's fiscal year ended September 30, 2009.

Combining Statement of Net Assets

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2010
(Expressed in Thousands)

	Clemson University Foundation	University of South Carolina Educational Foundation	South Carolina Medical Malpractice Liability Joint Underwriting Association	South Carolina First Steps to School Readiness Board of Trustees	Children's Trust Fund of S.C., Inc.	Totals
ASSETS						
Current assets:						
Cash and cash equivalents	$ 253	$ 3,281	$ 8,647	$ 4,187	$ 77	$ 16,445
Investments	—	6,868	58,842	—	797	66,507
Invested securities lending collateral	—	—	—	188	—	188
Receivables, net						
Accounts	663	82	3,312	28	6	4,091
Contributions	2,982	483	—	—	1	3,466
Accrued interest	—	3	581	56	—	640
Loans and notes	—	25	—	—	—	25
Due from Federal government and other grantors	—	—	—	—	309	309
Restricted assets:						
Cash and cash equivalents	21,511	—	—	—	—	21,511
Prepaid items	—	—	—	—	15	15
Other current assets	140	—	—	—	—	140
Deferred charges	—	—	1,257	—	—	1,257
Total current assets	25,549	10,742	72,639	4,459	1,205	114,594
Long-term assets:						
Investments	357,156	247,497	—	—	—	604,653
Receivables, net:						
Accounts	1,674	654	—	—	—	2,328
Contributions	22,371	17,195	—	—	—	39,566
Loans and notes	—	30	—	—	—	30
Other long-term assets	12	—	—	—	17	29
Non-depreciable capital assets	8,971	—	—	—	—	8,971
Depreciable capital assets, net	682	38	71	2	4	797
Total long-term assets	390,866	265,414	71	2	21	656,374
Total assets	**416,415**	**276,156**	**72,710**	**4,461**	**1,226**	**770,968**

Combining Statement of Net Assets

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS (Continued)

June 30, 2010
(Expressed in Thousands)

	Clemson University Foundation	University of South Carolina Educational Foundation	South Carolina Medical Malpractice Liability Joint Underwriting Association	South Carolina First Steps to School Readiness Board of Trustees	Children's Trust Fund of S.C., Inc.	Totals
LIABILITIES						
Current liabilities:						
Accounts payable	$ 1,121	$ 1,494	$ 528	$ 212	$ 9	$ 3,364
Accrued salaries and related expenses	—	—	—	80	—	80
Intergovernmental payables	—	—	—	80	69	149
Policy claims	—	—	29,000	—	—	29,000
Due to primary government	103,535	23,335	—	1,112	—	127,982
Unearned revenues and deferred credits	—	—	15,514	—	26	15,540
Securities lending collateral	—	—	—	208	—	208
Accounts payable from restricted assets	432	—	—	—	—	432
Notes payable	—	8	—	—	—	8
Compensated absences payable	—	—	—	53	—	53
Other current liabilities	—	397	—	—	—	397
Total current liabilities	105,088	25,234	45,042	1,745	104	177,213
Long-term liabilities:						
Policy claims	—	—	128,664	—	—	128,664
Amounts held in custody for others	2,058	—	73	—	—	2,131
Notes payable	—	22	—	—	—	22
Compensated absences payable	—	—	—	49	7	56
Other long-term liabilities	5,599	2,414	—	—	—	8,013
Total long-term liabilities	7,657	2,436	128,737	49	7	138,886
Total liabilities	**112,745**	**27,670**	**173,779**	**1,794**	**111**	**316,099**
NET ASSETS (DEFICIT)						
Invested in capital assets, net of related debt	9,653	38	71	2	4	9,768
Restricted:						
Expendable:						
Education	87,855	85,257	—	2,665	—	175,777
Other	—	—	2,159	—	—	2,159
Nonexpendable, education	198,543	156,225	—	—	—	354,768
Unrestricted	7,619	6,966	(103,299)	—	1,111	(87,603)
Total net assets (deficit)	**$ 303,670**	**$ 248,486**	**$ (101,069)**	**$ 2,667**	**$ 1,115**	**$ 454,869**

Combining Statement of Activities

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Clemson University Foundation	$ 23,698	$ —	$ 52,482	$ —
University of South Carolina Educational Foundation	25,029	—	50,324	—
South Carolina Medical Malpractice Liability Joint Underwriting Association	17,157	35,741	6,127	—
South Carolina First Steps to School Readiness Board of Trustees	20,871	390	18,164	2
Children's Trust Fund of S.C., Inc.	1,712	—	1,826	—
Totals	**$ 88,467**	**$ 36,131**	**$ 128,923**	**$ 2**

Net Revenue (Expense)	Net Assets (Deficit) Beginning of Year	Net Assets (Deficit) End of Year
$ 28,784	$ 274,886	$ 303,670
25,295	223,191	248,486
24,711	(125,780)	(101,069)
(2,315)	4,982	2,667
114	1,001	1,115
$ 76,589	**$ 378,280**	**$ 454,869**

Balance Sheet

SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS
BOARD OF TRUSTEES

June 30, 2010
(Expressed in Thousands)

ASSETS		
Cash and cash equivalents	$	4,187
Invested securities lending collateral		188
Accounts receivable		28
Accrued interest receivable		56
Total assets	**$**	**4,459**
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$	212
Accrued salaries and related expenditures		80
Intergovernmental payables		80
Due to primary government		1,112
Securities lending collateral		208
Total liabilities		**1,692**
Fund Balance:		
Unreserved, undesignated		**2,767**
Total liabilities and fund balance	**$**	**4,459**

Reconciliation of the Balance Sheet to the Combining Statement of Net Assets Nonmajor Discretely Presented Component Units

Total fund balance			**$**	**2,767**
Amounts reported for First Steps in the Combining Statement of Net Assets are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the Balance Sheet. These assets consist of:				
Capital assets	$	56		
Accumulated depreciation		(54)		
Total capital assets				2
Compensated absences payable are not due and payable in the current period and therefore are not reported in the Balance Sheet				(102)
Net assets			**$**	**2,667**

Statement of Revenues, Expenditures, and Changes in Fund Balance

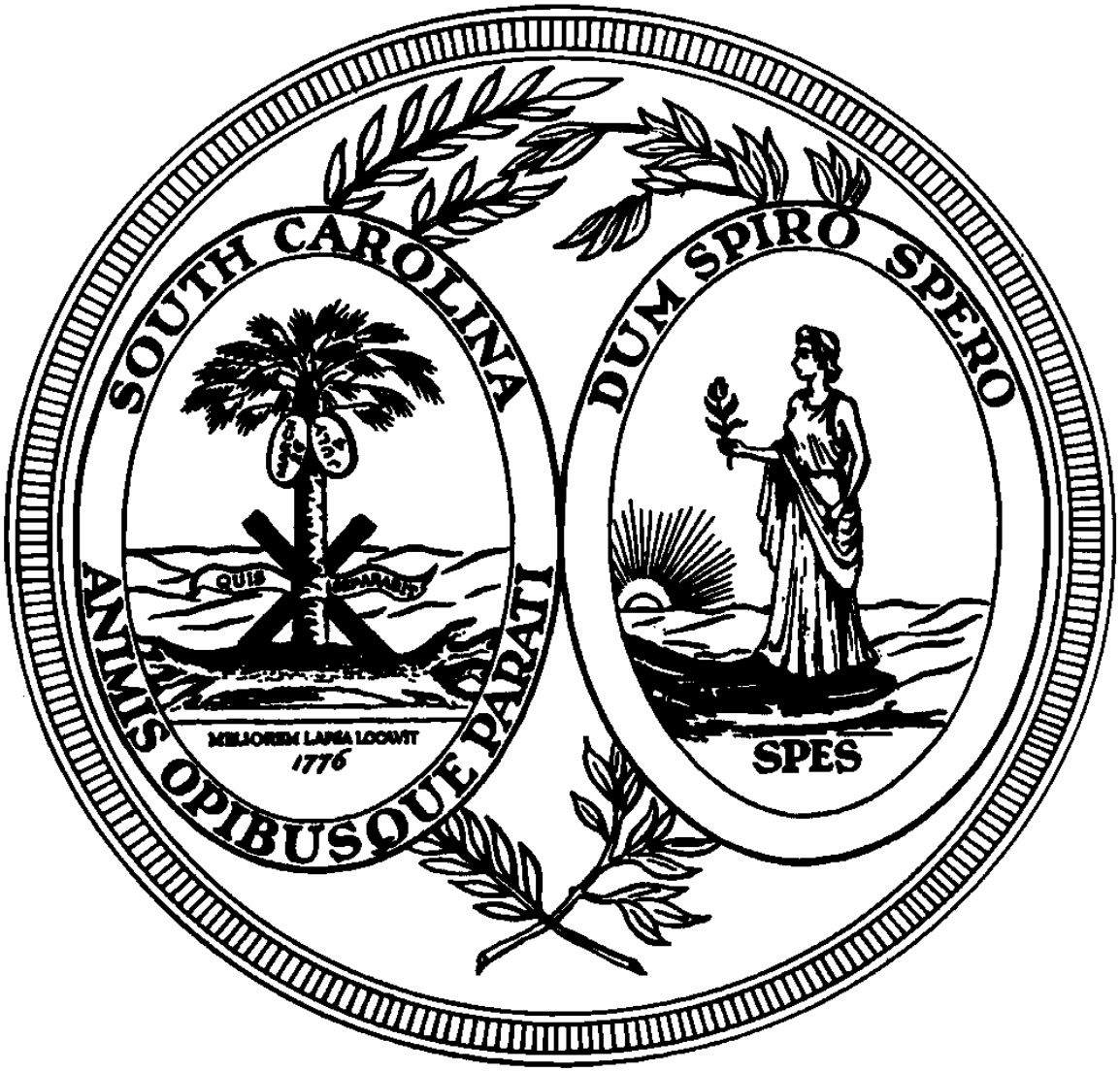
SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS
BOARD OF TRUSTEES

For the Fiscal Year Ended June 30, 2010
(Expressed in Thousands)

Revenues:		
Interest and other investment income	$	388
Federal		200
State operating grants and contracts		17,360
Departmental services		390
Contributions		216
Total revenues		**18,554**
Expenditures:		
Current: Education		10,145
Intergovernmental		10,711
Total expenditures		**20,856**
Excess of expenditures over revenues		**(2,302)**
Fund balance at beginning of year		**5,069**
Fund balance at end of year	**$**	**2,767**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Combining Statement of Activities Nonmajor Discretely Presented Component Units

Net change in fund balance	**$**	**(2,302)**
Amounts reported for First Steps in the Combining Statement of Activities are different because:		
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources		2
Compensated absences expenses reported in the Combining Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund. Increase in compensated absences payable		(15)
Change in net assets	**$**	**(2,315)**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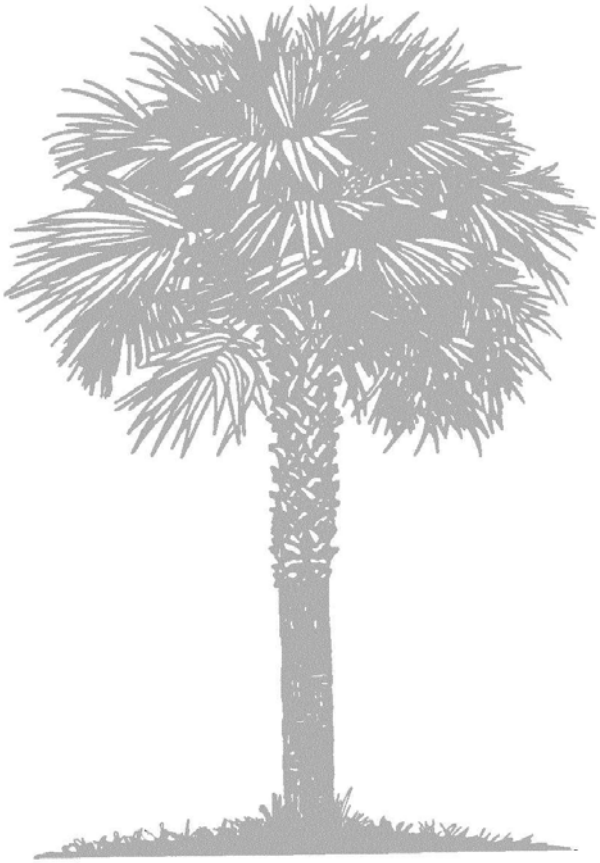
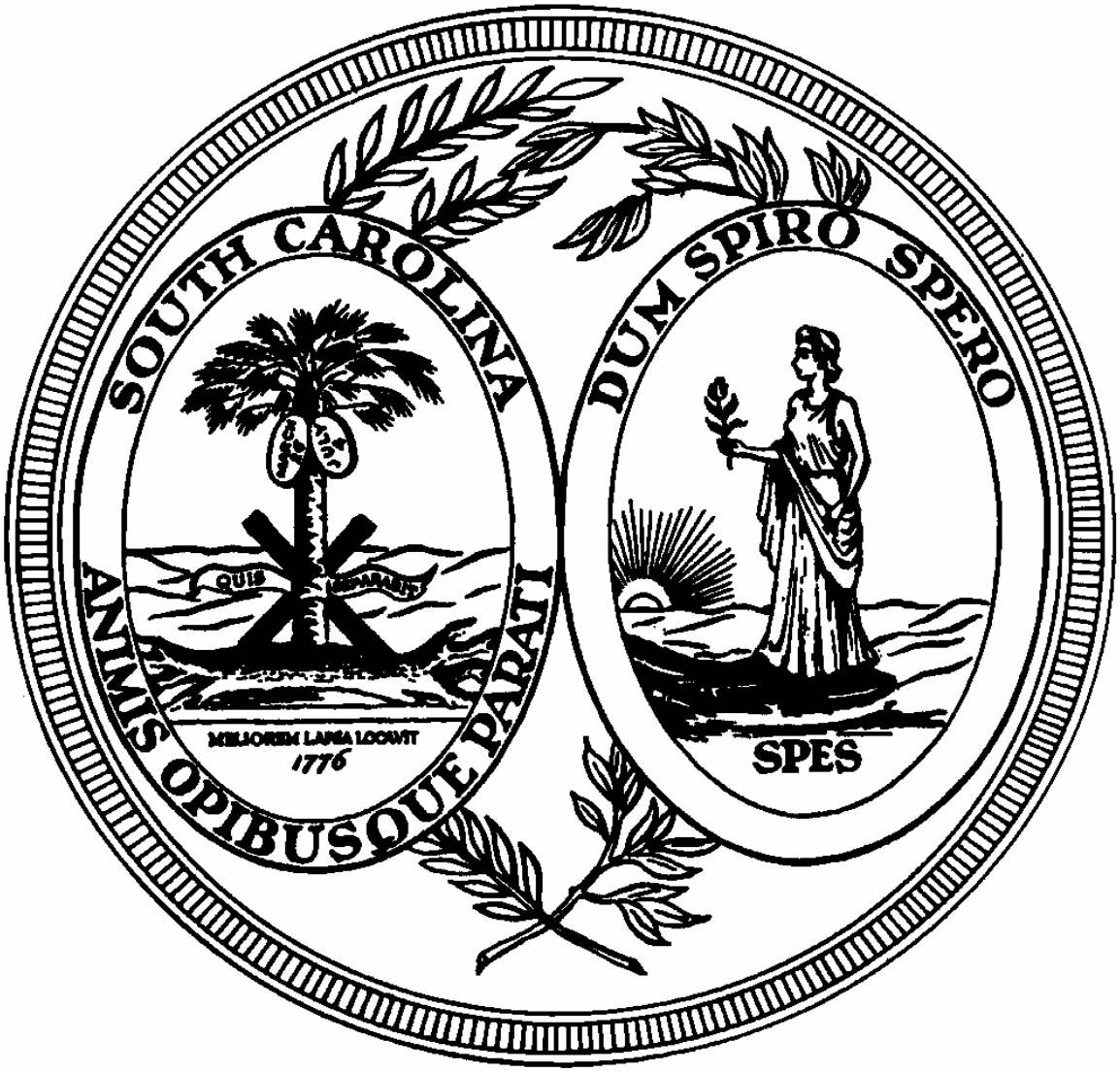
Statistical Section (Unaudited)



This section presents certain economic and social data and financial trends over a ten-year period.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Statistical Section

This section of the Comprehensive Annual Financial Report provides additional information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State of South Carolina's overall financial health.

CONTENTS

	Page
Financial Trends	210
These schedules contain trend information to help the reader understand how the State's financial performance and well-being have changed over time.	
Revenue Capacity	224
These schedules contain information to help the reader assess the State's most significant revenue sources, the personal income tax and the retail sales tax.	
Debt Capacity	230
These schedules present information to help the reader assess the affordability of the State's current levels of outstanding debt and the State's ability to issue additional debt in the future.	
Demographic and Economic Information	249
These schedules offer demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.	
Operating Information	254
These schedules contain service and capital asset data to help the reader understand how the information in the State's financial report relates to the services the State provides and the activities it performs.	

SOURCES

Unless otherwise noted, the information in these schedules is derived from the State's Comprehensive Annual Financial Report for the relevant fiscal year.

Net Assets by Component

Last Nine Fiscal Years [a]
(Accrual basis of accounting, expressed in thousands)

	For the Fiscal Year		
	2002	**2003**	**2004**
Governmental activities			
Invested in capital assets, net of related debt	$ 7,621,846	$ 8,077,945	$ 8,534,931
Restricted	2,431,538	2,385,607	2,445,033
Unrestricted	(1,002,579)	(1,103,579)	(960,949)
Total governmental activities net assets	**$ 9,050,805**	**$ 9,359,973**	**$ 10,019,015**
Business-type activities			
Invested in capital assets, net of related debt	$ 1,551,604	$ 1,648,504	$ 1,695,208
Restricted	1,291,069	1,187,558	1,186,958
Unrestricted	159,956	217,017	270,380
Total business-type activities net assets	**$ 3,002,629**	**$ 3,053,079**	**$ 3,152,546**
Primary government			
Invested in capital assets, net of related debt	$ 9,173,450	$ 9,726,449	$ 10,230,139
Restricted	3,722,607	3,573,165	3,631,991
Unrestricted	(842,623)	(886,562)	(690,569)
Total primary government net assets	**$ 12,053,434**	**$ 12,413,052**	**$ 13,171,561**

[a] Accrual-basis financial information for the State as a whole is available beginning with the fiscal year ended June 30, 2002, the year GASB Statement 34 was implemented.

Note: Certain fiscal year data has been restated for consistency.

Source: South Carolina Comptroller General's Office

Ended June 30

2005	2006	2007	2008	2009	2010
$ 8,880,082	$ 9,386,248	$ 9,728,397	$ 10,044,439	$ 10,276,019	$ 10,966,666
2,735,158	3,089,099	3,498,173	3,597,084	3,351,317	3,195,396
(172,175)	445,362	603,503	46,185	(161,946)	(371,761)
$ 11,443,065	**$ 12,920,709**	**$ 13,830,073**	**$ 13,687,708**	**$ 13,465,390**	**$ 13,790,301**
$ 1,778,072	$ 1,973,060	$ 2,133,862	$ 2,315,357	$ 2,429,521	$ 2,539,652
1,232,819	1,253,359	1,406,468	1,381,777	1,123,060	1,225,352
360,037	442,758	594,033	646,266	399,730	322,575
$ 3,370,928	**$ 3,669,177**	**$ 4,134,363**	**$ 4,343,400**	**$ 3,952,311**	**$ 4,087,579**
$ 10,658,154	$ 11,359,308	$ 11,862,259	$ 12,359,796	$ 12,705,540	$ 13,506,318
3,967,977	4,342,458	4,904,641	4,978,861	4,474,377	4,420,748
187,862	888,120	1,197,536	692,451	237,784	(49,186)
$ 14,813,993	**$ 16,589,886**	**$ 17,964,436**	**$ 18,031,108**	**$ 17,417,701**	**$ 17,877,880**

Changes in Net Assets

Last Nine Fiscal Years [a]
(Accrual basis of accounting, expressed in thousands)

	For the Fiscal Year		
	2002	**2003**	**2004**
Expenses			
Governmental activities:			
General government	$ 1,749,351	$ 1,485,190	$ 1,587,442
Education	920,695	1,110,675	1,228,354
Health and environment	3,888,356	4,240,170	4,588,137
Social services	798,409	846,818	942,591
Administration of justice	693,478	676,157	628,227
Resources and economic development	221,644	202,982	192,000
Transportation	340,405	473,086	531,667
Intergovernmental [b]	3,807,548	3,686,361	3,813,383
Unallocated interest expense	71,883	76,130	67,614
Total governmental activities expenses	**12,491,769**	**12,797,569**	**13,579,415**
Business-type activities:			
Higher education	2,270,359	2,460,589	2,527,649
Higher education institution support	717,480	728,103	757,252
Unemployment compensation benefits	526,954	546,389	493,619
Financing of housing facilities	125,422	133,632	137,671
Medical malpractice insurance	78,949	50,113	30,733
Financing of student loans	36,748	41,409	39,641
Tuition prepayment program	33,862	27,208	30,620
Patriots Point development	6,717	6,986	6,976
Insurance claims processing	1,467	1,603	1,586
Other	28,362	25,452	22,659
Total business-type activities expenses	**3,826,320**	**4,021,484**	**4,048,406**
Total primary government expenses	**16,318,089**	**16,819,053**	**17,627,821**

Ended June 30

2005	2006	2007	2008	2009	2010
$ 1,725,343	$ 2,642,678	$ 3,430,569	$ 4,521,252	$ 4,331,740	$ 4,475,571
1,280,791	2,452,623	4,078,954	4,401,108	4,109,666	4,400,125
4,767,155	6,025,626	4,897,060	5,209,149	5,825,749	6,007,179
992,960	1,347,522	1,152,324	1,300,347	1,533,666	1,847,028
629,185	873,911	742,064	789,071	774,533	760,379
197,351	272,777	367,727	407,392	372,073	351,882
664,125	1,166,910	1,018,800	941,924	940,226	1,179,611
3,848,454	—	—	—	—	—
67,705	100,109	108,401	102,825	98,728	81,838
14,173,069	**14,882,156**	**15,795,899**	**17,673,068**	**17,986,381**	**19,103,613**
2,679,238	2,871,493	3,120,278	3,405,491	3,396,191	3,520,564
800,151	881,583	965,686	1,121,483	1,200,456	1,252,222
366,820	365,091	390,087	449,775	1,332,402	2,026,866
147,021	150,626	158,031	174,152	180,555	238,191
47,432	52,598	24,809	13,259	(6,724)	2,324
43,567	61,472	61,537	77,249	52,699	36,694
26,653	38,849	8,100	(5,844)	10,598	910
6,638	6,911	7,061	7,848	8,622	9,300
1,655	1,536	1,553	1,677	1,699	1,720
29,055	24,172	27,458	27,614	30,634	25,563
4,148,230	**4,454,331**	**4,764,600**	**5,272,704**	**6,207,132**	**7,114,354**
18,321,299	**19,336,487**	**20,560,499**	**22,945,772**	**24,193,513**	**26,217,967**

Continued on Next Page

Changes in Net Assets (Continued)

Last Nine Fiscal Years [a]
(Accrual basis of accounting, expressed in thousands)

	For the Fiscal Year		
	2002	**2003**	**2004**
Program Revenues			
Governmental activities:			
Charges for services:			
General government	$ 1,233,641	$ 1,020,219	$ 1,231,619
Other activities	511,095	480,021	368,240
Operating grants and contributions	4,472,482	5,139,624	5,656,373
Capital grants and contributions	514,815	516,167	584,722
Total governmental activities program revenues	**6,732,033**	**7,156,031**	**7,840,954**
Business-type activities:			
Charges for services:			
Higher education	1,290,521	1,543,441	1,724,447
Higher education institution support	708,450	742,754	769,118
Unemployment compensation benefits	266,678	374,112	367,632
Other activities	136,854	153,085	148,827
Operating grants and contributions	523,672	429,283	422,971
Capital grants and contributions	29,635	47,381	47,136
Total business-type activities program revenues	**2,955,810**	**3,290,056**	**3,480,131**
Total primary government activities program revenues	**9,687,843**	**10,446,087**	**11,321,085**
Net Expenses			
Governmental activities	(5,759,736)	(5,641,538)	(5,738,461)
Business-type activities	(870,510)	(731,428)	(568,275)
Total primary government net expense	**(6,630,246)**	**(6,372,966)**	**(6,306,736)**

Ended June 30					
2005	**2006**	**2007**	**2008**	**2009**	**2010**
$ 1,390,695	$ 1,530,670	$ 1,617,400	$ 1,694,147	$ 1,654,616	$ 1,945,319
425,896	472,511	453,957	466,621	463,801	411,485
6,052,454	5,773,902	5,848,554	6,313,817	7,045,052	8,274,731
650,384	621,512	503,633	333,255	382,979	570,743
8,519,429	**8,398,595**	**8,423,544**	**8,807,840**	**9,546,448**	**11,202,278**
1,858,869	2,000,940	2,116,206	2,337,123	2,454,076	2,377,719
833,452	905,000	984,723	1,075,408	1,201,181	1,314,062
309,975	333,423	339,715	343,104	791,037	1,575,257
171,522	176,324	173,689	206,113	189,406	154,051
419,672	478,462	577,625	438,376	409,628	1,042,850
55,166	74,224	86,807	47,226	52,809	100,884
3,648,656	**3,968,373**	**4,278,765**	**4,447,350**	**5,098,137**	**6,564,823**
12,168,085	**12,366,968**	**12,702,309**	**13,255,190**	**14,644,585**	**17,767,101**
(5,653,640)	(6,483,561)	(7,372,355)	(8,865,228)	(8,439,933)	(7,901,335)
(499,574)	(485,958)	(485,835)	(825,354)	(1,108,995)	(549,531)
(6,153,214)	**(6,969,519)**	**(7,858,190)**	**(9,690,582)**	**(9,548,928)**	**(8,450,866)**

Continued on Next Page

Changes in Net Assets (Continued)

Last Nine Fiscal Years [a]
(Accrual basis of accounting, expressed in thousands)

	For the Fiscal Year		
	2002	**2003**	**2004**
General Revenues and Other Changes in Net Assets			
Governmental activities:			
Taxes:			
Individual income tax	$ 2,357,050	$ 2,282,464	$ 2,416,437
Retail sales and use tax	2,788,909	2,820,520	3,009,485
Other taxes	1,271,326	1,323,521	1,390,893
Unrestricted grants and contributions	37,744	82,721	80,333
Unrestricted investment income	79,119	29,535	18,723
Tobacco legal settlement	88,290	80,042	74,180
Other revenues	70,137	71,621	75,967
Special and extraordinary items	—	—	—
Transfers	(862,126)	(782,874)	(668,515)
Total governmental activities	**5,830,449**	**5,907,550**	**6,397,503**
Business-type activities:			
Additions to endowments	—	—	—
Special and extraordinary items	(6,851)	(996)	(773)
Transfers	862,126	782,874	668,515
Total business-type activities	**855,275**	**781,878**	**667,742**
Total primary government	**6,685,724**	**6,689,428**	**7,065,245**
Change in Net Assets			
Governmental activities	70,713	266,012	659,042
Business-type activities	(15,235)	50,450	99,467
Total primary government	**$ 55,478**	**$ 316,462**	**$ 758,509**

[a] Accrual-basis financial information for the State as a whole is available beginning with the fiscal year ended June 30, 2002, the year GASB Statement 34 was implemented.

[b] Beginning with the fiscal year ended June 30, 2006, intergovernmental expenses are no longer reported as a function in the government-wide statements.

Note: Certain fiscal year data has been restated for consistency.

Source: South Carolina Comptroller General's Office

Ended June 30					
2005	**2006**	**2007**	**2008**	**2009**	**2010**
$ 2,762,538	$ 3,156,028	$ 3,349,358	$ 3,341,265	$ 2,805,998	$ 2,659,728
3,221,466	3,613,754	3,803,732	4,236,156	3,908,318	3,855,095
1,469,701	1,753,214	1,787,974	1,838,101	1,682,300	1,616,347
26,391	18,664	15,642	19,279	23,896	205,965
32,628	69,438	134,196	156,974	86,639	41,555
73,231	67,841	79,912	83,494	95,115	68,709
71,090	67,012	61,926	57,256	301,321	433,166
—	—	—	5,611	—	—
(714,238)	(784,746)	(951,021)	(1,015,273)	(685,972)	(653,389)
6,942,807	**7,961,205**	**8,281,719**	**8,722,863**	**8,217,615**	**8,227,176**
—	—	—	19,118	31,934	30,480
(556)	(539)	—	—	—	—
714,238	784,746	951,021	1,015,273	685,972	653,389
713,682	**784,207**	**951,021**	**1,034,391**	**717,906**	**683,869**
7,656,489	**8,745,412**	**9,232,740**	**9,757,254**	**8,935,521**	**8,911,045**
1,289,167	1,477,644	909,364	(142,365)	(222,318)	325,841
214,108	298,249	465,186	209,037	(391,089)	134,338
$ 1,503,275	**$ 1,775,893**	**$ 1,374,550**	**$ 66,672**	**$ (613,407)**	**$ 460,179**

Fund Balances

GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified accrual basis of accounting, expressed in thousands)

	For the Fiscal Year			
	2001	**2002**	**2003**	**2004**
General Fund				
Reserved	$ 153,079	$ 67,611	$ 57,982	$ 90,605
Unreserved	(173,802)	(207,562)	(204,352)	(97,632)
Total General Fund	**(20,723)**	**(139,951)**	**(146,370)**	**(7,027)**
All other governmental funds				
Reserved	875,445	1,521,120	1,644,870	1,902,990
Unreserved, reported in:				
Special revenue funds	2,308,638	1,435,046	1,083,312	961,307
Capital projects fund	125,157	112,525	104,289	178,711
Permanent funds [a]	—	579	839	970
Total all other governmental funds	**3,309,240**	**3,069,270**	**2,833,310**	**3,043,978**
Total fund balances, governmental funds	**$ 3,288,517**	**$ 2,929,319**	**$ 2,686,940**	**$ 3,036,951**

[a] Prior to fiscal year 2002, activities of the permanent funds were reported in nonexpendable trust funds which are not included in the schedule.

Note: Certain fiscal year data has been restated for consistency.

Source: South Carolina Comptroller General's Office

Ended June 30					
2005	**2006**	**2007**	**2008**	**2009**	**2010**
$ 142,662	$ 280,169	$ 413,157	$ 341,773	$ 231,201	$ 184,645
345,437	833,676	679,780	(9,977)	(125,972)	(36,290)
488,099	**1,113,845**	**1,092,937**	**331,796**	**105,229**	**148,355**
1,942,261	2,027,383	2,153,086	2,077,825	2,124,977	2,167,253
1,224,530	614,501	1,454,483	1,258,938	806,524	726,389
183,763	307,633	240,134	234,123	248,130	362,097
983	496,290	1,070	1,209	1,502	1,473
3,351,537	**3,445,807**	**3,848,773**	**3,572,095**	**3,181,133**	**3,257,212**
$ 3,839,636	**$ 4,559,652**	**$ 4,941,710**	**$ 3,903,891**	**$ 3,286,362**	**$ 3,405,567**

Changes in Fund Balances

GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified accrual basis of accounting, dollars in thousands)

	2001	2002	2003
Revenues			
Taxes:			
Individual income	$ 2,492,877	$ 2,340,840	$ 2,287,989
Retail sales and use	2,705,207	2,771,191	2,817,138
Other	1,244,551	1,244,487	1,292,376
Licenses, fees, and permits	309,017	270,005	390,390
Interest and other investment income	246,987	194,743	157,858
Federal	4,180,091	4,596,726	5,014,039
Local and private grants	—	9,299	9,330
State grants	—	—	—
Departmental services	564,562	638,330	703,823
Contributions	159,803	178,427	335,846
Fines and penalties	74,959	82,893	81,532
Tobacco legal settlement	73,747	88,291	86,313
Other	100,828	121,945	124,038
Total revenues	**12,152,629**	**12,537,177**	**13,300,672**
Expenditures			
Current:			
General government	488,865	491,678	475,705
Education	443,540	485,133	632,906
Health and environment	4,200,086	4,218,410	4,512,620
Social services	720,602	803,313	844,927
Administration of justice	716,462	644,270	644,896
Resources and economic development	198,351	180,203	162,798
Transportation	324,207	435,384	559,466
Capital outlay	663,500	627,588	525,284
Debt service:			
Principal retirement	139,977	185,031	231,533
Interest and fiscal charges	102,435	226,568	236,281
Intergovernmental	4,132,596	4,530,261	4,469,022
Total expenditures	**12,130,621**	**12,827,839**	**13,295,438**

For the Fiscal Year Ended June 30						
2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
$ 2,408,756	$ 2,765,012	$ 3,127,734	$ 3,337,312	$ 3,360,054	$ 2,828,668	$ 2,658,700
2,996,073	3,225,931	3,631,350	3,805,628	4,254,318	3,908,318	3,855,095
1,373,468	1,437,920	1,740,273	1,762,708	1,810,088	1,653,678	1,586,023
415,445	462,186	493,527	519,707	522,131	502,811	468,758
75,349	122,958	157,015	273,949	315,962	225,837	172,561
5,659,928	5,975,208	5,949,905	5,770,911	6,015,003	6,801,787	8,475,813
9,183	9,924	11,448	9,715	52,347	50,523	40,287
—	3,469	65	—	—	—	—
668,252	640,350	727,251	638,441	747,419	746,106	232,079
534,455	681,174	406,031	373,238	331,689	379,042	434,832
105,601	107,197	111,480	113,340	121,359	120,705	163,389
74,180	73,231	67,841	79,912	83,493	95,115	68,709
86,796	84,203	98,457	126,857	129,096	376,747	446,384
14,407,486	**15,588,763**	**16,522,377**	**16,811,718**	**17,742,959**	**17,689,337**	**18,602,630**
533,227	613,314	633,822	857,359	824,171	752,983	711,761
652,102	680,676	752,980	811,465	872,898	811,215	820,352
4,931,105	5,129,240	5,143,590	5,243,672	5,564,099	6,219,832	5,963,035
874,703	999,624	1,048,720	1,143,967	1,271,986	1,529,925	1,831,650
574,404	582,748	637,444	698,429	751,182	716,476	686,975
154,066	179,635	198,445	231,468	256,526	205,489	163,858
614,220	629,430	779,985	742,299	715,538	655,964	902,784
531,822	607,683	623,365	342,857	220,744	384,197	470,201
220,265	243,050	250,785	264,967	789,639	353,204	713,643
239,553	252,889	257,609	254,938	341,027	220,309	200,409
4,594,739	4,678,620	4,985,632	5,113,092	6,178,735	5,869,496	6,109,264
13,920,206	**14,596,909**	**15,312,377**	**15,704,513**	**17,786,545**	**17,719,090**	**18,573,932**

Continued on Next Page

Changes in Fund Balances

GOVERNMENTAL FUNDS (Continued)

Last Ten Fiscal Years
(Modified accrual basis of accounting, dollars in thousands)

	2001	2002	2003
Excess of revenues over (under) expenditures	**$ 22,008**	**$ (290,662)**	**$ 5,234**
Other financing sources (uses)			
Bonds and notes issued	1,992,249	646,571	492,895
Refunding bonds issued	—	—	105,415
Accrued interest on refunding bonds issued	—	—	—
Premiums on bonds issued	—	14,858	11,323
Discounts on bonds issued	—	(1,461)	—
Capital leases	315	140	1,088
Receipts from swap counter-parties	—	—	—
Payment of termination fee to swap counter-party	—	—	—
Payments to refunded bond escrow agent	—	—	(106,267)
Transfers in	261,620	348,088	408,663
Transfers out	(1,311,278)	(1,207,429)	(1,160,730)
Total other financing sources (uses)	**942,906**	**(199,233)**	**(247,613)**
Decrease in reserve for inventories [a]	(5,119)	—	—
Net change in fund balances	**$ 959,795**	**$ (489,895)**	**$ (242,379)**
Debt service as a percentage of noncapital expenditures	[b]	**3.5%**	**3.7%**

[a] Effective July 1, 2001, the State began applying the consumption method to its inventories in governmental funds, rather than the purchases method.

[b] Debt service as a percentage of noncapital expenditures calculations is available beginning with the fiscal year ended June 30, 2002, the year GASB Statement 34 was implemented.

Note: Certain fiscal year data has been restated for consistency.

Source: South Carolina Comptroller General's Office

For the Fiscal Year Ended June 30

2004	2005	2006	2007	2008	2009	2010
$ 487,280	**$ 991,854**	**$ 1,210,000**	**$ 1,107,205**	**$ (43,586)**	**$ (29,753)**	**$ 28,698**
467,795	303,820	289,475	306,991	—	91,521	301,672
524,860	448,160	221,045	102,015	275,730	—	388,450
—	—	—	—	957	—	—
11,334	41,225	22,222	9,456	—	4,541	49,600
—	—	—	(8)	(8,249)	—	(87)
—	700	250	—	513	19	—
—	—	—	—	7,599	—	—
—	—	—	—	(7,599)	—	—
(524,606)	(332,801)	(241,235)	(118,350)	(251,180)	—	—
552,574	205,963	488,833	384,755	1,099,105	759,447	735,715
(1,206,111)	(915,263)	(1,270,574)	(1,410,006)	(2,111,109)	(1,443,304)	(1,383,899)
(174,154)	**(248,196)**	**(489,984)**	**(725,147)**	**(994,233)**	**(587,776)**	**91,451**
—	—	—	—	—	—	—
$ 313,126	**$ 743,658**	**$ 720,016**	**$ 382,058**	**$ (1,037,819)**	**$ (617,529)**	**$ 120,149**
3.5%	**3.6%**	**3.5%**	**3.4%**	**6.5%**	**3.3%**	**5.3%**

Personal Income by Industry

Last Ten Calendar Years
(Dollars in millions)

Sources	2000	2001[b]	2002	2003
Farm earnings	$ 525	$ 647	$ 226	$ 540
Agricultural services, forestry, fishing, and other	289	310	299	307
Mining	100	88	86	91
Construction	5,599	5,823	5,824	6,153
Manufacturing	14,711	14,340	14,320	14,830
Transportation and public utilities	3,070	3,225	3,260	3,456
Wholesale trade	3,136	3,279	3,396	3,411
Retail trade	6,260	6,407	6,562	6,879
Finance, insurance, and real estate	4,753	4,957	5,319	5,568
Services	21,812	22,560	23,626	24,824
Federal government, civilian	1,874	1,843	1,984	2,023
Military	2,168	2,209	2,484	2,775
State and local government	10,671	11,178	11,557	12,064
Other [a]	25,945	27,349	28,059	27,739
Total personal income	**$ 100,913**	**$ 104,215**	**$ 107,002**	**$ 110,660**
Average effective rate [c]	2.1%	2.1%	2.1%	2.1%

[a] Includes dividends, interest, rental income, residence adjustment, government transfers to individuals, and deductions for social insurance.

[b] The employment classification coding system changed from the Standard Industrial Code basis to the North American Classification System in calendar year 2001. Prior calendar years were not reclassified.

[c] The total direct tax rate for personal income is not available. Average effective rate equals total personal income tax liability divided by total personal income.

[d] Information not yet available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Calendar Year					
2004	**2005**	**2006**	**2007**	**2008**	**2009**
$ 639	$ 649	$ 461	$ 287	$ 493	$ 451
333	320	345	341	327	325
97	99	107	102	116	100
6,527	6,980	7,814	7,727	6,817	5,408
14,568	14,650	15,016	15,083	15,288	14,114
3,650	3,834	4,124	4,118	4,175	4,007
3,788	4,164	4,521	4,922	5,023	4,588
7,178	7,479	7,823	8,033	7,801	7,413
5,743	6,235	6,711	6,768	6,605	6,558
26,920	28,458	30,572	32,534	33,533	32,982
2,221	2,327	2,470	2,615	2,777	2,902
3,068	3,282	3,432	3,693	4,023	4,360
12,550	13,378	14,086	15,077	16,134	16,511
29,966	32,537	36,715	40,750	45,258	47,782
$ 117,248	**$ 124,392**	**$ 134,197**	**$ 142,050**	**$ 148,370**	**$ 147,501**
2.1%	2.2%	2.2%	2.1%	1.9%	d

Taxable Sales by Industry

Last Ten Fiscal Years
(Expressed in millions)

Sources	For the Fiscal Year 2001	2002	2003	2004
Retail trade	$ 32,845	$ 33,980	$ 34,692	$ 38,118
Services	4,213	4,119	4,222	4,552
Transportation, communication, and utilities	3,420	3,533	3,587	4,054
Wholesale trade	3,105	3,002	3,041	2,950
Other	902	843	863	1,073
Total taxable sales	**$ 44,485**	**$ 45,477**	**$ 46,405**	**$ 50,747**

Percent Distribution of Taxable Sales by Industry

Last Ten Fiscal Years

Sources	For the Fiscal Year 2001	2002	2003	2004
Retail trade	73.8%	74.7%	74.8%	75.1%
Services	9.5%	9.1%	9.1%	9.0%
Transportation, communication, and utilities	7.7%	7.8%	7.7%	8.0%
Wholesale trade	7.0%	6.6%	6.5%	5.8%
Other	2.0%	1.8%	1.9%	2.1%
Total taxable sales	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Sales tax rate[a]	**5.0%**	**5.0%**	**5.0%**	**5.0%**

[a] Excludes the 2% accommodations tax and the local option sales tax; includes the 4% retail sales tax (5% beginning June 1, 2007) and 1% Education Improvement Act sales tax.

Note: Due to confidentiality issues, the names of the ten largest sales tax revenue payers are not presented. The categories presented are intended to provide alternative information regarding the sources of the State's sales tax revenues.

Source: South Carolina Department of Revenue

Ended June 30

2005	2006	2007	2008	2009	2010
$ 41,133	$ 44,258	$ 47,331	$ 44,061	$ 38,129	$ 37,132
4,747	5,172	5,426	5,754	5,189	4,976
4,175	4,682	5,041	5,229	5,292	5,403
3,173	3,466	2,851	2,869	2,519	2,338
1,390	1,781	1,935	1,748	1,539	1,276
$ 54,618	**$ 59,359**	**$ 62,584**	**$ 59,661**	**$ 52,668**	**$ 51,125**

Ended June 30

2005	2006	2007	2008	2009	2010
75.3%	74.6%	75.6%	73.9%	72.4%	72.6%
8.7%	8.7%	8.7%	9.6%	9.9%	9.7%
7.6%	7.9%	8.1%	8.8%	10.0%	10.6%
5.8%	5.8%	4.5%	4.8%	4.8%	4.6%
2.6%	3.0%	3.1%	2.9%	2.9%	2.5%
100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
5.0%	**5.0%**	**6.0%**	**6.0%**	**6.0%**	**6.0%**

Personal Income Tax Rates

Last Ten Calendar Years

Tax Year	Tax Rates	Number of Brackets	Income Brackets Low	Income Brackets High	Average Effective Rate[a]
2000	2.5% – 7.0%	6	2,360	11,800	2.1%
2001	2.5% – 7.0%	6	2,400	12,000	2.1%
2002	2.5% – 7.0%	6	2,440	12,200	2.1%
2003	2.5% – 7.0%	6	2,460	12,300	2.1%
2004	2.5% – 7.0%	6	2,500	12,500	2.1%
2005	2.5% – 7.0%	6	2,530	12,650	2.2%
2006	2.5% – 7.0%	6	2,570	12,850	2.2%
2007	0.0% – 7.0%	6	2,630	13,150	2.1%
2008	0.0% – 7.0%	6	2,670	13,350	1.9%
2009	0.0% – 7.0%	6	2,740	13,700	[b]

[a] The total direct tax rate for personal income is not presented. Average effective rate equals total personal income tax liability divided by total personal income.

[b] Not yet available.

Note: The legislature can raise the sales or income tax rates by legislation; no vote of the populace is required. The State's personal income tax brackets are adjusted each year for inflation.

Source: South Carolina Department of Revenue

Personal Income Tax Filers and Liability by Income Level

Calendar Years 2008 and 1999
(Dollars, except Income Level, expressed in thousands)

2008 [a]

State Taxable Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
$100,001 and higher	80,790	3.9%	$ 1,096,400	38.3%
$75,001 - $100,000	64,773	3.1%	340,105	11.9%
$50,001 - $75,000	140,736	6.8%	503,216	17.6%
$25,001 - $50,000	303,555	14.7%	591,918	20.7%
$10,001 - $25,000	368,311	17.8%	261,193	9.1%
$10,000 and lower	1,109,733	53.7%	68,930	2.4%
Total	**2,067,898**	**100.0%**	**$ 2,861,762**	**100.0%**

1999

State Taxable Income Level	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
$100,001 and higher	42,153	2.4%	$ 587,571	28.9%
$75,001 - $100,000	35,366	2.0%	174,650	8.6%
$50,001 - $75,000	111,038	6.3%	367,816	18.1%
$25,001 - $50,000	311,767	17.6%	568,583	28.0%
$10,001 - $25,000	400,625	22.6%	277,934	13.7%
$10,000 and lower	871,325	49.1%	54,455	2.7%
Total	**1,772,274**	**100.0%**	**$ 2,031,009**	**100.0%**

[a] Information for 2009 not yet available.

Note: Due to confidentiality issues, the names of the largest personal income tax payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's individual income tax revenues.

Source: South Carolina Department of Revenue

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years
(Dollars in thousands unless otherwise indicated)

	2001	2002	2003	2004
Governmental Activities				
General obligation bonds	$ 2,054,526	$ 2,204,129	$ 2,239,207	$ 2,266,261
Limited obligation bonds	34,003	30,597	27,040	23,304
Tobacco Authority bonds	934,530	902,920	869,870	845,630
Infrastructure Bank bonds	832,575	1,193,046	1,463,582	1,725,514
Revenue bonds	—	—	26,034	24,802
Notes payable	7,026	4,398	7,395	8,884
Capital leases	10,042	8,185	4,106	3,256
Total governmental activities	3,872,702	4,343,275	4,637,234	4,897,651
Business-Type Activities				
General obligation bonds	96,310	134,235	208,968	242,740
General obligation bonds anticipation notes payable	—	8,400	—	—
Revenue bonds	1,283,584	1,417,382	1,480,054	1,542,828
Revenue bonds anticipation notes payable	—	16,400	28,025	44,310
Advances from Federal government	—	—	—	—
Notes payable	176,703	157,216	163,134	207,276
Certificates of participation payable	19,010	18,036	13,525	—
Capital leases	47,782	46,633	65,445	54,585
Total business-type activities	1,623,389	1,798,302	1,959,151	2,091,739
Total primary government	**$ 5,496,091**	**$ 6,141,577**	**$ 6,596,385**	**$ 6,989,390**
Debt as a percentage of personal income	5.3%	5.7%	6.0%	6.0%
Debt per capita expressed in actual dollars	$1,353	$1,497	$1,591	$1,664

[a] Not yet available.

Source: South Carolina Comptroller General's Office

For the Fiscal Year Ended June 30					
2005	**2006**	**2007**	**2008**	**2009**	**2010**
$ 2,298,253	$ 2,405,119	$ 2,214,865	$ 2,016,952	$ 1,857,510	$ 1,950,048
19,392	15,291	10,985	9,352	7,629	6,435
820,905	796,900	769,755	242,891	176,180	120,653
1,947,393	1,917,706	2,162,973	2,125,640	2,091,864	2,051,545
23,521	22,169	41,044	38,598	35,982	33,251
10,311	21,021	15,622	20,362	35,820	60,944
2,856	1,894	939	672	404	242
5,122,631	5,180,100	5,216,183	4,454,467	4,205,389	4,223,118
230,423	249,514	356,795	351,481	354,252	387,464
—	—	—	30,000	30,000	30,000
2,312,032	2,532,352	2,709,144	2,928,641	2,981,089	2,916,166
9,345	6,855	4,500	—	53,100	51,100
—	—	—	—	344,881	886,662
224,080	249,674	253,357	341,009	264,174	219,279
—	—	—	—	—	—
52,555	44,987	46,069	48,048	87,224	106,468
2,828,435	3,083,382	3,369,865	3,699,179	4,114,720	4,597,139
$ 7,951,066	**$ 8,263,482**	**$ 8,586,048**	**$ 8,153,646**	**$ 8,320,109**	**$ 8,820,257**
6.4%	6.2%	6.0%	5.5%	5.6%	a
$1,868	$1,904	$1,941	$1,811	$1,824	a

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years
(Dollars in thousands unless otherwise indicated)

	2001	2002	2003
Governmental Activities			
Capital improvement bonds	$ 893,941	$ 931,044	$ 919,382
State highway bonds	672,135	651,135	630,730
State school facilities bonds	488,450	621,950	689,095
Infrastructure Bank bonds	—	—	—
State economic development bonds	—	—	—
Research university infrastructure bonds	—	—	—
Air carrier hub terminal facilities bonds	—	—	—
Total governmental activities	2,054,526	2,204,129	2,239,207
Business-Type Activities			
State institution bonds	96,310	134,235	208,968
Total primary government	**$ 2,150,836**	**$ 2,338,364**	**$ 2,448,175**
Debt as a percentage of personal income	2.1%	2.2%	2.2%
Debt per capita expressed in actual dollars	$529	$570	$590

[a] Not yet available.

Source: South Carolina Comptroller General's Office

For the Fiscal Year Ended June 30

2004	2005	2006	2007	2008	2009	2010
$ 917,949	$ 801,626	$ 693,815	$ 603,762	$ 514,410	$ 424,080	$ 355,264
609,939	725,434	699,669	663,582	622,145	548,278	510,365
650,565	611,126	567,873	523,305	476,498	427,355	375,742
60,333	58,785	57,171	55,491	53,742	51,921	50,026
27,475	101,282	238,109	227,992	217,449	206,371	417,633
—	—	148,482	140,733	132,708	199,505	190,594
—	—	—	—	—	—	50,424
2,266,261	2,298,253	2,405,119	2,214,865	2,016,952	1,857,510	1,950,048
242,740	230,423	249,514	356,795	351,481	354,252	387,464
$ 2,509,001	**$ 2,528,676**	**$ 2,654,633**	**$ 2,571,660**	**$ 2,368,433**	**$ 2,211,762**	**$ 2,337,512**
2.1%	2.0%	2.0%	1.8%	1.6%	1.5%	a
$597	$594	$612	$581	$526	$485	a

Computation of Legal Debt Margin

June 30, 2010
(Expressed in Thousands)

Section 59-107-90 of the South Carolina Code of Laws states that the maximum amount of annual debt service on institution bonds for each institution shall not exceed ninety percent of the sums received from tuition fees for the preceding fiscal year.

Section 57-11-240 of the South Carolina Code of Laws and Article X, Section 13 of the South Carolina Constitution state that highway bonds may be issued if such bonds are additionally secured by a pledge of revenues designated by the General Assembly for State highway purposes from taxes or licenses imposed for using the public highways of the State. The maximum annual debt service on all highway bonds shall not exceed fifteen percent of the proceeds received from the designated revenues for the fiscal year next preceding.

Section 11-51-50 of the South Carolina Code of Laws states that the issuance of general obligation bonds of the State must be limited so that the maximum annual debt service on all general obligation bonds of the State (excluding highway bonds, State institution bonds, tax anticipation notes, and bond anticipation notes) may not exceed six percent of the general revenues of the State for the fiscal year next preceding (excluding revenues which are authorized to be pledged for state highway bonds and state institution bonds).

Section 11-41-60 states that the maximum annual debt service on economic development bonds may not exceed one-half of one percent of the general revenues of the State for the fiscal year next preceding (excluding revenues which are authorized to be pledged for state highway bonds and state institution bonds).

Section 11-51-50 also states that the maximum annual debt service on research university infrastructure bonds may not exceed one-half of one percent of the general revenues of the State for the fiscal year next preceding (excluding revenues which are authorized to be pledged for state highway bonds and state institution bonds).

INSTITUTION BONDS

Institution	Prior Year Revenues	90% Computation	Maximum Debt Service	Margin
The Citadel	$ 671	$ 604	$ 258	$ 346
Clemson University	19,607	17,646	6,025	11,621
Coastal Carolina University	6,817	6,135	5,404	731
College of Charleston	1,653	1,488	573	915
Lander University	22,061	19,855	1,368	18,487
Medical University of South Carolina	8,612	7,751	5,073	2,678
South Carolina State University [a]	2,305	2,075	2,719	(644)
University of South Carolina	21,688	19,519	11,946	7,573
Winthrop University	6,463	5,817	4,873	944
Midlands Technical College	3,200	2,880	1,395	1,485
Totals	**$ 93,077**	**$ 83,770**	**$ 39,634**	**$ 44,136**

HIGHWAY BONDS

2008-2009 Budgetary General Fund revenues pledged for highway bonds	$ 15,213
2008-2009 other revenues pledged for highway bonds	607,331
2008-2009 revenues pledged for highway bonds	622,544
15% of 2008-2009 revenues pledged for highway bonds	93,382
Less: maximum annual debt service for highway bonds [b]	60,997
Legal debt service margin at June 30, 2010--highway bonds	**$ 32,385**

Computation of Legal Debt Margin (Continued)

June 30, 2010
(Expressed in Thousands)

GENERAL OBLIGATION BONDS (EXCLUDING INSTITUTION BONDS, HIGHWAY BONDS, AND ANTICIPATION NOTES)[e]

2008-2009 Budgetary General Fund revenues	$ 5,544,173
Less: 2008-2009 Budgetary General Fund revenues pledged for highway bonds [c]	15,213
2008-2009 net Budgetary General Fund revenues	5,528,960
6% of 2008-2009 net Budgetary General Fund revenues	331,738
Less: maximum annual debt service for general obligation bonds excluding institution and highway bonds and bond anticipation notes [b]	199,556
Legal debt service margin at June 30, 2010--general obligation bonds excluding institution and highway bonds and bond anticipation notes	**$ 132,182**

ECONOMIC DEVELOPMENT BONDS[f]

2008-2009 Budgetary General Fund revenues	$ 5,544,173
Less: 2008-2009 Budgetary General Fund revenues pledged for highway bonds [c]	15,213
2008-2009 net Budgetary General Fund revenues	5,528,960
0.5% of 2008-2009 net Budgetary General Fund revenues	27,645
Less: maximum annual debt service for economic development bonds [d]	24,655
Legal debt service margin at June 30, 2010--economic development bonds	**$ 2,990**

RESEARCH UNIVERSITY INFRASTRUCTURE BONDS

2008-2009 Budgetary General Fund revenues	$ 5,544,173
Less: 2008-2009 Budgetary General Fund revenues pledged for highway bonds [c]	15,213
2008-2009 net Budgetary General Fund revenues	5,528,960
0.5% of 2008-2009 net Budgetary General Fund revenues	27,645
Less: maximum annual debt service for research university infrastructure bonds [b]	21,019
Legal debt service margin at June 30, 2010--research university infrastructure bonds	**$ 6,626**

[a] South Carolina State University exceeded its legal debt service limit on its State institution bonds by approximately $644 thousand at June 30, 2010. The University will adjust tuition fees in subsequent years to cover the debt requirement.

[b] As of June 30, 2010, the maximum annual debt service will occur in the fiscal year ending June 30, 2011.

[c] For the fiscal year ended June 30, 2010, there were no net Budgetary General Fund revenues pledged for State institution bonds and anticipation notes.

[d] As of June 30, 2010, the maximum annual debt service will occur in the fiscal year ending June 30, 2023.

[e] During the fiscal year ended June 30, 2010, the State issued $50 million of Air Carrier Hub Terminal Facilities bonds under the provisions of Section 55-11-520 of the South Carolina Code of Laws. Section 55-11-520(A) states that no more than $50 million of Air Carrier Hub Terminal Facilities bonds may be outstanding at any time.

[f] During the fiscal year ended June 30, 2010, the State issued $170 million of Economic Development bonds which are not subject to the limitation on maximum annual debt service. This is based on the provisions of Section 11-41-60 of the South Carolina Code of Laws. This $170 million bond issue has been excluded from the debt service limit calculations.

Source: South Carolina Comptroller General's Office

Legal Debt Margin Information

Last Ten Fiscal Years
(Dollars in thousands)

	2001	2002	2003
State Institution Bonds			
The Citadel			
Debt service limitation	$ 449	$ 475	$ 505
Debt service applicable to limit	206	461	460
Legal debt margin at June 30	**$ 243**	**$ 14**	**$ 45**
Legal debt margin as a percentage of debt service limitation	**54.1%**	**2.9%**	**8.9%**
Clemson University			
Debt service limitation	$ 3,211	$ 3,893	$ 4,359
Debt service applicable to limit	1,542	1,542	4,046
Legal debt margin at June 30	**$ 1,669**	**$ 2,351**	**$ 313**
Legal debt margin as a percentage of debt service limitation	**52.0%**	**60.4%**	**7.2%**
Coastal Carolina University			
Debt service limitation	$ 519	$ —	$ 757
Debt service applicable to limit	340	—	696
Legal debt margin at June 30	**$ 179**	**$ —**	**$ 61**
Legal debt margin as a percentage of debt service limitation	**34.5%**	**—**	**8.1%**
College of Charleston			
Debt service limitation	$ —	$ —	$ 2,250
Debt service applicable to limit	—	—	573
Legal debt margin at June 30	**$ —**	**$ —**	**$ 1,677**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**74.5%**
Francis Marion University			
Debt service limitation	$ —	$ —	$ —
Debt service applicable to limit	—	—	—
Legal debt margin at June 30	**$ —**	**$ —**	**$ —**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**—**
Lander University			
Debt service limitation	$ —	$ —	$ —
Debt service applicable to limit	—	—	—
Legal debt margin at June 30	**$ —**	**$ —**	**$ —**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**—**

2004	2005	2006	2007	2008	2009	2010
$ 503	$ 506	$ 515	$ 527	$ 527	$ 584	$ 604
460	457	457	258	258	258	258
$ 43	**$ 49**	**$ 58**	**$ 269**	**$ 269**	**$ 326**	**$ 346**
8.5%	**9.7%**	**11.3%**	**51.0%**	**51.0%**	**55.8%**	**57.3%**
$ 6,188	$ 6,193	$ 6,408	$ 7,860	$ 10,747	$ 13,981	$ 17,646
4,800	4,800	4,800	6,025	6,025	6,025	6,025
$ 1,388	**$ 1,393**	**$ 1,608**	**$ 1,835**	**$ 4,722**	**$ 7,956**	**$ 11,621**
22.4%	**22.5%**	**25.1%**	**23.3%**	**43.9%**	**56.9%**	**65.9%**
$ 778	$ 871	$ 1,210	$ 1,519	$ 1,818	$ 5,754	$ 6,135
696	696	696	1,435	1,425	1,420	5,404
$ 82	**$ 175**	**$ 514**	**$ 84**	**$ 393**	**$ 4,334**	**$ 731**
10.5%	**20.1%**	**42.5%**	**5.5%**	**21.6%**	**75.3%**	**11.9%**
$ 3,776	$ 3,793	$ 1,186	$ 1,107	$ 1,310	$ 1,343	$ 1,488
573	573	573	573	573	573	573
$ 3,203	**$ 3,220**	**$ 613**	**$ 534**	**$ 737**	**$ 770**	**$ 915**
84.8%	**84.9%**	**51.7%**	**48.2%**	**56.3%**	**57.3%**	**61.5%**
$ —	$ —	$ 185	$ 191	$ 191	$ —	$ —
—	—	156	156	—	—	—
$ —	**$ —**	**$ 29**	**$ 35**	**$ 191**	**$ —**	**$ —**
—	**—**	**15.7%**	**18.3%**	**100.0%**	**—**	**—**
$ 10,771	$ 11,107	$ 12,342	$ 13,588	$ 14,425	$ 17,105	$ 19,855
788	775	1,388	1,383	1,379	1,368	1,368
$ 9,983	**$ 10,332**	**$ 10,954**	**$ 12,205**	**$ 13,046**	**$ 15,737**	**$ 18,487**
92.7%	**93.0%**	**88.8%**	**89.8%**	**90.4%**	**92.0%**	**93.1%**

Continued on Next Page

Legal Debt Margin Information (Continued)

Last Ten Fiscal Years
(Dollars in thousands)

	2001	2002	2003
State Institution Bonds			
Medical University of South Carolina			
Debt service limitation	$ 4,347	$ 5,064	$ 5,894
Debt service applicable to limit	3,631	4,300	4,938
Legal debt margin at June 30	**$ 716**	**$ 764**	**$ 956**
Legal debt margin as a percentage of debt service limitation	**16.5%**	**15.1%**	**16.2%**
South Carolina State University			
Debt service limitation	$ —	$ —	$ 611
Debt service applicable to limit	—	—	318
Legal debt margin at June 30	**$ —**	**$ —**	**$ 293**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**48.0%**
University of South Carolina			
Debt service limitation	$ 7,026	$ 7,651	$ 8,794
Debt service applicable to limit	4,361	6,987	6,522
Legal debt margin at June 30	**$ 2,665**	**$ 664**	**$ 2,272**
Legal debt margin as a percentage of debt service limitation	**37.9%**	**8.7%**	**25.8%**
Winthrop University			
Debt service limitation	$ 878	$ 798	$ 1,071
Debt service applicable to limit	568	665	910
Legal debt margin at June 30	**$ 310**	**$ 133**	**$ 161**
Legal debt margin as a percentage of debt service limitation	**35.3%**	**16.7%**	**15.0%**
Central Carolina Technical College			
Debt service limitation	$ 203	$ 243	$ 655
Debt service applicable to limit	202	202	202
Legal debt margin at June 30	**$ 1**	**$ 41**	**$ 453**
Legal debt margin as a percentage of debt service limitation	**0.5%**	**16.9%**	**69.2%**
Greenville Technical College			
Debt service limitation	$ 148	$ 161	$ —
Debt service applicable to limit	112	106	—
Legal debt margin at June 30	**$ 36**	**$ 55**	**$ —**
Legal debt margin as a percentage of debt service limitation	**24.3%**	**34.2%**	**—**

2004	2005	2006	2007	2008	2009	2010
$ 6,098	$ 6,480	$ 7,560	$ 7,560	$ 7,560	$ 7,560	$ 7,751
5,776	5,747	5,657	5,128	5,128	5,107	5,073
$ 322	**$ 733**	**$ 1,903**	**$ 2,432**	**$ 2,432**	**$ 2,453**	**$ 2,678**
5.3%	**11.3%**	**25.2%**	**32.2%**	**32.2%**	**32.4%**	**34.6%**
$ 610	$ 656	$ 963	$ 940	$ 2,201	$ 2,491	$ 2,075
318	318	318	2,731	2,731	2,724	2,719
$ 292	**$ 338**	**$ 645**	**$ (1,791)**	**$ (530)**	**$ (233)**	**$ (644)**
47.9%	**51.5%**	**67.0%**	**-190.5%**	**-24.1%**	**-9.4%**	**-31.0%**
$ 9,009	$ 10,316	$ 12,704	$ 14,136	$ 16,726	$ 17,209	$ 19,519
7,054	7,054	7,054	11,287	11,287	11,946	11,946
$ 1,955	**$ 3,262**	**$ 5,650**	**$ 2,849**	**$ 5,439**	**$ 5,263**	**$ 7,573**
21.7%	**31.6%**	**44.5%**	**20.2%**	**32.5%**	**30.6%**	**38.8%**
$ 1,399	$ 2,969	$ 4,244	$ 5,074	$ 5,432	$ 5,701	$ 5,817
1,318	1,318	3,077	3,059	3,879	4,873	4,873
$ 81	**$ 1,651**	**$ 1,167**	**$ 2,015**	**$ 1,553**	**$ 828**	**$ 944**
5.8%	**55.6%**	**27.5%**	**39.7%**	**28.6%**	**14.5%**	**16.2%**
$ 763	$ 743	$ 759	$ 689	$ 689	$ 780	$ —
202	202	202	202	200	200	—
$ 561	**$ 541**	**$ 557**	**$ 487**	**$ 489**	**$ 580**	**$ —**
73.5%	**72.8%**	**73.4%**	**70.7%**	**71.0%**	**74.4%**	**—**
$ —	$ —	$ —	$ —	$ —	$ —	$ —
—	—	—	—	—	—	—
$ —	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
—	**—**	**—**	**—**	**—**	**—**	**—**

Continued on Next Page

Legal Debt Margin Information (Continued)

Last Ten Fiscal Years
(Dollars in thousands)

	2001	2002	2003
State Institution Bonds			
Midlands Technical College			
Debt service limitation	$ 1,565	$ 900	$ 1,019
Debt service applicable to limit	832	832	827
Legal debt margin at June 30	**$ 733**	**$ 68**	**$ 192**
Legal debt margin as a percentage of debt service limitation	**46.8%**	**7.6%**	**18.8%**
Tri-County Technical College			
Debt service limitation	$ 888	$ 934	$ 968
Debt service applicable to limit	735	735	735
Legal debt margin at June 30	**$ 153**	**$ 199**	**$ 233**
Legal debt margin as a percentage of debt service limitation	**17.2%**	**21.3%**	**24.1%**
State Highway Bonds			
Debt service limitation	$ 81,779	$ 80,208	$ 82,238
Debt service applicable to limit	60,283	60,283	60,226
Legal debt margin at June 30	**$ 21,496**	**$ 19,925**	**$ 22,012**
Legal debt margin as a percentage of debt service limitation	**26.3%**	**24.8%**	**26.8%**
General Obligation Bonds excluding Institution and Highway Bonds and Bond Anticipation Notes			
Debt service limitation	$ 247,869	$ 251,161	$ 243,631
Debt service applicable to limit	195,116	221,644	218,653
Legal debt margin at June 30	**$ 52,753**	**$ 29,517**	**$ 24,978**
Legal debt margin as a percentage of debt service limitation	**21.3%**	**11.8%**	**10.3%**
Economic Development Bonds			
Debt service limitation	$ —	$ —	$ —
Debt service applicable to limit	—	—	—
Legal debt margin at June 30	**$ —**	**$ —**	**$ —**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**—**
Research University Infrastructure Bonds			
Debt service limitation	$ —	$ —	$ —
Debt service applicable to limit	—	—	—
Legal debt margin at June 30	**$ —**	**$ —**	**$ —**
Legal debt margin as a percentage of debt service limitation	**—**	**—**	**—**

Source: South Carolina Comptroller General's Office

2004	2005	2006	2007	2008	2009	2010
$ 1,019	$ 1,345	$ 1,620	$ 1,620	$ 1,620	$ 1,369	$ 2,880
827	827	827	1,395	1,395	1,395	1,395
$ 192	**$ 518**	**$ 793**	**$ 225**	**$ 225**	**$ (26)**	**$ 1,485**
18.8%	**38.5%**	**49.0%**	**13.9%**	**13.9%**	**-1.9%**	**51.6%**
$ 1,358	$ 968	$ 939	$ 970	$ 1,046	$ —	$ —
735	735	735	735	735	—	—
$ 623	**$ 233**	**$ 204**	**$ 235**	**$ 311**	**$ —**	**$ —**
45.9%	**24.1%**	**21.7%**	**24.2%**	**29.7%**	**—**	**—**
$ 83,574	$ 87,988	$ 90,101	$ 96,128	$ 101,853	$ 98,037	$ 93,382
60,412	71,766	71,766	71,766	71,766	64,078	60,997
$ 23,162	**$ 16,222**	**$ 18,335**	**$ 24,362**	**$ 30,087**	**$ 33,959**	**$ 32,385**
27.7%	**18.4%**	**20.3%**	**25.3%**	**29.5%**	**34.6%**	**34.7%**
$ 270,334	$ 278,531	$ 332,122	$ 370,495	$ 397,558	$ 382,086	$ 331,738
233,275	226,157	230,124	225,409	221,525	198,074	199,556
$ 37,059	**$ 52,374**	**$ 101,998**	**$ 145,086**	**$ 176,033**	**$ 184,012**	**$ 132,182**
13.7%	**18.8%**	**30.7%**	**39.2%**	**44.3%**	**48.2%**	**39.8%**
$ 24,576	$ 25,321	$ 27,677	$ 30,875	$ 33,130	$ 31,841	$ 27,645
2,198	9,632	21,342	21,284	21,229	21,229	24,655
$ 22,378	**$ 15,689**	**$ 6,335**	**$ 9,591**	**$ 11,901**	**$ 10,612**	**$ 2,990**
91.1%	**62.0%**	**22.9%**	**31.1%**	**35.9%**	**33.3%**	**10.8%**
$ —	$ —	$ 27,677	$ 30,875	$ 33,130	$ 31,841	$ 27,645
—	—	13,980	13,882	13,777	21,019	21,019
$ —	**$ —**	**$ 13,697**	**$ 16,993**	**$ 19,353**	**$ 10,822**	**$ 6,626**
—	**—**	**49.5%**	**55.0%**	**58.4%**	**34.0%**	**24.0%**

Pledged Revenue Coverage

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
Budget and Control Board—Revenue Bonds					
2004	$ 2,226	$ 1,140	$ 1,086	$ 2,226	1.00
2005	2,242	1,190	1,052	2,242	1.00
2006	2,276	1,260	1,016	2,276	1.00
2007	2,298	1,320	978	2,298	1.00
2008	2,324	1,385	939	2,324	1.00
2009	2,367	1,470	897	2,367	1.00
2010	2,371	1,540	831	2,371	1.00
The Citadel—Revenue Bonds					
2001	$ 3,979	$ 955	$ 1,094	$ 2,049	1.94
2002	4,343	990	1,048	2,038	2.13
2003	4,901	1,040	1,000	2,040	2.40
2004	5,025	1,080	949	2,029	2.48
2005	5,228	1,145	896	2,041	2.56
2006	5,507	1,725	1,339	3,064	1.80
2007	5,346	1,610	1,268	2,878	1.86
2008	6,056	1,680	1,202	2,882	2.10
2009	6,899	1,750	1,130	2,880	2.40
2010	7,790	1,820	1,063	2,883	2.70
The Citadel—Athletic Facilities Revenue Bonds					
2004	$ 2,823	$ 154	$ 133	$ 287	9.84
2005	2,897	162	126	288	10.06
2006	3,456	670	357	1,027	3.37
2007	3,833	690	708	1,398	2.74
2008	4,201	719	1,001	1,720	2.44
2009	5,886	1,255	1,308	2,563	2.30
2010	6,132	1,495	1,242	2,737	2.24
Clemson University—Plant Improvement Bonds					
2001	$ 1,204	$ 515	$ 324	$ 839	1.44
2002	1,177	570	292	862	1.37
2003	1,002	590	266	856	1.17
2004	1,003	615	242	857	1.17
2005	1,005	635	216	851	1.18
2006	1,003	665	190	855	1.17
2007	985	690	162	852	1.16
2008	1,061	720	132	852	1.25
2009	1,147	750	101	851	1.35
2010	1,117	790	67	857	1.30
Clemson University—Athletic Facilities Revenue Bonds					
2002	$ 3,360	$ 1,025	$ 823	$ 1,848	1.82
2003	4,299	985	871	1,856	2.32
2004	3,726	1,040	1,105	2,145	1.74
2005	3,761	1,095	1,059	2,154	1.75
2006	5,875	1,155	1,404	2,559	2.30
2007	10,531	1,220	1,635	2,855	3.69

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
Clemson University—Athletic Facilities Revenue Bonds (Continued)					
2008	8,747	1,490	1,585	3,075	2.84
2009	6,392	1,565	1,524	3,089	2.07
2010	3,584	1,640	1,460	3,100	1.16
Clemson University—Revenue Bonds					
2001	$ 9,116	$ 2,340	$ 2,398	$ 4,738	1.92
2002	10,760	2,445	2,290	4,735	2.27
2003	12,141	2,435	2,157	4,592	2.64
2004	11,865	2,555	3,048	5,603	2.12
2005	13,170	2,605	3,126	5,731	2.30
2006	13,149	3,505	3,233	6,738	1.95
2007	14,761	4,000	3,204	7,204	2.05
2008	16,130	4,185	3,016	7,201	2.24
2009	14,569	4,385	2,816	7,201	2.02
2010	17,557	4,590	2,293	6,883	2.55
Coastal Carolina University—Revenue Bonds					
2001	$ 3,127	$ 635	$ 1,554	$ 2,189	1.43
2002	3,352	675	1,520	2,195	1.53
2003	3,159	710	1,485	2,195	1.44
2004	2,832	640	1,445	2,085	1.36
2005	2,798	790	1,323	2,113	1.32
2006	6,184	825	1,272	2,097	2.95
2007	10,624	1,190	907	2,097	5.07
2008	8,383	970	1,076	2,046	4.10
2009	10,605	1,010	1,032	2,042	5.19
2010	6,243	1,060	985	2,045	3.05
College of Charleston—Revenue Bonds					
2001	$ 2,916	$ 1,330	$ 1,074	$ 2,404	1.21
2002	2,959	1,410	1,005	2,415	1.23
2003	4,177	1,160	2,147	3,307	1.26
2004	8,913	2,050	2,748	4,798	1.86
2005	13,522	2,815	4,193	7,008	1.93
2006	14,492	3,070	4,085	7,155	2.03
2007	17,683	3,180	4,008	7,188	2.46
2008	15,839	4,400	7,448	11,848	1.34
2009	19,594	5,015	8,134	13,149	1.49
2010	22,798	5,215	7,974	13,189	1.73
Infrastructure Bank Bonds					
2005	$ 147,206	$ 27,855	$ 89,313	$ 117,168	1.26
2006	166,443	37,940	93,409	131,349	1.27
2007	195,754	41,070	90,284	131,354	1.49
2008	194,969	44,355	103,541	147,896	1.32
2009	207,747	40,750	99,446	140,196	1.48
2010	213,689	46,275	99,624	145,899	1.46

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Pledged Revenue Coverage (Continued)

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
Lander University—2002 Higher Education Facilities Revenue Bonds					
2003	$ 1,352	$ 165	$ 94	$ 259	5.22
2004	1,394	170	86	256	5.45
2005	1,507	180	78	258	5.84
2006	1,479	185	70	255	5.80
2007	1,759	195	61	256	6.87
2008	1,094	200	52	252	4.34
2009	2,225	210	43	253	8.80
2010	2,625	215	33	248	10.59
South Carolina State University—Revenue Bonds					
2001	$ 976	$ 355	$ 347	$ 702	1.39
2002	556	370	325	695	0.80
2003	1,505	385	306	691	2.18
2004	1,780	415	284	699	2.55
2005	1,888	430	267	697	2.71
2006	569	334	173	507	1.12
2007	1,785	552	821	1,373	1.30
2008	2,638	396	2,097	2,493	1.06
2009	3,015	759	2,048	2,807	1.07
2010	3,470	940	2,205	3,145	1.10
Spartanburg Technical College—1999 Special Student Fee Capital Improvement Bonds					
2001	$ 332	$ 153	$ 145	$ 298	1.11
2002	389	160	138	298	1.31
2003	377	168	130	298	1.27
2004	365	177	121	298	1.22
2005	339	185	113	298	1.14
2006	355	195	103	298	1.19
2007	348	204	94	298	1.17
2008	382	215	83	298	1.28
2009	400	225	73	298	1.34
2010	341	236	62	298	1.14
Spartanburg Technical College—2001 Special Student Fee Capital Improvement Bonds					
2002	$ 370	$ 129	$ 115	$ 244	1.52
2003	312	127	117	244	1.28
2004	287	133	111	244	1.18
2005	282	139	105	244	1.16
2006	297	147	97	244	1.22
2007	291	154	90	244	1.19
2008	319	161	83	244	1.31
2009	334	169	75	244	1.37
2010	247	177	67	244	1.01

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
Spartanburg Technical College—2004 Special Student Fee Capital Improvement Bonds					
2005	$ 447	$ 200	$ 165	$ 365	1.22
2006	495	215	177	392	1.26
2007	454	235	169	404	1.12
2008	797	255	161	416	1.92
2009	520	275	151	426	1.22
2010	468	295	142	437	1.07
Spartanburg Technical College—2005 Special Student Fee Capital Improvement Bonds					
2006	$ 455	$ 84	$ 57	$ 141	3.23
2007	308	165	116	281	1.10
2008	338	170	111	281	1.20
2009	355	177	104	281	1.26
2010	311	184	97	281	1.11
Tobacco Settlement Revenue Management Authority Bonds					
2002	$ 86,079	$ —	$ 61,311	$ 61,311	1.40
2003	86,313	—	58,888	58,888	1.47
2004	74,180	—	56,354	56,354	1.32
2005	73,232	—	54,496	54,496	1.34
2006	67,841	—	52,601	52,601	1.29
2007	79,912	—	50,761	50,761	1.57
2008	83,493	390,735	48,540	439,275	0.19
2009	95,115	75,730	13,787	89,517	1.06
2010	68,709	63,035	10,000	73,035	0.94
University of South Carolina Aiken Campus—1999 Auxiliary Revenue Bonds					
2001	$ 386	$ 165	$ 221	$ 386	1.00
2002	389	175	214	389	1.00
2003	387	180	207	387	1.00
2004	389	190	199	389	1.00
2005	392	200	192	392	1.00
2006	389	205	184	389	1.00
2007	390	215	175	390	1.00
2008	391	225	166	391	1.00
2009	391	235	156	391	1.00
2010	391	245	146	391	1.00
University of South Carolina Aiken Campus—2006 Auxiliary Revenue Bonds					
2006	$ 121	$ —	$ 142	$ 142	0.85
2007	1,045	475	570	1,045	1.00
2008	1,042	490	552	1,042	1.00
2009	1,043	510	533	1,043	1.00
2010	1,044	530	514	1,044	1.00

Continued on Next Page

Pledged Revenue Coverage (Continued)

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
University of South Carolina Columbia Campus—2000 Auxiliary Revenue Bonds					
2001	$ 1,449	$ 270	$ 1,179	$ 1,449	1.00
2002	1,470	305	1,165	1,470	1.00
2003	1,469	320	1,149	1,469	1.00
2004	1,473	340	1,133	1,473	1.00
2005	1,470	355	1,115	1,470	1.00
2006	485	375	110	485	1.00
2007	486	395	91	486	1.00
2008	486	415	71	486	1.00
2009	490	440	50	490	1.00
2010	485	460	25	485	1.00
University of South Carolina Columbia Campus—2003 Parking Facilities Revenue Bonds					
2004	$ 399	$ 235	$ 178	$ 413	0.97
2005	412	210	202	412	1.00
2006	406	215	191	406	1.00
2007	401	220	181	401	1.00
2008	395	225	170	395	1.00
2009	395	230	165	395	1.00
2010	393	235	158	393	1.00
University of South Carolina Columbia Campus—2004 Auxiliary Revenue Bonds					
2005	$ 1,838	$ 725	$ 1,202	$ 1,927	0.95
2006	1,919	505	1,414	1,919	1.00
2007	1,919	525	1,394	1,919	1.00
2008	1,923	550	1,373	1,923	1.00
2009	1,924	570	1,354	1,924	1.00
2010	1,930	595	1,335	1,930	1.00
University of South Carolina Columbia Campus—2005 Auxiliary Revenue Bonds					
2006	$ 669	$ 185	$ 484	$ 669	1.00
2007	744	225	519	744	1.00
2008	743	235	508	743	1.00
2009	745	245	500	745	1.00
2010	746	255	491	746	1.00
University of South Carolina Columbia Campus—2005 Auxiliary Refunding Revenue Bonds					
2006	$ 2,606	$ 1,330	$ 1,566	$ 2,896	0.90
2007	3,102	1,200	2,035	3,235	0.96
2008	3,461	1,465	1,996	3,461	1.00
2009	3,445	1,500	1,945	3,445	1.00
2010	3,458	1,565	1,893	3,458	1.00
University of South Carolina Columbia Campus—2008 Auxiliary Revenue Bonds					
2008	$ 274	$ —	$ 531	$ 531	0.52
2009	3,445	260	3,185	3,445	1.00
2010	4,247	1,070	3,177	4,247	1.00

Fiscal Year Ended June 30	Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
University of South Carolina Spartanburg Campus—1997 Auxiliary Revenue Bonds					
2001	$ 372	$ 150	$ 222	$ 372	1.00
2002	374	160	214	374	1.00
2003	376	170	206	376	1.00
2004	372	175	197	372	1.00
2005	373	185	188	373	1.00
2006	216	195	21	216	1.00
2007	221	210	11	221	1.00
2008	—	—	—	—	—
2009	—	—	—	—	—
2010	—	—	—	—	—
University of South Carolina Spartanburg Campus—2009 Auxiliary Revenue Bonds					
2009	$ 263	$ —	$ 320	$ 320	0.82
2010	1,813	535	1,278	1,813	1.00
Winthrop University—Facilities Revenue Bonds					
2001	$ 267	$ 54	$ 35	$ 89	3.00
2002	266	58	31	89	2.99
2003	883	401	237	638	1.38
2004	944	395	237	632	1.49
2005	2,211	413	219	632	3.50
2006	2,133	637	306	943	2.26
2007	2,882	670	274	944	3.05
2008	2,768	694	245	939	2.95
2009	3,109	729	215	944	3.29
2010	3,218	1,081	444	1,525	2.11
Winthrop University—2001 Athletic Facilities Revenue Bonds					
2002	$ 458	$ 120	$ 67	$ 187	2.45
2003	486	120	105	225	2.16
2004	501	120	99	219	2.29
2005	498	120	94	214	2.33
2006	490	120	88	208	2.36
2007	496	120	83	203	2.44
2008	489	120	77	197	2.48
2009	492	120	72	192	2.56
2010	492	120	66	186	2.65

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Pledged Revenue Coverage (Continued)

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended June 30	Operating Revenues	Loan Payments	Less: Operating Expenses	Net Funds Available for Debt Service	Debt Service Requirements			Coverage Ratio
					Principal	Interest	Total	
Education Assistance Authority								
2005	$ 39,372	$ 398,326	$ (19,165)	$ 418,533	$ 20,995	$ 13,443	$ 34,438	12.15
2006	49,980	783,634	(26,266)	807,348	48,035	24,063	72,098	11.20
2007	56,178	634,371	(15,216)	675,333	51,770	35,936	87,706	7.70
2008	63,971	322,194	(14,838)	371,327	147,354	49,288	196,642	1.89
2009	36,814	112,191	(12,737)	136,268	—	39,007	39,007	3.49
2010	15,392	273,367	(8,392)	280,367	201,350	8,821	210,171	1.33
Housing Authority								
2005	$ 39,921	$ 118,016	$ (1,983)	$ 155,954	$ 64,225	$ 29,938	$ 94,163	1.66
2006	41,202	99,633	(2,775)	138,060	70,715	30,892	101,607	1.36
2007	49,133	66,425	(3,747)	111,811	59,186	31,764	90,950	1.23
2008	53,607	70,133	(3,882)	119,858	41,720	38,182	79,902	1.50
2009	52,555	111,259	(4,560)	159,254	42,335	41,050	83,385	1.91
2010	49,243	103,980	(3,545)	149,678	65,075	39,245	104,320	1.43

Note: All prior fiscal year data that is available has been presented.

Source: South Carolina Comptroller General's Office

Demographic Statistics

Last Ten Calendar Years

Year	Population at July 1 [a]	Per Capita Income [b]	Average Annual Unemployment Rate [c]
2000	4,023,570	$ 25,080	3.6%
2001	4,062,701	25,652	5.2%
2002	4,103,934	26,073	6.0%
2003	4,146,474	26,688	6.7%
2004	4,201,306	27,908	6.8%
2005	4,256,199	29,226	6.8%
2006	4,339,399	30,925	6.4%
2007	4,424,232	32,107	5.6%
2008	4,503,280	32,947	6.9%
2009	4,561,242	32,338	11.7%

[a] Source: U.S. Census Bureau

[b] Per capita income is calculated by dividing total personal income by population.

[c] Source: U.S. Department of Labor

Employment by Industry

Latest Completed Calendar Year and Nine Years Prior

Sources	2000 Number of Employees	2000 Percent of Total	2009 Number of Employees	2009 Percent of Total
Contract construction	114,600	6.2%	87,500	4.8%
Manufacturing:				
Durable goods	159,900	8.6%	117,400	6.4%
Nondurable goods	176,600	9.5%	96,500	5.3%
Transportation, communication, and public utilities	94,900	5.1%	87,600	4.8%
Wholesale and retail trade:				
Wholesale	62,800	3.4%	65,800	3.6%
Retail	237,000	12.7%	223,400	12.3%
Finance, insurance and real estate	87,500	4.7%	101,600	5.6%
Services and mining	602,900	32.4%	692,200	38.0%
Government:				
Federal	31,400	1.7%	31,400	1.7%
State and local	291,500	15.7%	317,900	17.5%
Total wage and salary employment	**1,859,100**	**100.0%**	**1,821,300**	**100.0%**

Note: Due to confidentiality issues, the number of employees for individual companies within the State is not available. The categories presented are intended to provide alternative information regarding the principal employers within the State.

Source: South Carolina Department of Employment and Workforce

Ten Largest Employers

Latest Completed Calendar Year and Eight Years Prior[a]
(Listed alphabetically)

2001	2009
Bi-Lo, Inc.	Bi-Lo, Inc.
Blue Cross/Blue Shield of South Carolina	Blue Cross/Blue Shield of South Carolina
Greenville County School District	Greenville County School District
Michelin North America, Inc.	Greenville Hospital System
Springs Industries, Inc.	Michelin North America, Inc.
U.S. Department of Defense	Palmetto Health Alliance, Inc.
U.S. Postal Service	U.S. Department of Defense
University of South Carolina	U.S. Postal Service
Wal-Mart Associates, Inc.	University of South Carolina
Westinghouse Savannah River	Wal-Mart Associates, Inc.

[a] The ten largest employers prior to calendar year 2001 are unavailable.

Note: Due to confidentiality issues, the number of employees for each company is not available and the employers are listed alphabetically rather than in order of size.

Source: South Carolina Department of Employment and Workforce

Government Employees By Function

Last Ten Fiscal Years

Function	Permanent Employees 2001	2002	2003	2004
Governmental activities:				
General government	5,562	5,243	5,115	6,136
Education	3,321	3,255	3,116	3,054
Health and environment	14,246	13,849	13,610	13,341
Social services	5,147	4,489	4,196	3,693
Administration of justice	12,049	11,336	10,966	9,620
Resources and economic development	2,178	2,005	1,892	1,727
Transportation	4,975	4,954	4,826	4,960
Business-type activities:				
Higher education	20,375	20,335	20,420	20,523
Higher education institutional support	5,066	5,158	5,291	5,555
Financing of housing facilities	110	116	114	117
Medical malpractice insurance	3	3	3	4
Financing of student loans	43	53	66	63
Tuition prepayment program	2	2	2	2
Patriots Point development	70	71	66	69
Insurance claims processing	21	21	23	23
Other	36	37	35	32
Totals	**73,204**	**70,927**	**69,741**	**68,919**

Source: South Carolina Comptroller General's Office

as of June 30

2005	2006	2007	2008	2009	2010
6,195	6,267	6,457	6,532	6,307	6,108
3,053	2,922	3,014	3,084	2,990	2,968
13,010	12,461	12,237	12,286	11,487	10,998
3,618	3,627	3,904	3,998	3,990	3,689
9,417	9,747	10,098	10,280	9,954	9,631
1,746	1,776	1,818	1,856	1,738	1,675
5,002	4,794	4,880	5,065	5,050	5,006
20,893	21,195	21,962	22,403	22,263	22,250
5,676	5,990	4,133	4,569	6,008	6,164
114	112	116	116	123	123
5	5	5	4	5	5
67	69	66	69	67	59
2	2	2	2	2	2
68	67	67	67	62	66
23	19	22	20	21	20
34	32	36	35	37	39
68,923	**69,085**	**68,817**	**70,386**	**70,104**	**68,803**

Operating Indicators By Function

Last Six Fiscal Years [a]

	2005	2006	2007
General government			
Individual income tax returns processed	2,112,766	2,172,409	2,273,202
Corporate income tax returns processed	156,784	155,228	164,855
Department of Motor Vehicles transactions	12,670,522	13,474,463	13,331,078
Workers' compensation cases reviewed	111,869	127,848	82,603
Education			
Public school enrollment	680,635	694,155	698,290
Average operating miles per school bus	15,600	15,685	16,000
State Museum visitors	148,752	145,845	141,202
Health and environment			
Medicaid eligible participants	983,981	932,708	902,308
Women, Infant and Children (WIC) participants	108,341	107,413	112,467
Community mental health center clients	90,733	89,480	87,641
Social services			
Average food stamp households per month	216,602	225,456	231,053
Child Protective Services investigations	17,186	16,898	18,168
Administration of justice			
Adult prison average daily population	22,970	22,964	23,437
Juvenile facility average daily population	1,074	1,043	985
Resources and economic development			
Dept of Commerce capital investment projects	105	137	139
Welcome Center visitors	2,525,294	2,454,311	2,378,630
Hunting and fishing licenses processed	704,882	781,882	811,025
Watercraft registrations	396,915	415,993	433,158
Transportation			
Miles of surface repair	173,620	163,829	167,551
Miles of roadway inspections	270,024	313,530	332,559
Higher education and support			
Total headcount enrollment	172,386	174,686	176,415
Degrees awarded	24,826	25,622	26,063
Unemployment compensation benefits			
Initial claims	313,629	299,975	304,464
Total benefit weeks claimed	2,129,960	1,930,718	1,998,836
Financing of housing facilities			
Mortgage loans managed	12,314	13,504	15,815
Families receiving rental assistance	20,478	20,872	20,129
Medical malpractice insurance			
Membership total	7,166	7,050	6,320
Financing of student loans			
Number of student loans outstanding	332,794	323,536	351,024
Tuition prepayment program			
Individual accounts	6,262	6,452	6,388
State maritime museum			
Museum visitors and other area patrons	240,811	260,827	259,425
Insurance claims processing			
Second Injury Fund claims paid	4,520	3,860	3,951
Other			
Public railway carloads (calendar year)	88,242	88,245	82,036

[a] Prior fiscal year data is not readily available.

Source: South Carolina Comptroller General's Office

2008	2009	2010
2,421,786	2,393,919	2,379,693
166,237	185,200	183,224
13,234,198	12,430,183	11,989,686
77,961	63,493	53,407
701,749	707,739	712,240
15,651	15,600	15,663
131,731	154,487	156,810
903,397	934,090	975,275
124,033	134,618	133,942
87,762	88,999	88,726
248,314	287,867	346,807
18,560	17,621	18,805
23,958	24,081	24,105
910	858	739
179	190	161
2,281,295	2,123,161	2,323,877
839,696	840,956	958,014
430,377	429,532	429,233
158,512	162,938	178,084
342,981	401,426	448,492
180,479	187,253	200,204
26,237	26,835	27,705
292,661	545,137	386,818
1,964,982	4,206,476	4,331,564
17,734	17,518	16,831
20,100	19,955	19,931
5,466	4,568	4,230
189,292	386,748	371,205
6,315	6,239	6,135
264,326	264,244	268,965
3,661	3,404	3,118
95,521	92,136	64,554

Capital Assets By Function

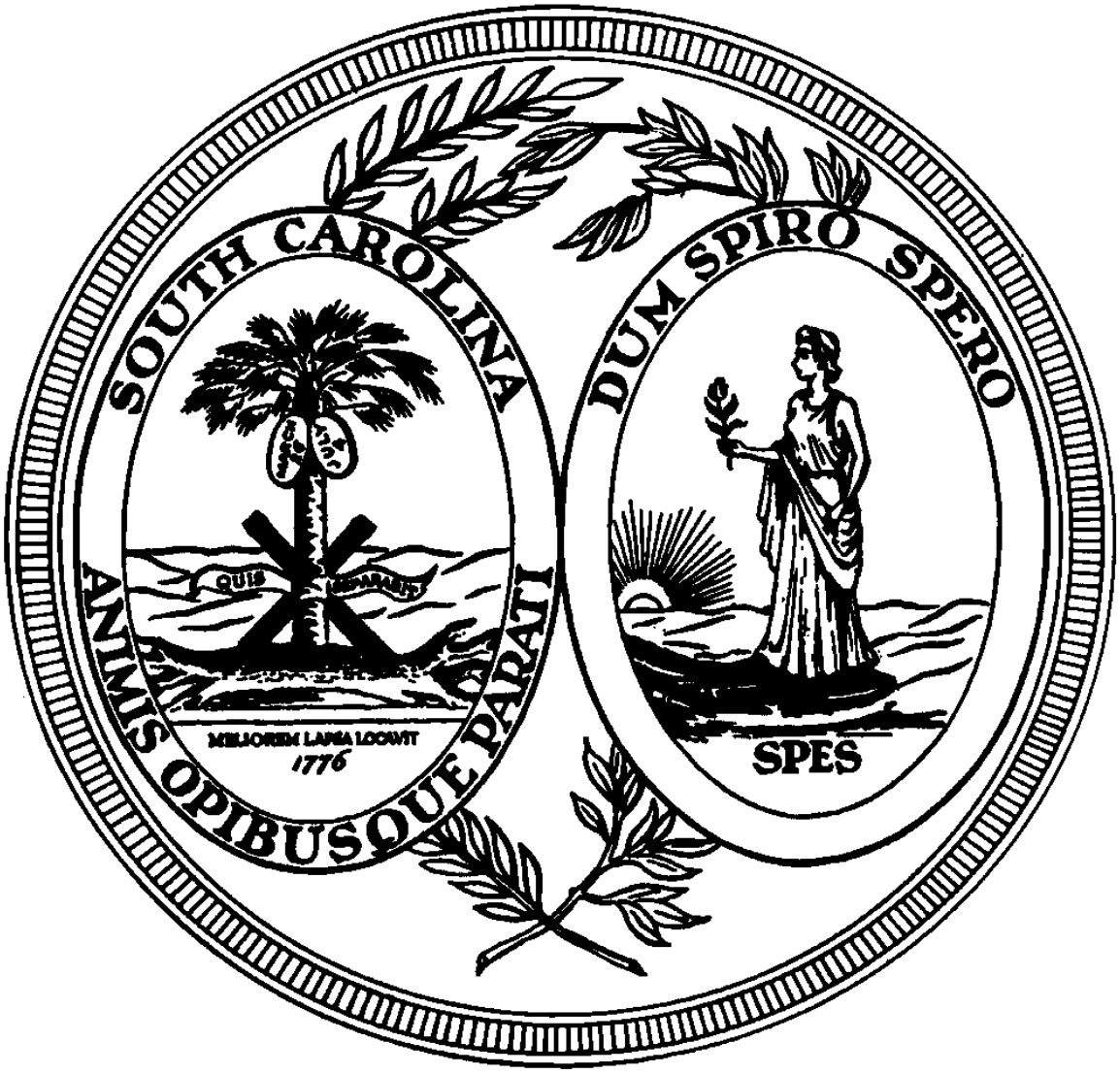
Last Six Fiscal Years [a]

	2005	2006	2007	2008
General government				
Buildings and facilities	33	33	33	32
State armories	65	65	62	63
Fleet vehicles	2,357	2,687	3,515	3,831
Motor vehicle district offices	69	69	69	69
Education				
School buses	6,453	5,788	6,274	6,420
Television transmitters	11	11	11	11
Vocational training/client centers	35	35	35	35
Health and environment				
Mental health hospitals	111	111	137	154
Community mental health centers	60	60	59	47
Regional special needs centers	5	5	5	5
Social services				
Buildings and facilities	66	66	66	66
Administration of justice				
Adult correctional institutions	29	29	28	28
Juvenile correctional facilities	7	7	7	7
Highway patrol district offices	7	7	7	7
Highway patrol vehicles	1,222	1,055	1,004	1,237
Resources and economic development				
Acres of State parks	81,168	81,168	81,807	81,824
Acres of State forests	91,600	91,600	91,466	91,466
State parks and historical sites	53	53	53	53
State farmers' markets	3	3	3	3
Vehicles and boats	1,575	1,538	1,026	1,280
Transportation				
Miles of State highways	66,252	66,240	66,242	66,248
Weigh stations	9	9	9	9
Traffic cameras	179	250	300	300
Miles of cable median barriers	442	470	470	476
Higher education				
Number of campuses	33	33	33	33
Buildings-universities	815	810	787	773
Buildings-technical colleges	282	277	286	297
Buildings-student residences	335	340	373	388
State maritime museum				
Vintage aircraft	4	4	4	4
Historical period exhibits	3	15	15	15
Other				
Rail yards	3	3	3	3
State-owned locomotives	13	13	13	10

[a] Prior fiscal year data is not readily available.

Source: South Carolina Comptroller General's Office

2009	2010
32	32
65	63
3,599	3,316
69	69
6,117	5,677
11	11
35	35
150	151
49	47
5	5
66	66
28	28
7	7
7	7
1,162	1,162
82,813	83,118
92,552	92,552
53	53
3	3
1,203	1,121
66,256	66,262
9	9
320	350
476	476
33	33
792	833
302	303
327	300
4	4
15	15
3	3
10	10



Section 1-11-425 of the South Carolina Code of Laws requires inclusion of the following information:
Total printing cost was $277.32; 100 copies were printed at a cost of $2.77 each.

STATE OF SOUTH CAROLINA

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 30, 2010

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State of South Carolina

Office of the State Auditor

Clifton Gunderson LLP
Certified Public Accountants & Consultants

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Nikki R. Haley, Governor
and
Members of the General Assembly
State of South Carolina
Columbia, South Carolina

We have jointly audited the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina (the State) as of and for the year ended June 30, 2010, which collectively comprise the State's basic financial statements and have issued our report thereon dated December 17, 2010. We did not jointly audit the financial statements of certain agencies and component units of the State of South Carolina, which represent the indicated percent of total assets and total revenues as presented in the table below. Those financial statements were audited by other auditors, or were audited solely by Clifton Gunderson LLP, whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those agencies and component units, is based solely on the reports of the other auditors.

	Percentage Audited by Clifton Gunderson Separately		Percentage Audited by Other Auditors	
	Total Assets	**Total Revenue**	**Total Assets**	**Total Revenue**
Government-wide				
Governmental activities	-	-	67	18
Business-type activities	-	-	98	99
Component units	-	-	100	100
Fund Statements				
Governmental Funds	-	-	18	10
Enterprise Funds	-	-	98	100
Internal Service Funds	-	-	84	96
Fiduciary Funds	84	41	14	59

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of South Carolina's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiencies 2010-1, 2010-2, 2010-3 and 2010-4 as described in the accompanying findings and responses to be material weaknesses in internal control over financial reporting.

A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies 2010-5 and 2010-6 as described in the accompanying findings and responses to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of South Carolina's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State's responses to the findings identified in our audit are included in the accompanying findings and responses. We did not audit the State's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Governor, members of the General Assembly, and the governing body and management of State agencies and is not intended to be and should not be used by anyone other than these specified parties.

Columbia, South Carolina
December 17, 2010

Baltimore, Maryland
December 17, 2010

MATERIAL WEAKNESSES

2010-01 FINANCIAL REPORTING – SOUTH CAROLINA ENTERPRISE INFORMATION SYSTEM

Condition

Control deficiencies, as described under the context section, were evident during the conversion process and subsequent operations of the South Carolina Enterprise Information System (SCEIS).

Context

The State continued the implementation of a new accounting system, SCEIS, during fiscal year 2010. We performed procedures at the Budget and Control Board, Department of Corrections, Department of Health and Human Services, Department of Revenue, and the Department of Social Services. Based on the tests performed we noted the following deficiencies during our testing with regards to the implementation and the operational use of the system at a State-Wide level.

Implementation

- Timely reconciliations were not performed between the ending balances on the agencies' legacy systems and the opening balances on SCEIS for the agencies' "go-live" date. As a result, a significant number of journal entries were necessary to correct errors from the system conversion.
- When reviewing the correcting journal entries, we noted that the SCEIS team posted several entries directly to the agencies' ledger. The entries did not provide documentation of a review and approval by a SCEIS supervisory staff or by an agency supervisory staff.

Operational Use

- Subsequent to the implementation of SCEIS, we noted several instances in which journal entries were required to be made to correct posting errors in SCEIS. The errors occurred because the agencies did not fully understand how to record transactions in SCEIS or processes were not established in SCEIS to record certain transactions. We noted that the SCEIS team posted journal entries directly into the agencies' ledger data. We found that the journal entries did not document a review and approval by SCEIS supervisory staff or by agency supervisory staff, increasing the chance that errors in these journal entries would go undetected.
- At several agencies we noted that agency staff responsible for preparing statewide closing packages were not well versed in SCEIS and could not generate reports to support the closing packages. As a result, the agencies in question did not effectively review the reported balances, or appropriately test the integrity of system reports they utilized for preparation of the closing packages.

Cause

During 2010, the State implemented a new, state-wide accounting system, SCEIS, as a replacement to legacy general ledger systems used by the agencies. The SCEIS team did not design and implement proper procedures and controls regarding the implementation and operational use of SCEIS. Additionally, agency-staff did not gain a sufficient understanding of the system from training provided by the SCEIS team regarding the implementation and operational use of SCEIS.

Effect

There was a lack of controls that would have assisted in the prevention and timely detection of errors.

Criteria

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting for the State's financial statements. Internal control procedures affect the State's ability to process financial transactions that are authorized and accurate.

Recommendation

We recommend that additional procedures and controls be developed and implemented by the SCEIS team to ensure that the agencies' financial data reported to the Comptroller General's Office is accurate and complete. We also recommend that the SCEIS team develop and implement control procedures in conjunction with the agencies to ensure that all journal entries entered by the SCEIS team have a documented agency level review. Additionally, we recommend that the SCEIS team develop and implement control procedures in conjunction with the agencies to ensure that all agencies understand how to extract the financial data that they are reporting in their year-end closing packages, and are able to obtain and understand support necessary for balances reported to the Comptroller General's Office during the state-wide financial reporting process.

Response

See managements' response on page 14.

2010-02 FINANCIAL REPORTING – CAPITAL ASSETS

Condition

Internal controls over financial reporting were inadequate to detect an understatement of accumulated depreciation and depreciation expense for certain capital assets during fiscal year 2010 resulting in the need for a material adjustment.

Context

Twenty-four agencies elected to change the estimated useful lives of capital assets during fiscal year 2010. We noted that in cases where the previous useful life "expired-to-date" exceeded the new (shorter) useful life "expired-to-date" estimate that the SCEIS system did not calculate depreciation expense on the capital asset in fiscal year 2010.

Cause

During 2010, the State implemented a new, state-wide accounting system, SCEIS, as a replacement to legacy general ledger systems used by the agencies. The SCEIS team did not design and implement proper procedures and controls regarding the implementation and operational use of SCEIS, which resulted in misstatement caused by a significant change in the estimate related to capital asset useful lives.

Effect

The internal controls at SCEIS failed to detect and correct the SCEIS system reporting error during the asset system transfer, and a material adjustment was necessary as of June 30, 2010 to record the depreciation expense for the affected capital assets.

Criteria

COSO Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done, and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting for the State's financial statements. Internal control procedures affect the State's ability to process financial transactions that are authorized and accurate.

Recommendation

We recommend that the SCEIS team develop and implement procedures and controls to ensure that the reports used by the agencies to report capital assets and depreciation to the Comptroller General's Office during the State-wide financial reporting process are complete and accurate.

Response

See managements' response on page 15.

2010-03 FINANCIAL REPORTING – ACCOUNTS PAYABLE

Condition

Procedures and controls were inadequate to ensure proper cut-off of expenditures for financial reporting purposes.

Context

During our search for unrecorded liabilities, it was noted that several agencies failed to capture June 30, 2010 accounts payable amounts that should have been included in their closing packages. The agencies' internal controls failed to detect or prevent these errors as they were being entered into SCEIS. As a result the transactions were incorrectly recorded as a fiscal year 2011 expenditure.

Cause

The SCEIS system includes features that enables agencies to identify year-end accruals. It appears that either the SCEIS training did not fully explain this feature during training or agency personnel did not understand how to use this feature during the year-end close-out. Additionally, the SCEIS team did not design and implement proper procedures and controls regarding operational use of SCEIS, which led to a misstatement of a high volume of expenditure transactions, which related mostly to the American Recovery and Reinvestment Act that were recorded subsequent to June 30, 2010.

Effect

A material adjustment was necessary as of June 30, 2010 to correct the error, and properly capture the additional accounts payable and the related expenditures.

Criteria

Generally Accepted Accounting Practices (GAAP) require that transactions follow the principle of periodicity, which states that transactions must be recorded for the period in which they occur, and that the payable and expenditure transactions must be accounted for using proper period cutoff. SCEIS has the features to track all expenditures based on the fiscal year in which they relate. The SCEIS team did not design and implement proper procedures and controls regarding operational use of these features.

Recommendation

We have noted that SCEIS contains the features to code expenses/expenditures to the appropriate fiscal year, thus providing a complete listing of accounts payable at year end for financial reporting purposes. We recommend that the SCEIS team develop and implement state-wide control procedures and policies to ensure that all agencies utilize the SCEIS fiscal-year coding functionality for expenses/expenditures, and to review the SCEIS data at year-end to ensure comparability with the accounts payable amounts reported to the Comptroller General's Office for the State-wide financial reporting process.

Response

See managements' response on page 16.

2010-04 FINANCIAL REPORTING – DEPARTMENT OF EDUCATION

Condition

The Department of Education's (DOE) internal controls failed to detect a $31.9 million error in the grants receivable amount reported in their fiscal year 2010 closing package.

Context

DOE incorrectly used a report from fiscal year 2008 to prepare their grants receivable closing package for fiscal year 2010.

Cause

There was a lack of adequate review by agency supervisory staff.

Effect

A material adjustment was necessary as of June 30, 2010 to correct the error.

Criteria

Internal control procedures affect an agency's ability to process financial transactions that are authorized and accurate. Section 1.7 of the Comptroller General's Closing Package Procedures Manual states, "Each agency executive director and finance director are responsible for submitting to the Comptroller General's Office Closing Package forms that are accurate and prepared in accordance with instructions, complete, and timely." This requirement acts as a control over financial reporting for the State's financial statements.

Recommendation

We recommend that additional procedures and controls be developed and implemented by DOE to ensure that the grants receivable balance reported in their closing package is accurate in accordance with Section 1.7 of the procedure's manual referenced above.

Response

See managements' response on page 19.

SIGNIFICANT DEFICIENCIES

2010-05 FINANCIAL REPORTING – DEPARTMENT OF SOCIAL SERVICES

Condition

The Department of Social Services' (DSS) internal controls for the review and approval of the estimate of their allowance for uncollectible accounts failed to identify the use of an inappropriate estimate method resulting in a $5.5 million error in the refunds receivable amount reported in the fiscal year 2010 closing package. The method used by DSS only considered the most favorable historical collection trends when estimating future collectability for current receivables.

Context

DSS calculated the estimate for their receivable closing package allowance for uncollectible accounts by analyzing historical collection trends for their receivables. Receivables were broken into segments using their fiscal years of initial recognition. Historical collection trends were also broken into segments using the collection activity for each year subsequent to the initial recognition of a given population of receivables.

DSS estimated their allowance for uncollectible accounts using the highest historical collection trend percentage noted for all years subsequent to the initial recognition of a given segment of receivables and using that percentage to calculate the expected collections for that segment of receivables for all future years before the remaining receivables would otherwise be written off under current DSS policy.

Cause

There was a lack of adequate review by agency supervisory staff to ensure consideration for all historical collection trends.

Effect

This methodology assumes a "best-case" scenario for all future collections by assuming that collections for subsequent future years would be comparable to the highest historical collection percentage, resulting in an understatement of the estimate for the allowance for uncollectible accounts receivable due to the balance being based on the least conservative historical data, and by contrast, the net accounts receivable being overstated on the fiscal year 2010 closing package.

Criteria

Section 1.7, Summary of Agency Responsibilities of the Comptroller General's GAAP Closing Package Procedures Manual, states, "Each agencies executive director and finance director are responsible for submitting to the Comptroller General's Office closing package forms and/or financial statements that are accurate and prepared in accordance with instructions, complete, and timely." This requirement acts a control over financial reporting for the State's financial statements.

Recommendation

The improper methodology used in estimating the allowance for uncollectible accounts was developed by the agency, in response to a significant deficiency in internal control, noted in the Independent Auditors' Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards for the year ended June 30, 2009, as noted at 2009-02. While the methodology was changed in response to the prior year's recommendation, the methodology used in for the current fiscal year estimate did not meet the necessary requirements to be in accordance with GAAP. We recommend that DSS use an estimate methodology that utilizes historical trend data for their entire receivable balance, rather than focusing on those receivables that had the highest collection rates. In addition, we recommend DSS management perform a detailed review of the year end receivable closing package, and ensure that Department staff preparing and reviewing the closing package have adequate knowledge and training to ensure the allowance estimate conforms with GAAP.

Response

See managements' response on page 20.

2010-06 FINANCIAL REPORTING – STATE TREASURER'S OFFICE

Condition

The State Treasurer's Office's (STO) internal controls failed to detect or prevent errors reported in its accounts payable closing package for fiscal year 2010. The error resulted in a $20.9 million understatement.

Context

STO's internal controls failed to detect or prevent the error during the preparation and review of their closing package submission.

Cause

There was a lack of adequate review by agency supervisory staff.

Effect

An adjustment was necessary to correct the error.

Criteria

Internal control procedures affect an agency's ability to process financial transactions that are authorized and accurate. Section 1.7 of the Comptroller General's Closing Package Procedures Manual states, "Each agency executive director and finance director are responsible for submitting to the Comptroller General's Office Closing Package forms that are accurate and prepared in accordance with instructions, complete, and timely." This requirement acts as a control over financial reporting for the State's financial statements.

Recommendation

We recommend that STO develop and implement control procedures to ensure that it uses the appropriate accounting information to prepare its closing packages. Staff responsible for reviewing the completed package should have sufficient knowledge and training to enable them to review the propriety of the supporting documentation and to detect errors in a timely manner.

Response

See managements' response on page 21.

SUMMARY OF PRIOR FINDINGS

During the current engagement, we reviewed the status of corrective action taken on the findings in the prior report on compliance and internal control over financial reporting at the basic financial statement level, dated December 4, 2009 to determine if the conditions still existed. Based on our audit procedures, we determined that the State had not taken appropriate corrective action on the comment 2009-02 Financial Reporting – Department of Social Services. While action was taken by the Department of Social Services during fiscal year 2010 to address the finding, the action taken was not adequate to prevent an audit adjustment to the fiscal year 2010 refunds receivable closing package. Therefore, it has been included in the 2010 report as a significant deficiency at 2010-5 Financial Reporting – Department of Social Services. Based on our audit procedures, we determined that the State had taken adequate corrective action on the comments 2009-1 Financial Reporting – Department of Health and Human Services and 2009-3 Financial Reporting – Parole Probation and Pardon Services.

MANAGEMENTS' RESPONSES

NIKKI R. HALEY, CHAIR
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

SC BUDGET AND CONTROL BOARD
Office of the Executive Director
Eleanor Kitzman
EXECUTIVE DIRECTOR

(803) 734-2320
Fax: (803) 734-2117

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE
COMMITTEE

DANIEL T. COOPER
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

March 28, 2011

Mr. Richard H. Gilbert, Jr.
State Auditor
1401 Main Street, Suite 1200
Columbia, SC 29201

Dear Rich:

Attached please find the Budget and Control Board's response concerning the findings outlined in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Thank you for the opportunity to respond.

Sincerely,

Eleanor Kitzman

Eleanor Kitzman

Attachments

2010-01 FINANCIAL REPORTING – SOUTH CAROLINA ENTERPRISE INFORMATION SYSTEM

Implementation:

- Effective July 1, 2009, SCEIS became the State's Book of Record (BOR) and SCEIS and STARS were reconciled by the SCEIS team. From that point forward, all transactions posted first to SCEIS (at a STARS level) and then to STARS. At the time of go-live, agencies were instructed to reconcile their legacy systems to STARS in order to load beginning balances into SCEIS. The SCEIS team had no access to agency legacy systems, and it was the responsibility of the agencies to ensure beginning balances loaded into SCEIS were reconciled to STARS.

  Agencies were given the opportunity to submit entries to the SCEIS team to move balances (Budget, Revenue and Expenses) that were posted into SCEIS at the STARS level down to more detailed accounts per the agency requirements. They also submitted entries to load balances that did not exist in the STARS cash basis system (accounts receivable, off STARS cash, etc.). As part of the conversion process, the SCEIS team posted these entries through conversion interfaces. To avoid reconciling differences between SCEIS and STARS, agencies were instructed to ensure that these transactions did not cross funds or state funded programs. However, these pushdown entries contained many errors, which ultimately resulted in additional correcting journal entries. Because the SCEIS team's visibility into the source data used by agencies was limited to the data maintained at a statewide level, the SCEIS team was unable to reconcile back to the agencies' data and had to rely on the submitting agencies. Some of these errors resulted in reconciling issues between SCEIS and STARS. The errors were uncovered by the SCEIS team during the year end reconciliation process. This issue is a conversion issue and, therefore, will not be a problem going forward.

- In order to assist agencies promptly and to meet reconciliation deadlines, the SCEIS team posted entries directly to the agencies' ledger and did not to provide documentation of review by agency supervisory personnel at all times. As of July 10, 2010, the SCEIS finance team was instructed in writing that whenever possible, agencies are to prepare and post entries for their business areas. If the agency cannot post the entry, the SCEIS finance team will post entries but only upon written request and approval from the agency supervisory staff. A copy of this written approval, along with any other supporting documentation or notes, is then attached to the entry in the SCEIS system.

Operational Use:

- Entries were made by the SCEIS team after go-live dates to ensure that the operations of State government were not interrupted. These entries often had to be posted outside the normal work hours of agency finance staff and did not always include approval documentation. In addition, there were certain situations that required the SCEIS team to post transactions because they could not be completed by agency personnel. We are beginning to transition all such activity to the appropriate agency or central government authority. A sheet identifying the transactions and their transition status is attached. Until this transition is complete, all transactions posted by the SCEIS team will require agency and/or central government approval prior to posting.

- SCEIS offered both on-line training and classroom training to agency employees. Approximately 9,000 people participated in on-line training and 4,000 attended the classroom training. SCEIS also offered year-end reporting training to all agencies. Over 500 agency employees attended the year-end training. More than 2,000 hours of classroom training has been offered to state agencies to assist them with SCEIS operations. In addition, agency employees were matched to training based on their SCEIS user roles. Some agency employees did not attend training. In those cases, the agency directors had to sign documents granting those employees access to the system in the absence of their required training.

  The SCEIS Team has offered refresher classes and allowed agencies who had previously implemented SCEIS to participate in classes being offered in preparation for other agencies' implementations. The training materials are all available on the SCEIS website. We will continue to offer training as the need arises and when significant changes have occurred.

Recommendation:

- The SCEIS team is responsible for the maintenance and operations of the SCEIS system. In its role, the SCEIS team cannot independently develop and implement controls and procedures to ensure that agencies' data reported to the Comptroller General's Office is accurate and complete. The SCEIS team will work with the Comptroller General and state agencies to identify the necessary controls and procedures and document each entity's responsibility in the development and implementation of those controls and procedures.
- The SCEIS team has implemented procedures that require agency or central state government review and approval of journal entries before they are posted.
- The SCEIS team will work directly with the Comptroller General to provide additional year-end agency training regarding the extraction of SCEIS data necessary to complete year-end closing packages.

2010-02 FINANCIAL REPORTING - CAPITAL ASSETS

Recommendation:

Prior to SCEIS go-live, agencies were provided an Asset Master Conversion Guide and template to load their fixed assets into SCEIS. "Original Useful Life in Years" was one of the fields included in the template. Agencies were instructed to enter the capital asset information from their legacy systems to include the useful life of those assets. There is a default useful life for each asset class. The error occurred because agencies did not properly complete the asset conversion template. Failure to enter the useful life resulted in the default values being invoked. Using the default values caused significant changes in the estimates related to capital asset useful lives. The SCEIS team had limited access to the agencies' legacy data, requiring individual agencies to verify the accuracy of the information provided. The SCEIS team did ensure that the fiscal year beginning balances were reconciled to prior year ending balances reported on agencies' closing packages.

These errors were related to conversion issues and will not be repeated in agencies that have implemented SCEIS. The SCEIS team has developed a new depreciation configuration to avoid this error for agencies that have not implemented SCEIS. In addition, the team is also working directly with the remaining agencies to assist them with validating their asset data prior to loading it into SCEIS.

2010-03 FINANCIAL REPORTING ACCOUNTS PAYABLE

The SCEIS team is responsible for the maintenance and operations of the SCEIS system. In its role, the SCEIS team cannot independently develop and implement controls and procedures to ensure that agencies' data reported to the Comptroller General's Office is accurate and complete. The SCEIS team will work with the Comptroller General and state agencies to identify the necessary controls and procedures and document each entity's responsibility in the development and implementation of those controls and procedures.

The SCEIS system has a transaction to capture all prior year expenditures by providing a selection, "Prior Year Payable," in a drop down box in the text field of the invoice screen. A report is also available to pull all prior year payables used in developing the accounts payable closing packages. This process was explained to agencies in the "year-end" training. There is functionality in SCEIS to be implemented in the future that will help identify unpaid goods receipts for Purchase Order related payments that represent accounts payable at year end. There is no standard functionality to identify accounts payable at year end for payments that are not Purchase Order related.

The SCEIS team and Comptroller General's Office will again conduct a year-end workshop for FY2010-2011 to ensure agencies understand how to gather data in SCEIS necessary to complete year-end closing packages. Closing packages prepared by the agencies are submitted directly to the Comptroller General's Office. It is the agencies' responsibility to ensure their accuracy. The SCEIS team will develop and implement reports that will provide the Comptroller General with data to validate agencies closing package data as appropriate.

TRANSACTIONS BEING INPUT ON BEHALF OF AGENCIES
AS OF MARCH 2011

FI Staff Person	FI Area	Transaction	Purpose of the transaction	Frequency	Agency Review/Approval Process	What is needed to turn this over to agency personnel?
Doug Cooper/ Sherry Ervin	Budgets	FB50	Record State Funds Cash Entries for adjustments to state appropriations for an agency (budget reductions, record supplemental appropriations, increase/decrease to total state funds for an agency)	As needed - when adjustments to an agencies state appropriation budget is required.	Cash reconciliations between SCEIS and STARS done in cooperation with the Comptroller General Office identify the need for these.	In the process of transitioning this to the CGO. Because the transactions are already posted in STARS, these transactions must post in SCEIS only. Agencies have no ability to post in SCEIS only.
Doug Cooper/ Treasury Team	Treasury	FB50	Post the BAI2 files for Electronic Bank Statement and clearing errors from posting the BAI file.	Daily	This is done in support of the State Treasurer's Office Bank Reconciliation.	These activities will be transferred to the STO Accounting team as we transition contingent checks to SCEIS.
Kay Riley/ Scott Dharte	AR	Z9	To post the refund of expenditure against the budget after receipt of the refund.	Currently: Twice monthly - However, please note, when activity is low or other process interfered, it has been less often than twice monthly.	Up through March 4, 2011, a spreadsheet and an e-mail was sent to the agencies that identified the JE's that were created, the JE # references individual billing/receipt documents for them to verify, and a detailed explanation of the reason for the JE which referenced the instructions we sent out in June 2010.	Effective March 7, 2011, this same process will remain in effect; however, approval will be requested from the agency prior to the JE into SCEIS. New system development will have to be done to change how refunds of expenditures post against the budget before this could be rolled out to the agencies. Based on the current system configuration, this must be a centralized function. However, it may transitioned to the CGO. We can look into preparing a JE file to send to the affected agencies for their review and upload; however, if a transfer is being posted to a budget line that is already negative, agencies cannot currently post in these situations, even if the transaction will increase the budget.
Scott Dharte	Conversion	FB50	Post beginning balances at the time of go-live.	At Go-Live	Agency provides a file that we enter into SCEIS.	Centralized function for conversion purposes.
Karanth Mular/ Shirley Coyner	Projects	CJ88, CJBG, AS11_FMIM	Capitalization of WBS/Projects	Periodic for CIP and on demand for Final Assets	The agency is aware that the CIP settlement takes place at the end of every month.	These transactions are part of the month-end closing process that is being transitioned to the CGO.
Shirley Coyner/ Lacie Mabe	Assets	ABZON	Reclass expenditure	June 30 to assist agencies	Upon agency request and approval	The agency can now create the ABZON transaction in current year.
Shirley Coyner/ Jennifer Broughton	Travel Advance	FB60 Doc Type ZG	Post a travel advance credit memo and F-52 to clear the vendor side	Only required on travel advances where the employee owes money back to the agency	Agency request because they create the journal entry, but do not have access to the F-52 transactions to correct the vendor account. After entry, we notify the agency, so they can complete the F-04. (deposit)	The F-52 transaction should remain a centralized transaction as it is open to posting any debit or credit into the system. Because this involves settlement of travel advances the function will either be transitioned as is to the CG or require system modification to provide agencies capability to complete the transaction.
Jennifer Broughton/ Shirley Coyner/ Lacie Mabe	Inventory	MIRO, F-44	To correct Inventory POs/Clear vendor items	As needed when requested by agencies	The MIRO transaction is used when Inventory items were processed incorrectly. This process corrects the inventory items to be posted correctly. The F-44 transaction is used to clear the vendor item when a rejection was not processed automatically. This activity is only done based on agency request/approval	The MIRO transaction needs to be a centralized transaction as it does not currently work with workflow, unless system development is done. Agencies can do the F-44 transactions, but these 2 transactions are being done at the same time to ensure the total completion of the action.
Jennifer Broughton/ Shirley Coyner/ Lacie Mabe	AP	MR8M	Reversing documents when necessary for correcting entry, agency has contacted us or we have discussed reason for entry. CGs office is now completing most all FBRAs and agencies are completing reversals.	As needed	This activity is performed based upon the agency requests and approval	This transaction is done centrally when the agency is trying to post a transaction where the budget is negative. Even if the transaction is adding budget, the error code will not allow the agency to process. We can explore the options of rolling this out to agencies.
Susanne Reich	Conversion correction	FB50	Correcting entry will require bypass or changes to routine process. Often requires temporary derivation/table changes and controls to limit posting	Rare	Proposed entry submitted &/or approved by agency and attached to SAP document as backup.	This should remain a centralized transaction as it involves knowledge and understanding of configuration and rules within the system to make a correction, when rules may have changed, and the impact on the transaction. Some occasions require after hour input so as to not disrupt normal operations.
Susanne Reich	Cross BA JE reversal	FB08 (Z7 doc type)	Not in agency role, by design since it affects more than one BA	Exception	NEW JE should be prepared. Only reversed when original entry approved by CG, but would not pass STARS edits.	This transaction should be a centralized function since it crosses business areas.
Connie Reyes Jasmina Chhabra Sherry Ervin	FM	OFDM2	Delete earmarked funds (funds reservations) due to invalid master data	As needed	Agency initiates email requesting this action to be performed	This needs to remain a centralized function as configuration authorization is required.
Sherry Ervin	FM	FMBB	Inter-agency budget transfers for agencies with multiple BAs (ex.: D170)	As needed	Agency files a help ticket	SCEIS is currently working on an enhancement to allow agencies in such scenarios to post their own budget transfers.

TRANSACTIONS BEING INPUT ON BEHALF OF AGENCIES
AS OF MARCH 2011

FI Staff Person	FI Area	Transaction	Purpose of the transaction	Frequency	Agency Review/Approval Process	What is needed to turn this over to agency personnel?
SCEIS FI Team	FI/FM	FV50/FV60	Delete parked documents due to AVC errors even though budget is being returned	As needed	Agency files a help ticket	This is a currently a central function as the system will not allow an agency to post any transaction when the budget is negative, even if the transaction is adding budget. We can explore other options.
Parker Boulware Latoria Williams Karen Rumfelt Evelyn Causey Jennifer Broughton Shirley Coyner	Recons	FBRA	To reverse clearing documents	As needed	This activity is done based on agency requests/approval or if it is a document that was not reversed automatically on the inbound interface.	CG's office is now completing most FBRAs and agencies are completing reversals (FB08). Some agencies are even doing the FBRA. STO can also perform FBRA transactions on deposits as needed.

STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

Mick Zais
Superintendent

1429 Senate Street
Columbia, South Carolina 29201

January 26, 2011

Sue Moss
Audit Manager, CPA
Office of the State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Ms. Moss:

The audit finding for the FY 2009-2010 Comprehensive Annual Financial Report for the South Carolina Department of Education has been reviewed. The following response is offered for consideration:

2010-04 Financial Reporting – Department of Education

Recommendation
We recommend that additional procedures and controls be developed and implemented by DOE to ensure that the grants receivable balance reported in their closing package is accurate in accordance with Section 1.7 of the procedures manual referenced above.

Response
The SCDE agrees with the finding and will strengthen its internal control procedures to ensure that the supporting documentation used to complete the Grants Receivables Closing package reflects accurate data. To strengthen the internal control procedures, the SCDE will add a level of review to ensure that the figures have been verified. With this additional review, we will have the added assurance that all figures submitted on the grants receivable closing package have been verified and reconcile to the supporting documentation provided by the preparer of the package.

If you have any questions or need any additional information, please let me know.

Sincerely,

A. Len Richardson, Director
Office of Finance

phone: 803-734-8492 • fax: 803-734-3389 • ed.sc.gov

DSS
Serving Children and Families

LINDA S. MARTIN
ACTING STATE DIRECTOR

NIKKI HALEY
GOVERNOR

January 28, 2011

Ms. Sue Moss, Audit Manager
SC Office of the State Auditor
1401 Main Street
Suite 1200
Columbia, SC 29201

Dear Ms. Moss:

The following is the SC Department of Social Services (SCDSS's) response to Finding 2010-05 included in the State of South Carolina's Independent Auditor's Report on Internal Control Over Financial Reporting as of and for the fiscal year 2010:

The methodology used for calculating the Allowance for Uncollectible Accounts for fiscal year 2010 was based on using an Aging of Receivables type method, which when used correctly is considered to be in accordance with Generally Accepted Accounting Principles (GAAP). The Agency switched to this GAAP accepted Aging of Receivables methodology in part as a response to correct a prior year audit finding (2009-02). This methodology mentioned was used to calculate an estimate of what the Allowance for Uncollectible Accounts for fiscal year 2010 should be, but Financial Services originally decided to calculate it by using the highest collection percentages based on past historical data to estimate the future collectability for the current Accounts Receivables. This best case scenario was chosen, because at the time that the original closing package was submitted for fiscal year 2010, our Agency was in the process of negotiating with the SC Department of Revenue to use their GEAR Program to act similar to a collection agency for SCDSS in collecting past due Accounts Receivables. Hypothetically, we believed this would increase collection percentages on Accounts Receivable balances in the future. Also, based on ten years of historical data on past collection percentages, there appeared to be a general trend where it was taking our Agency a shorter period of time than in the past to reach the same collection percentages.

The management of Financial Services has already taken corrective action on this Finding 2010-05 by submitting a revised closing package to the Comptroller General for fiscal year 2010 that contains a revised estimate for the Allowance for Uncollectible Accounts. It is based on an Aging of Receivables methodology that uses the average collection percentages based on past historical data to estimate the future collectability for the current Accounts Receivables. Also, Financial Services instituted a policy that this will be the method the Agency will use to calculate the Allowance for Uncollectible Accounts in the future, and will ensure that the closing package including the section related to the Accounts Receivables and Allowance for Uncollectible Accounts is adequately reviewed and approved. Should you have any questions, please contact Scott Ludlam, Director of Financial Services at 898-3987.

Sincerely,

Katie Morgan

Katie C. Morgan
Chief of Staff

KCM/ch

THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

January 31, 2011

Mr. Richard H. Gilbert, Jr., CPA
Interim State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Mr. Gilbert:

We have reviewed the audit finding for the Fiscal Year 2009-2010 Comprehensive Annual Financial Report (CAFR) for the South Carolina Office of the State Treasurer (STO) and offer the following response for your audit finding.

Accounts Payable Closing Package:

Recommendations: STO should develop and implement control procedures to ensure that it uses the appropriate accounting information to prepare its closing packages. Staff responsible for reviewing the completed package should have sufficient knowledge and training to enable them to review the propriety of the supporting documentation and to detect errors in a timely manner.

Response: STO agrees with the finding. Our internal process and review only captured two of the three necessary items to be included in the package. We have worked to strengthen our internal control policies and procedures to ensure that all future Accounts Payables Closing Packages reflect accurate information.

I would like to thank you for your review and recommendation. The Office of the State Treasurer strives to ensure that all accounting information is reported in an accurate manner. If you have any questions or need additional information please do not hesitate to contact us.

Sincerely,

Frank A. Rainwater
Deputy State Treasurer

(803) 734-2101 Fax (803) 734-2690
www.treasurer.sc.gov

Post Office Box 11778
Columbia, SC 29211

Wade Hampton Building, 1200 Senate Street
Columbia, SC 29201

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STATE OF SOUTH CAROLINA

STATEWIDE SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2010

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State of South Carolina

Office of the State Auditor

1401 MAIN STREET, SUITE 1200
COLUMBIA, S.C. 29201

RICHARD H. GILBERT, JR., CPA
DEPUTY STATE AUDITOR

(803) 253-4160
FAX (803) 343-0723

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE SUPPLEMENTARY SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

July 29, 2011

The Honorable Nikki R. Haley, Governor
and
Members of the General Assembly
Columbia, South Carolina

Compliance

We have audited the State of South Carolina's (the State) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2010. The State's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the State's management. Our responsibility is to express an opinion on the State's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the State's compliance with those requirements.

In our opinion, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 10E24-1 through 10E24-4, 10H59-1 through 10H59-4, 10H63-1 through 10H63-13, 10H73-1, 10H73-2, 10J02-1 through 10J02-3, 10J04-1 through 10J04-5, 10K05-1 through 10K05-4, 10L04-1 through 10L04-8, 10L24-1 through 10L24-4, 10N04-1 through 10N04-3, and 10P32-1 through 10P32-3.

Internal Control Over Compliance

Management of the State of South Carolina is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the State's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State’s internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we considered to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 10E24-1 through 10E24-4, 10H63-5, 10J02-2, 10J04-1, 10J04-2, 10N04-2, and 10N04-3 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questions costs as items 10H59-1, 10H59-2, 10H59-4, 10H63-1, 10H63-3, 10H63-4, 10H63-6 through 10H63-8, 10H63-10 through 10H63-13, 10H73-2, 10J04-5, 10K05-1, 10K05-3, 10L04-1, 10L04-3, 10L04-5 through 10L04-8, 10L24-1 through 10L24-4, 10N04-1, and 10P32-1 through 10P32-3 to be significant deficiencies.

The State's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the State's responses and, accordingly, we express no opinion on the responses.

Schedules of Expenditures of Federal Awards

We have jointly audited, with Clifton Gunderson, LLP, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina as of and for the year ended June 30, 2010, and have issued our report thereon dated December 17, 2010. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The accompanying schedules of expenditures of federal awards are presented for purposes of additional analysis as required by OMB Circular A-133 and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The State's basic financial statements included the operations of certain agencies and component units that have been excluded from the schedules of expenditures of federal awards because each of the entities engaged other auditors to perform an audit in accordance with the Single Audit Act Amendments of 1996. As described in Note 1, these agencies and component units expended $4,507,221,618 in federal awards during the year ended June 30, 2010.

This report is intended solely for the information and use of the Governor and Members of the General Assembly, the governing body and management of State agencies, the cognizant federal agency, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By Federal Grantor and CFDA Number
For the Year Ended June 30, 2010

Federal Grantor/Program Title/Grant Title	Agency Number	CFDA Number	Grant/Contract Number		Expenditures
SNAP CLUSTER					
DEPARTMENT OF AGRICULTURE					
Supplemental Nutrition Assistance Program		**10.551**			
Supplemental Nutrition Assistance Program	L04		NONE	$	1,070,026,720
2009 Supplemental Nutrition Assistance Program - ARRA	L04		NONE		34,413,502
2010 Supplemental Nutrition Assistance Program - ARRA	L04		NONE		111,109,601
Program Total				**	**1,215,549,823**
State Administrative Matching Grants for Supplemental Nutrition Assistance Program		**10.561**			
2010 State Administrative Matching Grant for Supplemental Nutrition Assistance Program	L04		5SC400407 & 5SC420417		18,135,791
2009 State Administrative Matching Grant for Supplemental Nutrition Assistance Program	L04		5SC400407 & 5SC430417		1,514,980
2010 Supplemental Nutrition Assistance Program Recovery Act - SAE - ARRA	L04		5SC440407		2,691,803
2009 Supplemental Nutrition Assistance Program Recovery Act - SAE - ARRA	L04		5SC440407		2,297,799
Program Total				**	**24,640,373**
Total Department of Agriculture					**1,240,190,196**
Total SNAP Cluster					**1,240,190,196**
CHILD NUTRITION CLUSTER					
DEPARTMENT OF AGRICULTURE					
National School Lunch Program		**10.555**			
National School Lunch Program	H63		5SC300328		233,109,745
Food Donation	H63		N/A		17,852,367
Program Total				**	**250,962,112**
Summer Food Service Program for Children		**10.559**			
2010 Summer Food Service Program for Children	L04		5SC300329		267,036
2009 Summer Food Service Program for Children	L04		5SC300329		5,270,395
Program Total				**	**5,537,431**
Total Department of Agriculture					**256,499,543**
Total Child Nutrition Cluster					**256,499,543**
EMERGENCY FOOD ASSISTANCE CLUSTER					
DEPARTMENT OF AGRICULTURE					
Emergency Food Assistance Program (Administrative Costs)		**10.568**			
Emergency Food Assistance Program (Administrative Costs)	L04		5SC400816		175,523
Emergency Food Assistance Program (Administrative Costs)	L04		5SC840816		978,423
Program Total					**1,153,946**
Emergency Food Assistance Program (Food Commodities)		**10.569**			
2009 Emergency Food Assistance Program (Food Commodities)	L04		NONE		8,732,646
2010 Emergency Food Assistance Program (Food Commodities)	L04		NONE		59,343
2010 Emergency Food Assistance Program (Food Commodities) - ARRA	L04		NONE		506,041
2009 Emergency Food Assistance Program (Food Commodities) - ARRA	L04		NONE		0
Program Total					**9,298,030**
Total Department of Agriculture					**10,451,976**

See Index of State Agencies at Appendix A.

** Denotes major programs and programs in major clusters

See accompanying notes to the schedules of expenditures of federal awards.

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By Federal Grantor and CFDA Number
For the Year Ended June 30, 2010

Federal Grantor/Program Title/Grant Title	Agency Number	CFDA Number	Grant/Contract Number		Expenditures
EMERGENCY FOOD ASSISTANCE CLUSTER, CONTINUED					
Total Emergency Food Assistance Cluster					**10,451,976**
CDBG - STATE-ADMINISTERED SMALL CITIES PROGRAM CLUSTER					
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii		**14.228**			
Community Development Block Grant Program	P32		B02DC450001		0
Community Development Block Grant Program	P32		B03DC450001		546,816
Community Development Block Grant Program	P32		B04DC450001		3,470,354
Community Development Block Grant Program	P32		B05DC450001		2,684,464
Community Development Block Grant Program	P32		B06DC450001		1,943,344
Community Development Block Grant Program	P32		B07DC450001		7,638,740
Community Development Block Grant Program	P32		B08DC450006		5,702,791
Community Development Block Grant Program	P32		B09DC450001		1,765,221
Program Total				**	**23,751,730**
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii-(Recovery Act Funded) (State-Administered Small Cities Program)		**14.255**			
Community Development Block Grant Program - ARRA	P32		B09DY450001		2,666,707
Program Total				**	**2,666,707**
Total Department of Housing and Urban Development					**26,418,437**
Total CDBG - State-Administered Small Cities Program Cluster					**26,418,437**
FISH AND WILDLIFE CLUSTER					
DEPARTMENT OF THE INTERIOR					
Sport Fish Restoration Program		**15.605**			
South Carolina Region 2 Facilities Construction	P24		F-103-D		200,497
Enterprise Landing, Intercoastal Waterway, Horry County	P24		F-104-DB		0
Technical Guidance for Water Quality and Habitat Protection for Marine Finfish Resources	P24		F-105-T-1		14,233
Technical Guidance for Water Quality and Habitat Protection for Marine Finfish Resources	P24		F-105-T-2		147,426
Continuing the Assessment of Flounder Gigging in South Carolina	P24		F-106-R		5,306
Characterization of the Mudminnow Fishery in South Carolina	P24		F-107-R		0
Ricefield Cove Landing, Lumber River, Horry County	P24		F-108-D		59,100
Butcher's Island Boat Ramp Renovation, Ward Creek, Beaufort County	P24		F-109-B		23,750
Carroll Ashmore Campbell Marine Complex, Sampit River, Georgetown County	P24		F-110-B		750,000
Highway 15 Landing, Lynches River, Lee County	P24		F-111-B-1		0
Gunter's Lake Landing, Gunter's Lake, Horry County	P24		F-112-B		24,994
Port Harrelson Dock Replacement, Bull Creek, Horry County	P24		F-113-B		11,175
Highway 1/601 Courtesy Dock, Wateree River, Kershaw County	P24		F-114-B		0
Demetre Park Pier and Dock, Charleston Harbor, City of Charleston	P24		F-115-B		0
Reaves Ferry Landing Dock Addition, Waccamaw River, Horry County	P24		F-116-B		0
Cane Creek Access Relocation, Fishing Creek Reservoir, Lancaster County	P24		F-117-B		90,000
Highway 544 Fishing Piers, Atlantic Intercoastal Waterway, Horry County	P24		F-118-B-1		0
Peterfield Landing Renovation Great Pee Dee River, Georgetown	P24		F-119-B		0
Eddings Point Courtesy Dock Addition, Jenkins Creek, Beaufort County	P24		F-120-B		0
Wimbee Boat Landing Courtesy Dock Addition, Wimbee Creek, Beaufort County	P24		F-121-B		0

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By Federal Grantor and CFDA Number
For the Year Ended June 30, 2010

Federal Grantor/Program Title/Grant Title	Agency Number	CFDA Number	Grant/Contract Number	Expenditures
FISH AND WILDLIFE CLUSTER, CONTINUED				
DEPARTMENT OF THE INTERIOR				
Sport Fish Restoration Program		**15.605**		
South Carolina Marine Recreational Fisheries Survey	P24		F-29-22	22,535
South Carolina Marine Recreational Fisheries Survey	P24		F-29-23	231,923
Marine Artificial Reef Development and Management	P24		F-54-17	16,813
Marine Artificial Reef Development and Management	P24		F-54-18	332,391
State Lakes Facilities and Boating Access Maintenance	P24		F-59-16	960
State Lakes Facilities and Boating Access Maintenance	P24		F-59-17	152,848
Fisheries Investigations in Lakes and Streams - Statewide	P24		F-63-14	141,378
Fisheries Investigations in Lakes and Streams - Statewide	P24		F-63-15	1,474,672
Aquatic Education Program	P24		F-68-11	14,468
Aquatic Education Program	P24		F-68-12	148,573
Walhalla Hatchery Operation and Maintenance	P24		F-74-10	228,206
Walhalla Hatchery Operation and Maintenance	P24		F-74-9	21,007
Marine Resources Division D-J Coordination Project	P24		F-75-6	1,757
Marine Resources Division D-J Coordination Project	p24		F-75-7	4,009
Cheraw Hatchery Operation and Maintenance	P24		F-76-8	2,297
Cheraw Hatchery Operation and Maintenance	P24		F-76-9	206,699
Assessment of Adult Red Drum in South Carolina Coastal Waters	P24		F-77-5	0
Assessment of Adult Red Drum in South Carolina Coastal Waters	P24		F-77-6	34,881
FERC Coordination	P24		F-80-7	13,329
FERC Coordination	P24		F-80-8	83,272
Dennis Center Hatchery Operation and Maintenance	P24		F-83-7	15,179
Dennis Center Hatchery Operation and Maintenance	P24		F-83-8	360,984
Utilization of Stocked Red Drum Larvae as a Tool to Evaluate Population Recruitment Bottlenecks	P24		F-85-6	0
Utilization of Stocked Red Drum Larvae as a Tool to Evaluate Population Recruitment Bottlenecks	P24		F-85-7	137,236
Freshwater Fisheries Centralized Data Base Development	P24		F-89-T-4	4,624
Freshwater Fisheries Centralized Data Base Development	P24		F-89-T-5	51,758
Fishery-Independent Monitoring of Juvenile Nursery Habitat of Key Recreational Fishery Species	P24		F-95-R-2	0
Fishery-Independent Monitoring of Juvenile Nursery Habitat of Key Recreational Fishery Species	P24		F-95-R-3	65,430
Program Total				**5,093,710**
Wildlife Restoration		**15.611**		
Conservation of Belfast Plantation	P24		T-50-1-L	0
Hunter Education Program	P24		W-1-34	206,674
Hunter Education Program	P24		W-1-35	555,727
Southeastern Cooperative Wildlife Disease Study	P24		W-29-53	11,250
Statewide Wildlife Management Technical Guidance, Research and Survey and Coordination	P24		W-30-50	165,825
Statewide Wildlife Management Technical Guidance, Research and Survey and Coordination	P24		W-30-51	2,264,200
Determining Population Abundance of Black Bears in Coastal South Carolina and Development of a Bear Management Plan	P24		W-99-1-D	32,339
Program Total				**3,236,015**

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By Federal Grantor and CFDA Number
For the Year Ended June 30, 2010

Federal Grantor/Program Title/Grant Title	Agency Number	CFDA Number	Grant/Contract Number		Expenditures
FISH AND WILDLIFE CLUSTER, CONTINUED					
DEPARTMENT OF THE INTERIOR					
Total Department of the Interior					**8,329,725**
Total Fish and Wildlife Cluster					**8,329,725**
WIA CLUSTER					
DEPARTMENT OF LABOR					
WIA Adult Program		**17.258**			
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-15505-06-55		0
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-16054-07-55-A-45		585,888
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	P32		AA-17147-08-55-A-45		4,972,571
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-17147-08-55-A-45		4,942,323
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-18667-09-55-A-45		7,083,227
Program Total				**	**17,584,009**
WIA Youth Activities		**17.259**			
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-14701-05-55		0
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-16054-07-55-A-45		486,359
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-17147-08-55-A-45		6,616,350
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	P32		AA-17147-08-55-A-45		14,525,069
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-18667-09-55-A-45		6,552,100
Program Total				**	**28,179,878**
WIA Dislocated Workers		**17.260**			
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-14701-05-55		0
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-15505-06-55		0
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-16054-07-55-A-45		181,688
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-17147-08-55-A-45		16,726,650
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	P32		AA-17147-08-55-A-45		9,197,889
WIA Youth/Adult/Dislocated Workers Formula Combined	P32		AA-18667-09-55-A-45		9,381,351
Program Total				**	**35,487,578**
Total Department of Labor					**81,251,465**
Total WIA Cluster					**81,251,465**
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER					
DEPARTMENT OF TRANSPORTATION					
Recreational Trails Program		**20.219**			
Recreational Trails Program (2006 Grant)	P28		RTP-2006(001)		45,541
Recreational Trails Program (2007 Grant)	P28		RTP-2007(001)		217,856
Recreational Trails Program (2008 Grant)	P28		RTP-2008(001)		393,960
Program Total					**657,357**
Total Department of Transportation					**657,357**
Total Highway Planning and Construction Cluster					**657,357**

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HIGHWAY SAFETY CLUSTER					
DEPARTMENT OF TRANSPORTATION					
State and Community Highway Safety		**20.600**			
Crash Outcome Data Evaluation System (CODES) V	F03		DTNH22-04-H-27021		0
Crash Outcome Data Evaluation System (CODES) VI	F03		DTNH22-09-H-00408		21,200
State and Community Highway Safety - 2009	K05		2009NHTSA402		1,849,800
State and Community Highway Safety - 2010	K05		2010NHTSA402		1,666,800
Fatality Accident Reporting System 1998	K05		DTNH2207H00123		106,923
Fatality Accident Reporting System 1998	K05		DTNH22-92-Y-07025		0
State Agency Odometer Fraud Enforcement	R28		DTNH22-06-H-00072		24,573
Program Total					**3,669,296**
Alcohol Impaired Driving Countermeasures Incentive Grants I		**20.601**			
Alcohol Impaired Driving Countermeasures Incentive Grants - 2006	K05		2006NHTSA410		100,177
Alcohol Impaired Driving Countermeasures Incentive Grants - 2007	K05		2007NHTSA410		696,557
Alcohol Impaired Driving Countermeasures Incentive Grants - 2008	K05		2008NHTSA410		2,267,648
Alcohol Impaired Driving Countermeasures Incentive Grants - 2009	K05		2009NHTSA410		627,805
Program Total					**3,692,187**
Occupant Protection Incentive Grants		**20.602**			
Occupant Protection Incentive Grants - 2008	K05		2008NHTSA405		375,484
Program Total					**375,484**
Safety Belt Performance Grants		**20.609**			
Safety Belt Performance Grants - 2006	K05		2006NHTSA406		3,170,504
Safety Belt Performance Grants - 2009	K05		2009NHTSA406		55,528
Program Total					**3,226,032**
Total Department of Transportation					**10,962,999**
Total Highway Safety Cluster					**10,962,999**
TITLE I, PART A CLUSTER					
DEPARTMENT OF EDUCATION					
Title I Grants to Local Educational Agencies		**84.010**			
Title I - Grants to LEAS	H63		S010A070040		5,172,539
Title I - Grants to LEAS	H63		S010A080040		108,490,934
Title I - Grants to LEAS	H63		S010A090040		90,940,595
Program Total				**	**204,604,068**
Title I Grants to Local Educational Agencies, Recovery Act		**84.389**			
Title I Grants to Local Educational Agencies, Recovery Act - ARRA	H63		S389A090040		30,236,181
Program Total				**	**30,236,181**
Total Department of Education					**234,840,249**
Total Title I, Part A Cluster					**234,840,249**
SPECIAL EDUCATION CLUSTER (IDEA)					
DEPARTMENT OF EDUCATION					
Special Education - Grants to States		**84.027**			
Part B	H63		H027A070081		78,669

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SPECIAL EDUCATION CLUSTER (IDEA), CONTINUED					
DEPARTMENT OF EDUCATION					
Special Education - Grants to States		**84.027**			
Part B	H63		H027A080081		91,703,153
Part B	H63		H027A090081		55,455,327
Program Total				**	**147,237,149**
Special Education - Preschool Grants		**84.173**			
Part B	H63		H173A080085		2,748,681
Part B	H63		H173A090085		4,054,503
Program Total				**	**6,803,184**
Special Education - Grants to States, Recovery Act		**84.391**			
IDEA State Grants - ARRA	H63		H391A090081		32,260,490
Program Total				**	**32,260,490**
Special Education - Preschool Grants, Recovery Act		**84.392**			
Part B/Preschool - ARRA	H63		H392A090085		866,832
Program Total				**	**866,832**
Total Department of Education					**187,167,655**
Total Special Education Cluster (IDEA)					**187,167,655**
VOCATIONAL REHABILITATION CLUSTER					
DEPARTMENT OF EDUCATION					
Rehabilitation Services - Vocational Rehabilitation Grants to States		**84.126**			
Basic Support	H73		H126A090060		27,781,848
Basic Support	H73		H126A100060		14,192,956
Basic Support	L24		H126A060061		0
Basic Support	L24		H126A070061		0
Basic Support	L24		H126A080061		940,269
Basic Support	L24		H126A090061		5,245,847
Program Total				**	**48,160,920**
Rehabilitation Services - Vocational Rehabilitation Grants to States. Recovery Act		**84.390**			
Basic Support - ARRA	H73		H390A090060		3,904,457
Basic Support - ARRA	L24		H390A090061		206,681
Program Total				**	**4,111,138**
Total Department of Education					**52,272,058**
Total Vocational Rehabilitation Cluster					**52,272,058**
EARLY INTERVENTION SERVICES (IDEA) CLUSTER					
DEPARTMENT OF EDUCATION					
Special Education - Grants for Infants and Families		**84.181**			
Infants and Toddlers	H63		H1781A090036		1,363,860
Special Education - Grants for Infants and Families with Disabilities	J04		H181A070036		31,561
Special Education - Grants for Infants and Families with Disabilities	J04		H181A080036		1,527,253
Special Education - Grants for Infants and Families with Disabilities	J04		H181A090036		1,761,210
Program Total					**4,683,884**

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EARLY INTERVENTION SERVICES (IDEA) CLUSTER, CONTINUED					
DEPARTMENT OF EDUCATION					
Special Education - Grants for Infants and Families, Recovery Act		**84.393**			
Infants and Families with Disabilities - ARRA	H63		H393A090036		2,642,770
Special Education - Grants for Infants and Families "Recovery Funds" - ARRA	J04		H393A090036A		936,748
Program Total					**3,579,518**
Total Department of Education					**8,263,402**
Total Early Intervention Services (IDEA) Cluster					**8,263,402**
EDUCATIONAL TECHNOLOGY STATE GRANTS CLUSTER					
DEPARTMENT OF EDUCATION					
Education Technology State Grants		**84.318**			
Educational Technology State Grant	H63		S318X060040		0
Educational Technology State Grant	H63		S318X070040		682,393
Educational Technology State Grant	H63		S318X080040		3,054,100
Educational Technology State Grant	H63		S318X090040		31,769
Program Total					**3,768,262**
Education Technology State Grants, Recovery Act		**84.386**			
Education Technology State Grants - ARRA	H63		S386A090040		1,903,977
Program Total					**1,903,977**
Total Department of Education					**5,672,239**
Total Educational Technology State Grants Cluster					**5,672,239**
STATE FISCAL STABILIZATION FUND CLUSTER					
DEPARTMENT OF EDUCATION					
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act		**84.394**			
State Fiscal Stabilization Fund - Education State Grants - ARRA	H59		S394A090052		14,277,248
State Fiscal Stabilization Fund - Education State Grants - ARRA	H63		S394A090052		120,515,374
State Fiscal Stabilization Fund - Education State Grants - ARRA	H75		S394A090052		0
Program Total				**	**134,792,622**
State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act		**84.397**			
State Fiscal Stabilization Fund - Government Services - ARRA	B04		S397A090052		4,000,000
State Fiscal Stabilization Fund - Government Services - ARRA	D10		S397A090052		1,990,000
State Fiscal Stabilization Fund - Government Services - ARRA	H03		S397A090052		364,440
State Fiscal Stabilization Fund - Government Services - ARRA	H63		S397A090052		998,872
State Fiscal Stabilization Fund - Government Services - ARRA	H71		S397A090052		492,626
State Fiscal Stabilization Fund - Government Services - ARRA	H75		S397A090052		231,675
State Fiscal Stabilization Fund - Government Services - ARRA	H79		S397A090052		500,000
State Fiscal Stabilization Fund - Government Services - ARRA	H87		S397A090052		1,685,045
State Fiscal Stabilization Fund - Government Services - ARRA	H91		S397A090052		500,000
State Fiscal Stabilization Fund - Government Services - ARRA	K05		S397A090052		15,000,000
State Fiscal Stabilization Fund - Government Services - ARRA	N04		S397A090052		22,000,000
State Fiscal Stabilization Fund - Government Services - ARRA	N08		S397A090052		1,896,619
State Fiscal Stabilization Fund - Government Services - ARRA	N12		S397A090052		5,000,000
State Fiscal Stabilization Fund - Government Services - ARRA	N20		S397A090052		120,000
State Fiscal Stabilization Fund - Government Services - ARRA	P12		S397A090052		500,000

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STATE FISCAL STABILIZATION FUND CLUSTER, CONTINUED					
DEPARTMENT OF EDUCATION					
State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act		**84.397**			
State Fiscal Stabilization Fund - Government Services - ARRA	P16		S397A090052		250,000
State Fiscal Stabilization Fund - Government Services - ARRA	P24		S397A090052		250,000
State Fiscal Stabilization Fund - Government Services - ARRA	P32		S397A090052		3,450,000
Program Total				**	**59,229,277**
Total Department of Education					**194,021,899**
Total State Fiscal Stabilization Fund Cluster					**194,021,899**
INDEPENDENT LIVING STATE GRANTS CLUSTER					
DEPARTMENT OF EDUCATION					
Independent Living - State Grants		**84.169**			
State Independent Living Services	H73		H169A080059		14,100
State Independent Living Services	H73		H169A090059		180,929
State Independent Living Services	H73		H169A100059		287
State Independent Living Services	L24		H169A070060		0
State Independent Living Services	L24		H169A080060		500
State Independent Living Services	L24		H169A090060		6,670
Program Total					**202,486**
Independent Living State Grants, Recovery Act		**84.398**			
State Independent Living Services - ARRA	L24		H398A090060		5,250
Program Total					**5,250**
Total Department of Education					**207,736**
Total Independent Living State Grants Cluster					**207,736**
INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND					
DEPARTMENT OF EDUCATION					
Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind		**84.177**			
Independent Living/Older Blind	L24		H177B070040		0
Independent Living/Older Blind	L24		H177B080040		0
Independent Living/Older Blind	L24		H177B090040		490,796
Independent Living/Older Blind	L24		H177B100040		204,781
Program Total					**695,577**
Independent Living Services for Older Individuals Who Are Blind, Recovery Act		**84.399**			
Independent Living/Older Blind - ARRA	L24		H399A090040		2,405
Program Total					**2,405**
Total Department of Education					**697,982**
Total Independent Living Services for Older Individuals Who Are Blind					**697,982**
EDUCATION OF HOMELESS CHILDREN AND YOUTH CLUSTER					
DEPARTMENT OF EDUCATION					
Education of Homeless Children and Youth		**84.196**			
Education for Homeless Children and Youth	H63		S196A040042		0

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EDUCATION OF HOMELESS CHILDREN AND YOUTH CLUSTER, CONTINUED				
DEPARTMENT OF EDUCATION				
Education of Homeless Children and Youth		**84.196**		
Education for Homeless Children and Youth	H63		S196A060042	0
Education for Homeless Children and Youth	H63		S196A070042	104,875
Education for Homeless Children and Youth	H63		S196A080042	467,020
Education for Homeless Children and Youth	H63		S196A090042	249,604
Program Total				**821,499**
Education for Homeless Children and Youth, Recovery Act		**84.387**		
Education for Homeless Children and Youth, Recovery Act - ARRA	H63		S387A090040	265,243
Program Total				**265,243**
Total Department of Education				**1,086,742**
Total Education of Homeless Children and Youth Cluster				**1,086,742**
STATEWIDE DATA SYSTEMS CLUSTER				
DEPARTMENT OF EDUCATION				
Statewide Data Systems		**84.372**		
Statewide Data Systems	H63		R372A060054	1,676,641
Program Total				**1,676,641**
Total Department of Education				**1,676,641**
Total Statewide Data Systems Cluster				**1,676,641**
TEACHER INCENTIVE FUND CLUSTER				
DEPARTMENT OF EDUCATION				
Teacher Incentive Fund		**84.374**		
Teacher Incentive Funds	H63		S374A070027	7,105,830
Program Total				**7,105,830**
Total Department of Education				**7,105,830**
Total Teacher Incentive Fund Cluster				**7,105,830**
SCHOOL IMPROVEMENT GRANTS CLUSTER				
DEPARTMENT OF EDUCATION				
School Improvement Grants		**84.377**		
School Improvement Grant	H63		S377A070041	752,321
School Improvement Grant	H63		S377A080042	3,144,593
Program Total				**3,896,914**
Total Department of Education				**3,896,914**
Total School Improvement Grants Cluster				**3,896,914**

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AGING CLUSTER				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers		**93.044**		
Special Programs for the Aging Title III, Part B Grant for Supportive Services and Senior Centers	E04		08AASCT3SP, 09AASCT3SP, 10AASCT3SP	7,545,512
Program Total				**7,545,512**
Special Programs for the Aging - Title III, Part C - Nutrition Services		**93.045**		
Special Programs for the Aging Title III, Part C Nutrition Services	E04		07AASCT3SP, 08AASCT3SP, 09AASCT3SP, 10AASCT3SP	7,000,386
Program Total				**7,000,386**
Nutrition Services Incentive Program		**93.053**		
Nutrition Services Incentive Program	E04		09AASCNSIP, 10AASCNSIP	1,603,634
Program Total				**1,603,634**
Aging Home-Delivered Nutrition Services for States		**93.705**		
Aging Home-Delivered Nutrition Services for States - ARRA	E04		09AASCC2RR	363,687
Program Total				**363,687**
Aging Congregate Nutrition Services for States		**93.707**		
Aging Congregate Nutrition Services for States - ARRA	E04		09AASCC1RR	663,515
Program Total				**663,515**
Total Department of Health and Human Services				**17,176,734**
Total Aging Cluster				**17,176,734**
IMMUNIZATION CLUSTER				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Immunization Grants		**93.268**		
Immunization and Vaccines for Children Grants	J04		5H23IP422544-07 REVISED	2,848,216
Immunization and Vaccines for Children Grants	J04		5H23IP422544-08 REVISED	1,783,399
Program Total				**4,631,615**
ARRA - Immunization		**93.712**		
317 Immunization and Vaccines for Children Grants - ARRA	J04		3H23IP422544-07S1	42,580
317 Immunization and Vaccines for Children Grants - ARRA	J04		3H23IP422544-07S2	90,280
ELC ARRA 317 - MCV - ARRA	J04		3U50CI000491-03S2	14,741
Program Total				**147,601**
Total Department of Health and Human Services				**4,779,216**
Total Immunization Cluster				**4,779,216**
TANF CLUSTER				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Temporary Assistance for Needy Families		**93.558**		
Temporary Assistance for Needy Families	L04		G-0302SCTANF	0

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TANF CLUSTER, CONTINUED					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Temporary Assistance for Needy Families		**93.558**			
Temporary Assistance for Needy Families	L04		G-0802SCTANF		0
Temporary Assistance for Needy Families	L04		G-0902SCTANF		25,003,685
Temporary Assistance for Needy Families	L04		G-1002SCTANF		93,490,230
Program Total				**	**118,493,915**
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program		**93.714**			
Emergency Contingency Fund for Temporary Assistance for Needy Families - ARRA	L04		G-1001SCTANF2		10,505,864
Program Total				**	**10,505,864**
Total Department of Health and Human Services					**128,999,779**
Total TANF Cluster					**128,999,779**
CCDF CLUSTER					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Child Care and Development Block Grant		**93.575**			
Technical Assistance and Development Project for an Electronic System of Data Collection and Authentic Assessment for Infants and Toddlers	F03		10-1718		90,002
Child Care and Development Block Grant	L04		G-0802SCCCDF		0
Child Care and Development Block Grant	L04		G-0902SCCCDF		26,655,533
Child Care and Development Block Grant	L04		G-1002SCCCDF		26,785,478
Program Total				**	**53,531,013**
Child Care Mandatory and Matching Funds of the Child Care and Development Fund		**93.596**			
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	L04		G-0602SCCCDF		0
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	L04		G-0802SCCCDF		0
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	L04		G-0902SCCCDF		1,734,640
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	L04		G-1002SCCCDF		20,534,686
Program Total				**	**22,269,326**
ARRA - Child Care and Development Block Grant		**93.713**			
Child Care and Development Fund - ARRA	L04		G-0901SCCCD7		13,587,229
Program Total				**	**13,587,229**
Total Department of Health and Human Services					**89,387,568**
Total CCDF Cluster					**89,387,568**
HEAD START CLUSTER					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Head Start		**93.600**			
2010 Head Start	L04		04CD002101		85,962
2009 Head Start	L04		04CD002101		76,297
Program Total					**162,259**

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HEAD START CLUSTER, CONTINUED					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Total Department of Health and Human Services					**162,259**
Total Head Start Cluster					**162,259**
MEDICAID CLUSTER					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
State Medicaid Fraud Control Units		**93.775**			
Medicaid Fraud Control Unit - Year 15	E20		01-0901-SC-5050		229,174
Medicaid Fraud Control Unit - Year 16	E20		01-1001-SC-5050		753,577
Program Total				**	**982,751**
State Survey and Certification of Health Care Providers and Suppliers		**93.777**			
State Survey and Certification of Health Care Providers and Suppliers	J02		05-0905-SC-5001		3,859
State Survey and Certification of Health Care Providers and Suppliers	J02		05-1005-SC-5001		384,613
Survey and Certification Services	J04		05-0905-SC-5000		584,389
South Carolina CLIA	J04		05-0905-SC-5002		42,318
Survey and Certification Services	J04		05-1005-SC-5000		1,806,196
South Carolina CLIA	J04		05-1005-SC-5002		133,275
Program Total				**	**2,954,650**
Medical Assistance Program		**93.778**			
Medical Administration Payments	J02		05-0705SC5048		0
Medical Assistance Payments	J02		05-0805SC5028		0
Medical Administration Payments	J02		05-0805SC5048		0
Medical Assistance Payments	J02		05-0905SC5028		872,461,246
Medical Administration Payments	J02		05-0905SC5048		13,537,788
Increased Medical Assistance Payments - ARRA	J02		05-0905SCARRA		100,702,672
Health Information Technology Administration Recovery Act - ARRA	J02		05-0905SCHITA		100,726
Disproportionate Share Hospital Payments - ARRA	J02		05-0905SCMDSH		8,051,297
Medical Administration Payments	J02		05-1005SC5ADM		66,897,791
Medical Assistance Payments	J02		05-1005SC5MAP		2,643,451,259
Increased Medical Assistance Payments - ARRA	J02		05-1005SCARRA		311,516,901
Health Information Technology Administration Recovery Act - ARRA	J02		05-1005SCHITA		599,051
Disproportionate Share Hospital Payments - ARRA	J02		05-1005SCMDSH		0
Qualifying Individual Program Payment - ARRA	J02		05-1005SCQUAL		3,584,805
Program Total				**	**4,020,903,536**
Total Department of Health and Human Services					**4,024,840,937**
Total Medicaid Cluster					**4,024,840,937**
DISABILITY INSURANCE/SSI CLUSTER					
SOCIAL SECURITY ADMINISTRATION					
Social Security - Disability Insurance		**96.001**			
Social Security - Disability Insurance	H73		04-09-04SCD100		12,250,040
Social Security - Disability Insurance	H73		04-10-04SCD100		25,564,087
Social Security Administration Disability Programs	L24		NONE		0
Program Total				**	**37,814,127**

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DISABILITY INSURANCE/SSI CLUSTER, CONTINUED				
SOCIAL SECURITY ADMINISTRATION				
Total Social Security Administration				**37,814,127**
Total Disability Insurance/SSI Cluster				**37,814,127**
HOMELAND SECURITY CLUSTER				
DEPARTMENT OF HOMELAND SECURITY				
State Domestic Preparedness Equipment Support Program (State Homeland Security Grant Program)		**97.004**		
2004 Homeland Security Grant Program	D10		2004-GE-T4-0013	0
Program Total				**0**
Homeland Security Grant Program		**97.067**		
2003 Homeland Security Grant Program - Part II	D10		2003-MU-T3-0017	0
2005 Homeland Security Grant Program	D10		2005-GE-T5-0018	0
2006 Homeland Security Grant Program	D10		2006-GE-T6-0001	685,255
2007 Citizen Preparedness for Catastrophic Events	D10		2007-GE-T7-0045	2,715,446
2008 Homeland Security Grant Program	D10		2008-GE-T8-0049	1,690,707
2008 Homeland Security Grant Program	D10		2008-TH-T8-K005	68,907
2009 Homeland Security Grant Program	D10		2009-SS-T9-0084	29,548
State Homeland Security Grant Program	J04		2007-GE-T7-0045; 7SHSP32	0
State Homeland Security Grant Program	J04		2008-GE-T8-0049; 8SHSP18 Adj 4 8SHSP18	53,000
Program Total				**5,242,863**
Total Department of Homeland Security				**5,242,863**
Total Homeland Security Cluster				**5,242,863**
NONCLUSTERED GRANTS				
DEPARTMENT OF AGRICULTURE				
Wildlife Services		**10.028**		
Avian Influenza Surveillance Program	P24		08-7100-0207-CA	0
Early Detection of Highly Pathogenic Avian Influenza in Wild Birds	P24		09-7100-0207-CA	50,000
Program Total				**50,000**
Aquaculture Grants Program (APG)		**10.086**		
2008 Aquaculture Grant Program - ARRA	P16		USDA-FSA-ARRA-AGP-32	72,960
Program Total				**72,960**
Market News		**10.153**		
Market News Service	P16		12-25-A-2929	6,138
Program Total				**6,138**
Federal-State Marketing Improvement Program		**10.156**		
Evaluating MarketMaker: Analyzing the Impact of an Electronic Food Marketing Network and its Capacity to Improve Efficient Market Access for Small to Midsized Farmers and Food Entrepreneurs	P16		12-25-G-0679	60,145
How to Make the Best Use of Public Funds in Promoting Locally Grown Products: Assessment of the Potential Impact of a Promotion Campaign	P16		12-25-G-0898	0

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF AGRICULTURE				
Federal-State Marketing Improvement Program		**10.156**		
Program Total				**60,145**
Inspection Grading and Standardization		**10.162**		
Federal - State Poultry Grading Service (State Trust Fund)	P16		12-25-A-3315	1,347,499
Federal - State Inspection of Fresh Fruits, Vegetables and Other Products	P16		12-25-A-3551	0
Meat Grading and Certification Service	P16		12-25-A-4298	0
Federal - State Inspection of Fresh Fruits, Vegetables and Other Products	P16		12-25-A-4812	832,103
Program Total				**2,179,602**
Market Protection and Promotion		**10.163**		
National Organic Certification Cost-Share Program	P16		12-25-A-4478	0
National Organic Certification Cost-Share Program	P16		12-25-A-4968	4,867
Program Total				**4,867**
Specialty Crop Block Grant Program		**10.169**		
South Carolina Department of Agriculture Specialty Crop Block Grant Program Activities	P16		12-25-B-0656	17,763
South Carolina Department of Agriculture Specialty Crop Block Grant Program Activities	P16		12-25-B-0862	107,593
South Carolina Department of Agriculture Branding and Promotional Campaign	P16		12-25-G-0530	0
Program Total				**125,356**
Specialty Crop Block Grant Program - Farm Bill		**10.170**		
South Carolina Department of Agriculture Specialty Crop Block Grant Program-Farm Bill Activities	P16		12-25-B-0814	39,238
South Carolina Department of Agriculture Specialty Crop Block Grant Program-Farm Bill Activities	P16		12-25-B-0948	143,584
Program Total				**182,822**
Meat, Poultry, and Egg Products Inspection		**10.477**		
Federal - State Egg Products Inspection Service (State Trust Fund)	P16		12-37-A-506	108,685
Program Total				**108,685**
Food Safety Cooperation Agreements		**10.479**		
2008 Food Emergency Response Network Continuations	J04		FSIS-C-36-2005/04 00	66,299
Food Emergency Response Network (FERN) Microbiology	J04		FSIS-C-36-2005/05	133,172
Program Total				**199,471**
Special Supplemental Nutrition Program for Women, Infants, and Children		**10.557**		
Women, Infants and Children	J04		5SC700706 11	8,257,080
Women, Infants and Children	J04		5SC700706 13	44,635
Women, Infants and Children	J04		5SC700706 4	79,117
Women, Infants and Children	J04		5SC700706 5	126,903
Women, Infants and Children	J04		5SC700706 7	18,264,881
Women, Infants and Children	J04		5SC700715 5	52,968,343
Women, Infants and Children	J04		5SC700715 8	11,980,436
Women, Infants and Children	J04		5SC700749 1	913
Program Total			**	**91,722,308**

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NONCLUSTERED GRANTS, CONTINUED					
DEPARTMENT OF AGRICULTURE					
Child and Adult Care Food Program		**10.558**			
2009 Child and Adult Care Food Program	L04		5SC300329		5,422,759
2008 Child and Adult Care Food Program	L04		5SC300329		0
2010 Child and Adult Care Food Program	L04		5SC300329		22,635,291
Program Total				**	**28,058,050**
State Administrative Expenses for Child Nutrition		**10.560**			
State Administrative Expenses for Child Nutrition	H63		5SC300911		1,821,790
2009 State Administrative Expense for Child Nutrition	L04		5SC300912		110,198
State Administrative Expenses for Child Nutrition	L04		5SC300912		0
2010 State Administrative Expense for Child Nutrition	L04		5SC300912		577,340
Program Total					**2,509,328**
Nutrition Education and Training Program		**10.564**			
Nutrition Education and Training Program	H63		59-84531-0-528		0
Program Total					**0**
Commodity Supplemental Food Program		**10.565**			
2010 Commodity Supplemental Food Program	L04		5SC810816		196,823
2009 Commodity Supplemental Food Program	L04		5SC810816		49,870
Program Total					**246,693**
WIC Farmers Market Nutrition Program (FMNP)		**10.572**			
Commodity Assistance Program	J04		5SC810706 1		3,047
Commodity Assistance Program	J04		5SC810706 2		109,755
Program Total					**112,802**
Team Nutrition Grants		**10.574**			
Team Nutrition Grants	H63		1005554		0
Team Nutrition Grants	H63		3N3502		90,063
2006 Local Wellness Program	H63		CNLW-06-SC-01		0
Team Nutrition Grants	H63		CNTN-09-SC		25
Team Nutrition Grants	H63		IN350330		2
Program Total					**90,090**
Senior Farmers Market Nutrition Program		**10.576**			
2009 Senior Farmers Market Nutrition Program	L04		5SC810816		87,337
2010 Senior Farmers Market Nutrition Program	L04		5SC810816		627,705
Program Total					**715,042**
Child Nutrition Discretionary Grants Limited Availability		**10.579**			
Child Nutrition Recovery Act - ARRA	H63		5SC340328		1,821,546
Program Total					**1,821,546**
Fresh Fruit and Vegetable Program		**10.582**			
Fresh Fruit and Vegetable	H63		2008IN77034		0
Fresh Fruit and Vegetable	H63		5SC310328		1,195,942
Program Total					**1,195,942**

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DEPARTMENT OF AGRICULTURE				
Forestry Research		**10.652**		
Southern Annual Forest Inventory and Analysis	P12		08-CA-11330145-035	250,224
Program Total				**250,224**
Cooperative Forestry Assistance		**10.664**		
Consolidated Payment Grant	P12		05-DG-11083145-080	16,590
Consolidated Payment Grant	P12		06-DG-11083145-003	78,922
Consolidated Payment Grant	P12		07-DG-11083145-004	606,341
Volunteer Fire Assistance	P12		08-DG-11083145-002	20,650
Consolidated Payment Grant	P12		08-DG-11083145-004	666,045
Volunteer Fire Assistance	P12		09-DG-11083145-002	221,864
Consolidated Payment Grant	P12		09-DG-11083145-004	1,137,361
Program Total				**2,747,773**
Forestry Legacy Program		**10.676**		
Forest Legacy Administration 2008	P24		08-DG-11083145-005	10,772
Forest Legacy Program Belfast Phase I	P24		08-DG-11083145-006	0
Forest Legacy Administration 2009	P24		09-DG-11083145-003	2,747
Forest Legacy Administration 2010	P24		10-DG-11083145-004	0
Forest Legacy Program Belfast Phase II	P24		10-DG-11083145-005	0
Program Total				**13,519**
Forest Land Enhancement Program (FLEP)		**10.677**		
Forest Land Enhancement Program	P12		05-DG-11083145-040	17,953
Program Total				**17,953**
Forest Stewardship Program		**10.678**		
Conservation Reserve Program 36 Signups	P12		09-DG-11083145-005	25,443
Conservation Reserve Program 32 and 35 Signups	P12		10-DG-11083145-001	0
Program Total				**25,443**
Forest Health Protection		**10.680**		
Forest Health Protection Southern Pine Beetle	P12		07-DG-11083145-005	50,619
Chinese Privet Control	P12		07-DG-11083145-006	13,488
Forest Health Protection Southern Pine Beetle	P12		08-DG-11083145-003	862,596
Forest Health Protection Southern Pine Beetle	P12		09-DG-11083145-001	306,289
Program Total				**1,232,992**
Recovery Act of 2009; Wildland Fire Management		**10.688**		
Regional Longleaf Pine Restoration Initiative and Fuel Reduction - ARRA	P12		09-DG-11084419-043	1,201,355
Hemlock Wooly Adelgid Control to Protect Watersheds in South Carolina - ARRA	P12		09-DG-11084419-051	80,002
Forest Health Enrichment Through Canopy Restoration and Hazard Mitigation - ARRA	P12		10-DG-11084419-030	48,800
Program Total				**1,330,157**
Rural Business Enterprise Grants		**10.769**		
Rural Business Enterprise Grant	P28		NONE	24,990
Program Total				**24,990**

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF AGRICULTURE				
Soil and Water Conservation		**10.902**		
NRCS Lidar Data Support	P24		68-4639-7-7023	0
Program Total				**0**
Environmental Quality Incentives Program		**10.912**		
Provide Program Technical Support for Implementing Conservation Programs in South Carolina	P24		65-4639-10-002	10,104
Provide Conservation Program Technical Support in Eight (08) Counties (Aiken, Anderson, Chester, Dillon, Edgefield, Horry, Lancaster, Orangeburg)	P24		65-4639-8-8024	53,099
Program Total				**63,203**
Wildlife Habitat Incentive Program		**10.914**		
Wildlife Habitat Incentive Program	P28		NONE	1,341
Program Total				**1,341**
Long Term Standing Agreements for Storage, Transportation and Lease		**NONE**		
Challenge Cost-Share Agreement	P24		09-CS-11081209-003	10,491
Program Total				**10,491**
Total Department of Agriculture				**135,179,933**
DEPARTMENT OF COMMERCE				
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)		**11.400**		
National Oceanic and Atmospheric Administration's National Height Modernization Project	F03		NA08NOS4000349	66,665
Program Total				**66,665**
Coastal Zone Management Administration Awards		**11.419**		
The Marine Debris and Abandoned Vessel Removal Project, Phase III	J04		NA05NOS4191178 Amendment 3	67,250
Fiscal Year 2007 Coastal Zone Management Award for the State of South Carolina	J04		NA07NOS4190070 Amendment 5	97,547
Fiscal Year 2008 Coastal Zone Management Award for the State of South Carolina	J04		NA08NOS4190423 Amendment 3	546,583
Fiscal Year 2009 Coastal Zone Management Grant for the State of South Carolina	J04		NA09NOS4190092	1,445,315
Dissemination and Deployment of a Web-based Tool to Support Natural Resource-based Planning at the Local Level	P26		NA06NOS4190167	7,108
Program Total				**2,163,803**
Applied Meteorological Research		**11.468**		
NOAA Saluda Warning	E24		NA08NWS4680063 NOAA	197,032
NOAA Aiken Warning	E24		NA09NWS4680041 NOAA	225,000
Program Total				**422,032**
Public Safety Interoparable Communications Grant Program		**11.555**		
2007 Public Safety Interoperable Communications Grant	D10		2007-GS-H7-0021	2,524,133
Program Total				**2,524,133**

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF COMMERCE				
Broadband Technology Opportunities Program (BTOP)		**11.557**		
Broadband Technology Opportunities Program (BTOP) - ARRA	H59		45-42-B10012	178,038
Program Total				**178,038**
Other Federal Assistance		**NONE**		
Identification and Management of Essential Habitat for Endangered Species in the Savannah River	P24		011110-1	11,285
Program Total				**11,285**
Total Department of Commerce				**5,365,956**
DEPARTMENT OF DEFENSE				
State Memorandum of Agreement Program for the Reimbursement of Technical Services		**12.113**		
Defense Environmental Restoration Program	J04		W912DY-08-2-0145 (SC 08-1) Modification 015	1,132,495
Program Total				**1,132,495**
Military Construction, National Guard		**12.400**		
Charleston Readiness Center	E24		W912QG-06-2-2002	1,229,249
Donaldson Army Aviation Facility	E24		W912QG-09-2-2001	894,800
Florence Maintenance Shop	E24		W912QG-09-2-2002	123,356
Anderson Readiness Center	E24		W912QG-09-2-2003	7,000,000
Sumter Readiness Center	E24		W912QG-09-2-2004	210,775
Program Total				**9,458,180**
National Guard Military Operations and Maintenance (O&M) Projects		**12.401**		
Appendix 1 - Army National Guard Facilities Programs	E24		W912QG-06-2-1001	7,217
Appendix 1 - Army National Guard Facilities Programs	E24		W912QG-08-2-1001	20,198
Appendix 2 - Army National Guard Environmental Programs Resources Management	E24		W912QG-08-2-1002	3,873
Appendix 5 - Army National Guard Telecommunications	E24		W912QG-08-2-1005	0
Appendix 1 - Army National Guard Facilities Programs	E24		W912QG-09-2-1001	5,225,423
Appendix 2 - Army National Guard Environmental Programs Resources Management	E24		W912QG-09-2-1002	524,289
Appendix 3 - Army National Guard Security Guard	E24		W912QG-09-2-1003	204,160
Appendix 4 - Army National Guard Electronic Security System Installation, Operations and Maintenance	E24		W912QG-09-2-1004	72,852
Appendix 5 - Army National Guard Telecommunications	E24		W912QG-09-2-1005	333,921
Appendix 7 - Army National Guard Sustainable Range Program	E24		W912QG-09-2-1007	163,959
Appendix 8 - Army National Guard Fulltime Dining Facility Operations	E24		W912QG-09-2-1008	350,892
Appendix 10 - Army National Guard Antiterrorism Program Manager	E24		W912QG-09-2-1010	28,282
Appendix 19 - Army National Guard Supplementary Transportation Activities	E24		W912QG-09-2-1019	5,523
Appendix 21 - Air National Guard Facilities Operations and Maintenance Activities	E24		W912QG-09-2-1021	718,958
Appendix 22 - Air National Guard Environmental Program Management	E24		W912QG-09-2-1022	24,455
Appendix 23 - Air National Guard Security Guard	E24		W912QG-09-2-1023	156,867
Appendix 24 - Air National Guard Fire Protection	E24		W912QG-09-2-1024	383,973
Appendix 25 - Air National Guard Natural and Cultural Resources Management	E24		W912QG-09-2-1025	32,118
Appendix 29 - Air National Guard Family Readiness and Support Services	E24		W912QG-09-2-1029	38,341
Appendix 40 - Army National Guard Distance Learning Project	E24		W912QG-09-2-1040	66,005

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DEPARTMENT OF DEFENSE					
National Guard Military Operations and Maintenance (O&M) Projects		**12.401**			
Sustainment, Restoration, Modernization Projects - ARRA	E24		W912QG-09-2-9047		2,062,424
Appendix 1 - Army National Guard Facilities Programs	E24		W912QG-10-2-1001		8,663,834
Appendix 2 - Army National Guard Environmental Programs Resources Management	E24		W912QG-10-2-1002		849,930
Appendix 3 - Army National Guard Security Guard Cooperative Agreement	E24		W912QG-10-2-1003		378,919
Appendix 4 - Army National Guard Electronic Security System Installation, Operations and Maintenance	E24		W912QG-10-2-1004		122,968
Appendix 5 - Army National Guard Command, Control, Communications, Computers, and Information Management Service	E24		W912QG-10-2-1005		602,744
Appendix 7 - Army National Guard Sustainable Range Programs	E24		W912QG-10-2-1007		392,566
Appendix 8 - Army National Guard Fulltime Dining Facility Operation	E24		W912QG-10-2-1008		380,943
Appendix 10 - Army National Guard Antiterrorism Program Coordinator Activities	E24		W912QG-10-2-1010		49,368
Appendix 19 - Army National Guard Supplementary Transportation Activities	E24		W912QG-10-2-1019		7,190
Appendix 21 - Air National Guard Facilities Operations and Maintenance Activities	E24		W912QG-10-2-1021		1,419,896
Appendix 22 - Air National Guard Environmental Program Management	E24		W912QG-10-2-1022		26,505
Appendix 23 - Air National Guard Security Cooperative Agreement	E24		W912QG-10-2-1023		342,556
Appendix 24 - Air National Guard Fire Protection Activities	E24		W912QG-10-2-1024		855,924
Appendix 25 - Air National Guard Natural and Cultural Resources Management	E24		W912QG-10-2-1025		44,414
Appendix 40 - Army National Guard Distributed Learning	E24		W912QG-10-2-1040		168,631
Appendix 41 - State Family Program Activities	E24		W912QG-10-2-1041		40,729
Program Total				**	**24,770,847**
National Guard Civilian Youth Opportunities		**12.404**			
National Guard Youth Opportunities - South Carolina National Guard Youth ChalleNGe Program	E24		DAHA38-00-2-4000		0
National Guard Youth Opportunities - South Carolina National Guard Youth ChalleNGe Program	E24		DAHA38-98-2-4000		0
Appendix 1 - ChalleNGe	E24		W912QG-08-2-4001		0
Appendix 2 - STARBASE	E24		W912QG-08-2-4002		0
Appendix 1 - ChalleNGe	E24		W912QG-09-2-4001		823,534
Appendix 2 - STARBASE	E24		W912QG-09-2-4002		87,868
Appendix 3 - National Guard Youth ChalleNGe Staff Training/ASD-RA Special Projects	E24		W912QG-09-2-4003		0
Appendix 1 - ChalleNGe	E24		W912QG-10-2-4001		1,081,449
Appendix 2 - STARBASE	E24		W912QG-10-2-4002		176,330
Appendix 3 - National Guard Youth ChalleNGe Staff Training/ASD-RA Special Projects	E24		W912QG-10-2-4003		0
Program Total					**2,169,181**
National Security Education Program David L. Boren Fellowships		**12.552**			
Troops to Teachers Program	H63		N/A		99,417
Program Total					**99,417**
Other Federal Assistance		**NONE**			
Folly Beach Renourishment Project	P24		SAC-0007		22,917
Clear Zone Habitat Conservation on South Carolina Airstrip	P24		W912DY-07-2-0020		18,282
2007 Myrtle Beach Renourishment Project: Beach, Nearshore Reef and Borrow Site Monitoring	P24		W912HN-06-2-002		78,896

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DEPARTMENT OF DEFENSE				
Other Federal Assistance		**NONE**		
Environmental Assessment of the Georgetown Dredge Material Deposit Site Expansion: Physical and Biological Characteristics of the Benthic Habitat	P24		W912HN-06-2-002	90,670
Program Total				**210,765**
Total Department of Defense				**37,840,885**
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Shelter Plus Care		**14.238**		
Shelter Plus Care	J12		SC-0009-C-4E-01-08-01	110,470
Shelter Plus Care	J12		SC-0024-C-4E-02-08-01	322,104
Shelter Plus Care	J12		SC16C302001	150,721
Shelter Plus Care	J12		SC16C501015	0
Shelter Plus Care	J12		SC16C502001	132,587
Shelter Plus Care	J12		SC16C601015	0
Shelter Plus Care	J12		SC16C602001	42,778
Shelter Plus Care	J12		SC16C701015	0
Shelter Plus Care	J12		SC16C701016	0
Shelter Plus Care	J12		SC16C702009	27,225
Shelter Plus Care	J12		SC16C802001	76,446
Program Total				**862,331**
Housing Opportunities for Persons with AIDS		**14.241**		
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2010	J04		SCH010-F999	119,446
Housing Opportunities for Persons with AIDS (HOPWA) 2006 Formula Grant Agreement	J04		SCH06-F999	0
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2008	J04		SCH-08-F999	554,887
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2009	J04		SCH-09-F999	1,090,845
Program Total				**1,765,178**
Fair Housing Assistance Program - State and Local		**14.401**		
Fair Housing Assistance Program	L36		FF204K054002	37,215
Fair Housing Assistance Program	L36		FF204K074002	9,065
Fair Housing Assistance Program	L36		FF204K084002	40,302
Fair Housing Assistance Program	L36		FF204K094002	120,454
Program Total				**207,036**
Total Department of Housing and Urban Development				**2,834,545**
DEPARTMENT OF THE INTERIOR				
Fish and Wildlife Management Assistance		**15.608**		
SC Environmental Education School Network	H63		2005-0297-000	0
Oyster Habitat Restoration and Capacity Building for Future Oyster Restoration in South Carolina	P24		092309-01	28,188
Assessment and Restoration of Southern Appalachian Brook Trout in Jocassee Gorges, South Carolina	P24		092309-02	3,593

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DEPARTMENT OF THE INTERIOR				
Fish and Wildlife Management Assistance		**15.608**		
Restore Native Aquatic Plants in Santee Cooper System, South Carolina to Improve Anadromous Fish Habitat	P24		092309-03	0
Develop Artificial Estuarine Habitats in South Carolina to Increase Abundance of Recreationally Important Fish	P24		092309-04	3,071
Improved Red Drum Habitat through Community-Based Oyster Reef Habitat Restoration (South Carolina)	P24		092309-05	161
Lake Russell/Lake Hartwell Shoreline Habitat Enhancement	P24		2007-0096-002	0
Creel Survey of Lake Russell, Lake Thurmond and the Russell Tailrace	P24		401814G032	35,339
To Obtain Environmental Impact Assessment of the Offshore Borrow Area Used for Tybee Island Nourishment Project: Sediment and Biological Characteristics	P24		401818J643	37,047
To Determine the Utilization of Newly Created Striped Bass Habitat in J. Strom Thurmond Lake-00	P24		40181AG031	9,933
Program Total				**117,332**
Coastal Wetlands Planning, Protection and Restoration Act		**15.614**		
Provide GIS and Other Spatial Technology to Support Coastal Ecosystem Program	P24		401813J031	0
Program Total				**0**
Clean Vessel Act		**15.616**		
Clean Vessel Act Awareness - Outreach	P24		V-16-DE-1	0
Clean Vessel Act Awareness Campaign - Inland Public Awareness Campaign	P24		V-17-E0	20,719
Clean Vessel Act Coastal	P24		V-18-1	190,116
Clean Vessel Act Inland	P24		V-19-1	29,990
Program Total				**240,825**
Wildlife Conservation and Restoration		**15.625**		
Jocassee Gorges Education and Visitor Program Development	P24		R-6-1	2,124
Program Total				**2,124**
Firearm and Bow Hunter Education and Safety Program		**15.626**		
Classroom Addition and Firing Range Improvements	P24		W-97-1	12,945
Take One Make One Program, Archery in the Schools, Scholastic Clay Target	P24		W-98-E-3	80,998
Take One Make One Program and National Archery in Schools Program	P24		W-98-E-4	11,931
Take One Make One Program and National Archery in Schools Program	P24		W-98-E-5	103,891
Program Total				**209,765**
Multi-State Conservation Grant Program		**15.628**		
Northern Bobwhite and Songbird Monitoring on CP-33 Contracts in South Carolina	P24		M-1-T	2,893
Program Total				**2,893**
Coastal Program		**15.630**		
To Restore Isolated Wetlands and Surrounding Uplands on the Williman Islands, Beaufort County, South Carolina	P24		401818G553	14,981
Pilot Program to Increase Red Drum Fingerling Habitat Through a Community Based Restoration Program	P24		401818J587	1,506
Restoring Nesting Habitat of the Threatened Loggerhead Sea Turtle (Caretta Caretta) on Edisto Island	P24		401819J602	0

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF THE INTERIOR				
Coastal Program		**15.630**		
Program Total				**16,487**
Landowner Incentive Program		**15.633**		
South Carolina RCW Safe Harbor Cost Share Program (LIP Tier 2)	P24		I-2-1	107,916
South Carolina Landowner Incentive Program Tier 1 2007	P24		I-5-1	39,160
Program Total				**147,076**
Recovery Act Funds - Habitat Enhancement, Restoration and Improvements		**15.656**		
Coastal Parks Restoration and Enhancement of Southern Pine Forest - ARRA	P28		40181RJ009	51,476
Program Total				**51,476**
National Spatial Data Infrastructure Cooperative Agreements Program		**15.809**		
South Carolina GIS State Outreach	P24		08HQAG0010	5,342
Program Total				**5,342**
National Geological and Geophysical Data Preservation Program		**15.814**		
Increased Usability through Data Preservation at the South Carolina Geological Survey	P24		08HQGR0105	12,221
Developmental Work in Creating a Drill-Log Database by the South Carolina Geological Survey	P24		G09AP00090	2,000
Program Total				**14,221**
National Geospatial Program: Building The National Map		**15.817**		
LiDAR for the South Carolina Coastal Plain - ARRA	P24		G10AC00120	130,926
Program Total				**130,926**
Historic Preservation Fund Grants-In-Aid		**15.904**		
Preserve America	H79		45-07-PA-3072	67,219
Historic Preservation	H79		45-08-21745	51,688
Historic Preservation	H79		45-09-21846	119,650
Historic Preservation	H79		45-10-21947	261,680
South Carolina National Heritage Corridor	P28		1443CA509098004	21,216
South Carolina National Heritage Corridor 2007	P28		H5041060121	824,765
South Carolina National Heritage Corridor Military Conflict Trail	P28		H5430060019	0
Program Total				**1,346,218**
Outdoor Recreation - Acquisition, Development and Planning		**15.916**		
Land and Water Conservation 2006 Grant	P28		NONE	150,000
Land and Water Conservation 2007 Grant	P28		NONE	267,739
Land and Water Conservation 2005 Grant	P28		NONE	250,000
Land and Water Conservation 2008 Grant	P28		NONE	0
Program Total				**667,739**
American Battlefield Protection		**15.926**		
American Battlefield Protection	P28		GA-2255-07-017	5,537
Program Total				**5,537**
Other Federal Assistance		**NONE**		
Junior Duck Conservation and Design Program	P24		401814G001	1,093

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DEPARTMENT OF THE INTERIOR				
Other Federal Assistance		**NONE**		
Geological Mapping of Selective 7.5 Mile Quadrangle Covering the Congaree National Park and Selected Adjoining Areas	P24		H2360 05 3170	24,871
Program Total				**25,964**
Total Department of the Interior				**2,983,925**
DEPARTMENT OF JUSTICE				
Sexual Assault Services Formula Program		**16.017**		
OVW Fiscal Year 2009 Sexual Assault Services Formula Grant Program	J04		2009-KF-AX-0047	227,393
Program Total				**227,393**
Prisoner Reentry Initiative Demonstration (Offender Reentry)		**16.202**		
Serious and Violent Offender Reentry Initiative	N04		2002-RE-CX-0037	0
Program Total				**0**
Juvenile Accountability Block Grants		**16.523**		
Fiscal Year 2005 Juvenile Accountability Block Grants Program	K05		2005JBFX0002	185
Fiscal Year 2006 Juvenile Accountability Block Grants Program	K05		2006JBFX0030	216,959
Fiscal Year 2007 Juvenile Accountability Block Grants Program	K05		2007JBFX0045	212,187
Fiscal Year 2008 Juvenile Accountability Block Grants Program	K05		2008JBFX0048	83,370
Fiscal Year 2009 Juvenile Accountability Block Grants Program	K05		2009JBFX0072	6,140
Program Total				**518,841**
Juvenile Justice and Delinquency Prevention - Allocation to States		**16.540**		
Fiscal Year 2006 Title II Part B Formula Grants Program	K05		2006JFFX0044	64,057
Juvenile Justice and Delinquency Prevention - Allocation to States	K05		2007JFFX0033	240,262
Juvenile Justice and Delinquency Prevention - Allocation to States	K05		2008JFFX0048	233,144
Juvenile Justice and Delinquency Prevention - Allocation to States	K05		2009JFFX0034	76,039
Program Total				**613,502**
Part E - Developing, Testing and Demonstrating Promising New Programs		**16.541**		
Juvenile Justice and Delinquency Prevention Congressional Earmark Program	H63		2003-JS-FX-0084	1,328
Program Total				**1,328**
Part D - Research, Evaluation, Technical Assistance and Training		**16.542**		
Internet Crimes Against Children Task Force	E20		2005-MC-CX-K025	144,769
Program Total				**144,769**
Missing Children's Assistance		**16.543**		
Program Support Grant from NCA	J12		435-COLU-SC-PS09	7,398
Program Total				**7,398**
Title V - Delinquency Prevention Program		**16.548**		
Fiscal Year 2007 Title II Part B Formula Grants Program	K05		2007JPFX0048	27,305
Fiscal Year 2008 Title II Part B Formula Grants Program	K05		2008JPFX0038	38,786
Fiscal Year 2009 Title II Part B Formula Grants Program	K05		2009JPFX0083	1,930
Program Total				**68,021**

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DEPARTMENT OF JUSTICE				
State Justice Statistics Program for Statistical Analysis Centers		**16.550**		
Fiscal Year 2007 State Justice Statistics Program for Statistical Analysis Centers	K05		2007BJCXK017	22,077
Fiscal Year 2009 State Justice Statistics Program for Statistical Analysis Centers	K05		2009BJCXK004	23,980
Program Total				**46,057**
National Criminal History Improvement Program (NCHIP)		**16.554**		
National Criminal History Improvement Program - 2007	D10		2007-RU-BX-K001	0
Program Total				**0**
National Institute of Justice Research, Evaluation, and Development Project Grants		**16.560**		
Crime Laboratory Improvement Program - 2003	D10		2004-LP-CX-K001	502,504
Evaluating the Effectiveness of Sex Offender Registration and Notification	K05		2006WGBX0002	637
Program Total				**503,141**
Crime Victim Assistance		**16.575**		
Fiscal Year 2006 Victims of Crime Act, Victims Assistance Grant Program	K05		2006VAGX0021	213,572
Fiscal Year 2007 Victims of Crime Act, Victims Assistance Grant Program	K05		2007VAGX0035	402,082
Fiscal Year 2008 Victims of Crime Act, Victims Assistance Grant Program	K05		2008VAGX0011	568,518
Fiscal Year 2009 Victims of Crime Act, Victims Assistance Grant Program	K05		2009VAGX0076	4,001,109
Program Total				**5,185,281**
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program		**16.580**		
Modernization of the South Carolina Courts and Criminal Justice System through the Use of Technologies	B04		2003-DD-BX-0347	4,754,796
2007 Adam Walsh NSOR	D10		2008-DD-BX-0080	230,158
South Carolina Prescription Monitoring Program	J04		2004-PM-BX-0025 006	100,120
NMVTIS - National Motor Vehicle Title Information System Participation Program	R40		2007-DD-BX-0705	3,818
NMVTIS - National Motor Vehicle Title Information System Participation Program	R40		2009-DG-BX-0014	100,000
Program Total				**5,188,892**
Violent Offender Incarceration and Truth in Sentencing Incentive Grants		**16.586**		
Violent Offender Incarceration and Truth In Sentencing Incentive Formula Grant Program	N04		96-CV-VX-0045	0
Program Total				**0**
Violence Against Women Formula Grants		**16.588**		
STOP Violence Against Women Formula Grants Program	K05		2005WFAX0016	0
STOP Violence Against Women Formula Grants Program	K05		2006WFAX0067	0
STOP Violence Against Women Formula Grants Program	K05		2007WFAX0061	276,351
STOP Violence Against Women Formula Grants Program	K05		2008WFAX0055	710,127
Violence Against Women Act Grant 2009 - ARRA	K05		2009EFS60051	873,119
STOP Violence Against Women Formula Grants Program	K05		2009WFAX0038	337,306
Program Total				**2,196,903**
Residential Substance Abuse Treatment for State Prisoners		**16.593**		
Fiscal Year 2006 Residential and Substance Abuse Treatment Formula Grant	K05		2006RTBX0047	3,028
Fiscal Year 2007 Residential and Substance Abuse Treatment Formula Grant	K05		2007RTBX0051	5,883
Program Total				**8,911**

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DEPARTMENT OF JUSTICE				
State Criminal Alien Assistance Program		**16.606**		
State Criminal Alien Assistance Program	N04		1999-AP-VX-0208	0
State Criminal Alien Assistance Program	N04		2004-AP-BX-0402	0
State Criminal Alien Assistance Program	N04		2008-AP-BX-1029	350,770
State Criminal Alien Assistance Program	N04		2009-AP-BX-0429	82,854
Program Total				**433,624**
Bulletproof Vest Partnership Program		**16.607**		
Bulletproof Vest Program	K05		BVP GRANT PROGRAM	17,360
Program Total				**17,360**
Project Safe Neighborhoods		**16.609**		
Project Safe Neighborhoods South Carolina	K05		2007GPCX0026	67,417
Project Safe Neighborhoods South Carolina	K05		2008GPCX0031	79,488
Project Safe Neighborhoods South Carolina	K05		2009GPBX0006	50,601
Program Total				**197,506**
Enforcing Underage Drinking Laws Program		**16.727**		
OJJDP Fiscal Year 2008 Enforcing Underage Drinking Laws Block Grant Program	J20		2008-AH-FX-0033	35,158
Palmetto Initiative for Campus/Community Collaborations (PICCC)	J20		2008-AH-FX-0068	146,883
OJJDP Fiscal Year 2009 Enforcing Underage Drinking Laws Block Grant Program	J20		2009-AH-FX-0063	326,465
Program Total				**508,506**
Special Data Collections and Statistical Studies		**16.734**		
Justice Research and Statistical Association Project	K05		2007RUBXK003	2,293
Program Total				**2,293**
Edward Byrne Memorial Justice Assistance Grant Program		**16.738**		
Fiscal Year 2005 Edward J. Byrne Memorial Justice Assistance Grant Program	K05		2005DJBX0030	185,966
Fiscal Year 2006 Edward J. Byrne Memorial Justice Assistance Grant Program	K05		2006DJBX0061	400,886
Fiscal Year 2007 Edward J. Byrne Memorial Justice Assistance Grant Program	K05		2007DJBX0070	494,484
Fiscal Year 2008 Edward J. Byrne Memorial Justice Assistance Grant Program	K05		2008DJBX0020	521,710
Fiscal Year 2008 Edward J. Byrne Memorial Justice Assistance Grant Program	K05		2008DJBX0746	34,085
Program Total				**1,637,131**
Statewide Automated Victim Information Notification (SAVIN) Program		**16.740**		
Developing and Enhancing Statewide Automated Victim Information and Notification (SAVIN)	N04		2007-VN-CX-0002	527,881
Program Total				**527,881**
Forensic DNA Backlog Reduction Program		**16.741**		
2007 DNA Capacity Enhancement	D10		2007-DN-BK-K053	726,240
2008 DNA Capacity Enhancement	D10		2008-DN-BX-K066	338,984
2009 DNA Capacity Enhancement	D10		2009-DN-BX-K101	91,535
Program Total				**1,156,759**
Paul Coverdell Forensic Sciences Improvement Grant Program		**16.742**		
Paul Coverdell Forensic Science Improvement Grants Program	K05		2008CDBX0003	84,200

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DEPARTMENT OF JUSTICE					
Paul Coverdell Forensic Sciences Improvement Grant Program		**16.742**			
Paul Coverdell Forensic Science Improvement Grants Program	K05		2009CDBX0046		45,390
Program Total					**129,590**
Anti-Gang Initiative (Anti-Gang Initiative)		**16.744**			
Project Safe Neighborhoods South Carolina - Anti-Gang	K05		2006PGBX0041		29,083
Project Safe Neighborhoods South Carolina - Anti-Gang	K05		2007PGBX0011		115,445
Program Total					**144,528**
Capital Case Litigation		**16.746**			
Capital Case Litigation Initiative	E21		2009-CP-BX-00006		33,800
Program Total					**33,800**
Support for Adam Walsh Act Implementation Grant Program		**16.750**			
2008 Support for Adam Walsh Act	D10		2008-AW-BX-0014		138,931
Program Total					**138,931**
Recovery Act - Internet Crimes against Children Task Force Program (ICAC)		**16.800**			
Internet Crimes Against Children Task Force - South Carolina	E20		2009-MC-CX-K003		229,300
Internet Crimes Against Children Task Force - South Carolina - ARRA	E20		2009-SN-B9-K003		120,224
Program Total					**349,524**
Recovery Act - State Victim Assistance Formula Grant Program		**16.801**			
State Victim Assistance Formula Grant Program - ARRA	K05		2009SGB90099		228,995
Program Total					**228,995**
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories		**16.803**			
Fiscal Year 2009 Recovery Act Edward Byrne Memorial Justice Assistance Grant - ARRA	K05		2009SUB90024		10,499,152
Program Total				**	**10,499,152**
Recovery Act - Edward Byrne Memorial Competitive Grant Program		**16.808**			
South Carolina Palmetto Mentoring - ARRA	H63		2009SCB90002		28,976
Program Total					**28,976**
Other Federal Assistance		**NONE**			
DEA Marijuana Eradication Program - 2009	D10		2009-101		64,899
DEA Marijuana Eradication Program - 2010	D10		2010-108		0
Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Program	D10		None		735,240
Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Program	N04		None		0
Program Total					**800,139**
Total Department of Justice					**31,545,132**
DEPARTMENT OF LABOR					
Compensation and Working Conditions		**17.005**			
OSHS Cooperative Agreement	R36		OS-18513-10-75-4-45		44,708
OSHS Cooperative Agreement	R36		W9J981459P		21,730

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DEPARTMENT OF LABOR				
Compensation and Working Conditions		**17.005**		
Program Total				**66,438**
Senior Community Service Employment Program		**17.235**		
Senior Community Service Employment Program	E04		AD-164643G0, AD-187347R0	1,386,790
Senior Community Service Employment Program - ARRA	E04		AD-183925TO	282,522
Program Total				**1,669,312**
Trade Adjustment Assistance		**17.245**		
Trade Adjustment Assistance	P32		TA-15878-07-55-A-45	0
Trade Adjustment Assistance	P32		TA-16825-08-55-A-45	681,636
Trade Adjustment Assistance	P32		TA-17876-09-55-A-45	3,683,923
Program Total				**4,365,559**
Incentive Grants - WIA Section 503		**17.267**		
WIA Incentive	P32		PI-17538-08-55-A-45	351,133
Program Total				**351,133**
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors		**17.275**		
State Labor Market Information Improvement Grants - ARRA	P32		GJ-19830-10-60-A-45	56,688
Program Total				**56,688**
Occupational Safety and Health - State Program		**17.503**		
State Operational Grant (23(g) OSHA)	R36		SP16721SP8F45	0
State Operational Grant (23(g) OSHA)	R36		SP177500975F45	313,015
State Operational Grant (23(g) OSHA)	R36		SP19426SP0F45	1,062,515
Program Total				**1,375,530**
Consultation Agreements		**17.504**		
Consultation Cooperative Agreement (21D)	R36		CS17720CS9	267,623
Consultation Cooperative Agreement (21D)	R36		CS19395CS0	484,105
Program Total				**751,728**
Total Department of Labor				**8,636,388**
DEPARTMENT OF TRANSPORTATION				
Airport Improvement Program		**20.106**		
Marion County Airport	P32		3-45-4500-08	0
Anderson Regional Install Fencing/Conduct Sys Plan	U30		3-45-0000-006-2007	164,857
State Sys Plan - Anderson - Charleston	U30		3-45-0000-007-2008	481,593
Charleston Executive Airport	U30		3-45-0000-009-2009	177,014
Marion County Airport	U30		3-45-4500-008-2005	338,579
Update State System Plan Study	U30		3-45-4500-010-2010	0
Marion County Airport - Apron Taxiway Concrete Overlay	U30		3-45-4500-012-2009	187,788
Aeronautics	U30		3-45-4500-11-2009	0
Program Total				**1,349,831**

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DEPARTMENT OF TRANSPORTATION				
National Motor Carrier Safety		**20.218**		
Commercial Vehicle Information Systems and Networks Deployment 2001	K05		MC0145555	12,683
Motor Carrier Safety Assistance Program - Basic Grant 2008	K05		MC-08-45-1	0
Motor Carrier Safety Assistance Program - Basic Grant 2009	K05		MC094510000000	2,172,438
Motor Carrier Safety Assistance Program - New Entrant Grant 2009	K05		MN094510000000	290,770
MCSAP - New Entrant Safety	R40		27XX45MN084515780	166,752
Program Total				**2,642,643**
Commercial Driver's License Program Improvement Grant		**20.232**		
Commercial Driver's License Program Improvement (CDLPI)	R40		27XX45CD08451SC08	578,210
Commercial Driver's License Program Improvement (CDLPI)	R40		CD094510000000	188,793
Program Total				**767,003**
Commercial Vehicle Information Systems and Networks		**20.237**		
Commercial Vehicle Information Systems and Networks Deployment 2006	K05		IT064501G00000	103,181
Commercial Vehicle Information Systems and Networks Deployment 2008	K05		IT084501G00000	425,021
Program Total				**528,202**
Commercial Drivers License Information System (CDLIS) Modernization Grant		**20.238**		
Commercial Driver's License Information System (CDLIS) Modernization Grant	R40		27XX45CM08451SCCM	58,472
Program Total				**58,472**
Pipeline Safety Program Base Grants		**20.700**		
2009 One Call Grant	R06		DTPH56-09-G-PHPC29	9,903
2010 One Call Grant	R06		DTPH56-10-G-PHPC29	0
Program Total				**9,903**
Interagency Hazardous Materials Public Sector Training and Planning Grants		**20.703**		
Hazardous Materials Emergency Preparedness, Planning and Training Activities	E24		HMESC7042150	150,025
Hazardous Materials Emergency Preparedness, Planning and Training Activities	E24		HMESC8042160	143,188
Program Total				**293,213**
Total Department of Transportation				**5,649,267**
APPALACHIAN REGIONAL COMMISSION				
Appalachian Regional Development		**23.001**		
Greer Water Storage Tank	F03		SC-16008-08	0
Powdersville Water District Water Storage Tank	F03		SC-16010-08	396,968
Pendleton/Clemson Waste Water Treatment Plant	F03		SC-16347-09	0
Pioneer Rural Water System Upgrade	F03		SC-16432-09	74,414
Program Total				**471,382**
Appalachian Area Development		**23.002**		
South Carolina Consolidated Technical Assistance	P32		SC-7774-C21-08	7,239
South Carolina Consolidated Technical Assistance	P32		SC-7774-C22-09	33,388
Program Total				**40,627**
Total Appalachian Regional Commission				**512,009**

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GENERAL SERVICES ADMINISTRATION				
Donation of Federal Surplus Personal Property		**39.003**		
Federal Surplus Property	F03		None	9,415,836
Program Total				**9,415,836**
Election Reform Payments		**39.011**		
Election Reform Payments	E28		NONE	381,754
Program Total				**381,754**
Total General Services Administration				**9,797,590**
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				
Promotion of the Arts - Partnership Agreements		**45.025**		
Arts in Underserved Communities	H91		07-6100-2034	15
American Masterpieces	H91		07-6100-2034	16,569
Arts in Education	H91		07-6100-2034	0
National Endowment for the Arts / Promotion of the Arts	H91		08-6100-2046	270,840
National Endowment for the Arts / Promotion of the Arts	H91		09-6100-2025	414,706
National Endowment for the Arts - Stimulus	H91		09-6188-2065	311,500
Program Total				**1,013,630**
Grants to States		**45.310**		
Library Services and Technology Act	H03		IE 05-55	0
State Library Program	H87		LS-00-07-0041-07	0
State Library Program	H87		LS-00-08-0041-08	1,387,966
State Library Program	H87		LS-00-09-0041-09	1,244,812
Program Total				**2,632,778**
Total National Foundation on the Arts and the Humanities				**3,646,408**
DEPARTMENT OF VETERANS' AFFAIRS				
Grants to States for Construction of State Home Facilities		**64.005**		
South Carolina State Veterans Home in Anderson, South Carolina	J12		FAI-45-005	357,500
Program Total				**357,500**
All-Volunteer Force Educational Assistance		**64.124**		
Veterans Education Assistance	H03		V101(223C) P-4854	0
Veterans Education Assistance	H03		V101(223C) P-5054	42,754
Veterans Education Assistance	H03		V101(223D) P-4854	113,879
Program Total				**156,633**
Total Department of Veterans' Affairs				**514,133**
ENVIRONMENTAL PROTECTION AGENCY				
Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act		**66.034**		
Particulate Matter PM2.5 Monitoring	J04		PM-96497208-3	467,312
National Air Toxics Trends Site (NATTS)	J04		XA-95404008-0	99,004
Program Total				**566,316**

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ENVIRONMENTAL PROTECTION AGENCY					
Clean School Bus USA		**66.036**			
SC Clean School Bus Initiative	H63		SB832878010		152,822
Program Total					**152,822**
State Clean Diesel Grant Program		**66.040**			
State Clean Diesel Grant Program (B) - ARRA	J04		2D-95421909-0		694,587
State Clean Diesel Grant Program	J04		DS-95409808-1		126,562
Program Total					**821,149**
State Environmental Justice Cooperative Agreement Program		**66.312**			
South Carolina: Training - Revitalize Environmental Justice Communities	J04		AJ-83436501-0		11,416
Program Total					**11,416**
Water Pollution Control State, Interstate, and Tribal Program Support		**66.419**			
Water Pollution Control State and Interstate Program Support	J04		I-95448509-0		10,239
Water Pollution Control State and Interstate Program Support	J04		I-96470107-1		138,972
Program Total					**149,211**
Surveys, Studies, Investigations, Demonstrations and Training Grants - Section 1442 of the Safe Drinking Water Act		**66.424**			
EPA/State Joint Conference: Radionuclides: Rock Core and Analysis	J04		X6 96405004-3		0
Program Total					**0**
Water Quality Management Planning		**66.454**			
Water Quality Management Planning - ARRA	J04		2P-95424209-0		93,650
Water Quality Management Planning	J04		C6-00476109-0		95,930
Water Quality Management Planning	J04		C6-00476110-1		1,922
Program Total					**191,502**
Capitalization Grants for Clean Water State Revolving Funds		**66.458**			
Capitalization Grants for State Revolving Fund - ARRA	F03		2W95426309-0		19,250,840
Capitalization Grants for State Revolving Fund	F03		CS-45000109-0		41,332,419
Capitalization Grants for State Revolving Fund	J04		CS-45000108-0		512,224
Program Total				**	**61,095,483**
Nonpoint Source Implementation Grants		**66.460**			
Water Quality Management Nonpoint Source Program	J04		C9-99462903-2		320,277
Water Quality Management Nonpoint Source Program	J04		C9-99462904-0		0
Water Nonpoint Source Implementation - South Carolina	J04		C9-99462905-1		468,826
Nonpoint Source Implementation Grant	J04		C9-99462906-0		385,491
Nonpoint Source Program	J04		C9-99462907-1		180,201
Nonpoint Source Implementation	J04		C9-99462908-0		534,144
Nonpoint Source Implementation Program	J04		C9-99462909-0		1,265,199
Fecal Coliform Bacteria TMDL Development and Implementation for Spears Creek Watershed	P24		EQ-6-807		191
Program Total					**3,154,329**
Regional Wetland Program Development Grants		**66.461**			
Regional Wetlands Program Development Grant	J04		CD-96458907-0		220,451

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NONCLUSTERED GRANTS, CONTINUED					
ENVIRONMENTAL PROTECTION AGENCY					
Regional Wetland Program Development Grants		**66.461**			
Program Total					**220,451**
Capitalization Grants for Drinking Water State Revolving Funds		**66.468**			
Safe Drinking Water State Revolving Fund - ARRA	F03		2F95426409-0		14,151,794
Safe Drinking Water State Revolving Fund	F03		FS-98431208-0		22,782,163
Safe Drinking Water State Revolving Fund - ARRA	J04		2F-95426409-0		263,016
Safe Drinking Water State Revolving Fund	J04		FS-98431204-1		164,820
Drinking Water State Revolving Fund Capitalization Grant	J04		FS-98431205-1		131,602
Safe Drinking Water State Revolving Fund	J04		FS-98431206-0		83,060
Safe Drinking Water State Revolving Fund	J04		FS-98431207-0		231,751
Safe Drinking Water State Revolving Fund	J04		FS-98431208-1		136,328
Safe Drinking Water State Revolving Fund	J04		FS-98431209-0		442,873
Program Total				**	**38,387,407**
State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs		**66.471**			
State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	J04		CT-97480703-2		0
Program Total					**0**
Beach Monitoring and Notification Program Implementation Grants		**66.472**			
Beach Monitoring and Notification Program Development Grants	J04		CU-95437309-1		137,303
Beach Monitoring and Notification Program Development Grants	J04		CU-97441602-8		132,749
Program Total					**270,052**
Water Protection Grants to the States		**66.474**			
Water Protection Coordination Grants to the States	J04		WP-97459902-7		79,256
Program Total					**79,256**
Performance Partnership Grants		**66.605**			
Performance Partnership Grants	J04		BG-98417509-5		7,355,881
Program Total					**7,355,881**
Environmental Information Exchange Network Grant Program and Related Assistance		**66.608**			
Fiscal Year 2007 Exchange Network - South Carolina Department of Health and Environmental Control	J04		OS-83349101-1		52,587
Fiscal Year 2008 Exchange Network - South Carolina Department of Health and Environmental Control	J04		OS-83403601-0		244,684
Program Total					**297,271**
Research, Development, Monitoring, Public Education, Training, Demonstrations and Studies		**66.716**			
South Carolina Clean Sweep Pesticides Collection and Disposal Program	P16		X8-96481307-0		0
Program Total					**0**
Source Reduction Assistance		**66.717**			
Source Reduction Assistance Program	J04		X9-95449509-0		33,574
Program Total					**33,574**

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ENVIRONMENTAL PROTECTION AGENCY				
Superfund State, Political Subdivision, and Indian Tribe Site - Specific Cooperative Agreements		**66.802**		
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	J04		V-95446310-2	291,370
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	J04		V-95447310-2	139,594
Superfund State Political Subdivision and Indian Tribe Site Specific Grants	J04		V-96482408-2	97,216
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	J04		V-96484508-1	45,391
Program Total				**573,571**
Underground Storage Tank Prevention, Detection and Compliance Program		**66.804**		
State and Underground Storage Tanks Program	J04		L-95411908-2	720,190
Program Total				**720,190**
Leaking Underground Storage Tank Trust Fund Corrective Action Program		**66.805**		
Leaking Underground Storage Tank Trust Fund Program - ARRA	J04		2L-95424409-1	901,179
Leaking Underground Storage Tank Trust Fund Program	J04		LS-96443306-7	1,122,535
Program Total				**2,023,714**
Superfund State and Indian Tribe Core Program Cooperative Agreements		**66.809**		
Superfund State and Indian Tribe Core Program	J04		VC-95447409-1	365,571
Superfund State and Indian Tribe Core Program	J04		VC-96484408-1	110,675
Program Total				**476,246**
State and Tribal Response Program Grants		**66.817**		
State and Tribal Response Program	J04		RP-95406008-0	821,260
Program Total				**821,260**
Brownfields Assessment and Cleanup Cooperative Agreements		**66.818**		
Brownsfields Assessment and Cleanup Cooperative Agreements	J04		BF-95407208-0	2,675
Brownsfields Assessment and Cleanup Cooperative Agreements	J04		BF-96429905-2	47,267
Program Total				**49,942**
Environmental Education Grants		**66.951**		
Environmental Education Grants	H63		83267201	0
Environmental Education Grants	H63		NE 83448501-0	0
Program Total				**0**
Total Environmental Protection Agency				**117,451,043**
DEPARTMENT OF ENERGY				
University-Laboratory Cooperative Program		**81.004**		
SCUREF-Summer Science Program	H63		SC137-6112-32-5346	0
Program Total				**0**
State Energy Program		**81.041**		
State Energy Program Administration - ARRA	F03		DE-EEE0000158	5,425,707
State Energy Program - South Carolina 2008	F03		DE-FG26-05R410968	333,000
Program Total				**5,758,707**

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF ENERGY				
Renewable Energy Research and Development		**81.087**		
Wind Powering America	F03		DE-EE0000515	76
Program Total				**76**
Office of Environmental Waste Processing		**81.104**		
Environmental Decommissioning and Deactivation at Savannah River Site	H79		03SR22276	44,452
Incremental Funding for REM Grant	J04		DE-FG09-08SR22641 Modification No 006	839,664
Incremental Funding for REM Grant A008	J04		DE-FG09-08SR22641 Modification No 011	2,591,739
South Carolina Technical Radiological Transportation and Emergency Response Project in Support of DOE Foreign Spent Nuclear Fuel (FSNF) transportation to DOE-SRS	J04		DE-FG09-08SR22642	19,569
South Carolina Technical Radiological Transportation and Emergency Response Project in Support of Department Of Energy Foreign Spent Nuclear Fuel (FSNF) Transportation to Department Of Energy-SRS	J04		DE-FG09-08SR22642 A000	55,712
Program Total				**3,551,136**
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions		**81.106**		
Waste Isolation Pilot Project	E24		SSEB-WIPP-SC-SCEMD	42,083
To Support the Transportation of Transuranic Waste from the Transportation Corridors to the Waste Isolation Pilot Plant in Carlsbad, New Mexico	J04		DE-FC04-93AL82966;SSEB-WIPP-WC-DHEC-0203-21	140,724
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant	K05		WIPP-SC-STPD-0405	59,435
Program Total				**242,242**
University Reactor Infrastructure and Education Support		**81.114**		
Spent Fuel Security 2002 - 2013	D10		DE-FG09-97-AE 18904	163,955
Program Total				**163,955**
State Energy Program Special Projects		**81.119**		
Save Energy Now	F03		DE-EE0000352	50,990
South Carolina Roadmap to Gigawatt - Scale Coastal Clean Energy Generation: Transmission, Regulation and Demonstration	F03		DE-FG26-08NT05560	295,840
State Industrial Assessments	F03		DE-FG36-08G048011	19,506
Program Total				**366,336**
Electricity Delivery and Energy Reliability, Research, Development and Analysis		**81.122**		
Energy Assurance Capabilities and Planning - ARRA	F03		DE-OE0000052	40,988
Electricity Delivery and Energy Reliability, Research, Development - ARRA	R04		RA STATE ELECTRICITY REG	71,327
Program Total				**112,315**
Energy Efficiant Appliance Rebate Program (EEARPP)		**81.127**		
State Energy Efficient Appliance Rebate - ARRA	F03		DE-EE0001595	4,131,556
Program Total				**4,131,556**
Energy Efficiency and Conservation Block Grant Program (EECBG)		**81.128**		
Energy Efficiency Conservation Block Grant - ARRA	F03		DE-EE0000952	175,223

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DEPARTMENT OF ENERGY				
Energy Efficiency and Conservation Block Grant Program (EECBG)		**81.128**		
Program Total				**175,223**
Geologic Sequestration Site Characterization		**81.132**		
Geological Characterization of the South Georgia Rift Basin for Source Proximal CO2 Storage - ARRA	P24		10-1779	6,369
Program Total				**6,369**
Miscellaneous Federal Assistance Actions		**81.502**		
Emergency Preparedness	E24		DE-FG09-00SR22166	182,170
Stripper Well	F03		None	2,222,485
Exxon Hawkins Settlement	F03		None	0
Diamond Shamrock	F03		None	36,962
Program Total				**2,441,617**
Total Department of Energy				**16,949,532**
DEPARTMENT OF EDUCATION				
Adult Education - Basic Grants to States		**84.002**		
Adult Education - State Administered	H63		V002A070040	188,871
Adult Education - State Administered	H63		V002A080040	3,259,993
Adult Education - State Administered	H63		V002A090040	3,619,646
Program Total				**7,068,510**
Migrant Education - State Grant Program		**84.011**		
Migrant Education - State Grant Program	H63		S011A070041	349,179
Migrant Education - State Grant Program	H63		S011A080041	156,484
Program Total				**505,663**
Title I Program for Neglected and Delinquent Children		**84.013**		
Neglected and Delinquent	H63		S013A070040	451,052
Neglected and Delinquent	H63		S013A080040	779,074
Program Total				**1,230,126**
Career and Technical Education - Basic Grants to States		**84.048**		
Vocational Education - Basic Grants to States	H63		V048A070040	527,654
Vocational Education - Basic Grants to States	H63		V048A080040	11,858,943
Vocational Education - Basic Grants to States	H63		V048A090040	7,522,505
Program Total				**19,909,102**
Career and Technical Education - National Programs		**84.051**		
Personal Pathways for STEM Success	H63		V051C080010	97,438
Program Total				**97,438**
Leveraging Educational Assistance Partnership		**84.069**		
Leveraging Educational Assistance Partnership Program (LEAP)	H06		N069A090041	338,235
Special Leveraging Educational Assistance Partnership Program (SLEAP)	H06		N069B090037	365,991
Program Total				**704,226**

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF EDUCATION				
Fund for the Improvement of Postsecondary Education		**84.116**		
Performance Funding in South Carolina (PFSC)	H03		P116B020966	0
Apprenticeship Carolina Building New Career Pathways	H59		P116Z080154	113,723
Program Total				**113,723**
Migrant Education - Coordination Program		**84.144**		
MEP Consortium Incentive Grant	H63		S144F060041	0
MEP Consortium Incentive Grant	H63		S144F070041	114,494
MEP Consortium Incentive Grant	H63		S144F080041	85,070
MSIX State Data Quality Grants	H63		S144G070041	32,021
Program Total				**231,585**
Byrd Honors Scholarships		**84.185**		
Robert C. Byrd Honors Scholarship Program	H63		P185A080042	57,079
Robert C. Byrd Honors Scholarship Program	H63		P185A090042	540,046
Program Total				**597,125**
Safe and Drug-Free Schools and Communities - State Grants		**84.186**		
State and Local Programs	H63		Q186A060042	0
State and Local Programs	H63		Q186A070042	84,172
State and Local Programs	H63		Q186A080042	2,668,631
State and Local Programs	H63		Q186A090042	258,971
Governors Grants	J20		Q186B080043	27,672
Governors Grants	J20		Q186B090043	752,472
Program Total				**3,791,918**
Supported Employment Services for Individuals with Severe Disabilities		**84.187**		
Supported Employment State Grant	H73		H187A090061	106,441
Supported Employment State Grant	H73		H187A100061	161,915
Supported Employment State Grant	L24		H187A060062	0
Supported Employment State Grant	L24		H187A070062	0
Supported Employment State Grant	L24		H187A080062	0
Supported Employment State Grant	L24		H187A090062	10,638
Program Total				**278,994**
Even Start - State Educational Agencies		**84.213**		
Even Start - State Grants	H63		S213C070041	466,156
Even Start - State Grants	H63		S213C080041	488,122
Even Start - State Grants	H63		S213C090041	52,626
Program Total				**1,006,904**
Fund for the Improvement of Education		**84.215**		
Linking School and Mental Health	H63		Q215M070022	67,892
South Carolina Teen Leaders Evolving and Developing Project (Teen LEAD)	H63		Q215S060055	536,229
Teaching American History Grant Number 2	H79		U215X040339	320,037
Elementary and Secondary School Counseling Demonstration Program	J04		Q215E090014 R3-0-830	35,830
Elementary and Secondary School Counseling Demonstration Program	J04		Q215E090014 R3-9-914	101,030
Program Total				**1,061,018**

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DEPARTMENT OF EDUCATION				
Rehabilitation Services Demonstration and Training Programs		**84.235**		
Literacy	H73		H235P030009	46,763
The YES Program	H73		H235U070011	702,361
Program Total				**749,124**
Tech-Prep Education		**84.243**		
Tech-Prep Education	H63		V243A090040	1,400,618
Program Total				**1,400,618**
Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training		**84.265**		
State Vocational Unit In-Service Training	H73		H265A050085	244,774
State Vocational Rehabilitation Unit In-Service Training	L24		H265A000030-09	966
State Vocational Rehabilitation Unit In-Service Training	L24		H265A050087-06	0
State Vocational Rehabilitation Unit In-Service Training	L24		H265A050087-07	0
State Vocational Rehabilitation Unit In-Service Training	L24		H265A050087-08	2,894
Program Total				**248,634**
Charter Schools		**84.282**		
Public Charter Schools	H63		U282A060013	4,417,845
Program Total				**4,417,845**
Twenty-First Century Community Learning Centers		**84.287**		
Twenty-First Century Community Learning Center	E24		10CL302-01	147,851
After School Learning Center Formula Award	H63		S287C060041	0
After School Learning Center Formula Award	H63		S287C070041	100,099
After School Learning Center Formula Award	H63		S287C080041	10,847,934
After School Learning Center Formula Award	H63		S287C090041	9,156,343
Program Total				**20,252,227**
State Grants for Innovative Programs		**84.298**		
Title V	H63		S298A070041	792,916
Program Total				**792,916**
Education Research, Development and Dissemination		**84.305**		
National Institute on Student Achievement, Curriculum and Assessment	H63		ED-03-CO-0053	107
National Institute on Student Achievement, Curriculum and Assessment	H63		ED-08-CO-0067	122,513
Teacher Quality Research: Mathematics and Science	H63		R305M050270	241,457
Program Total				**364,077**
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities		**84.326**		
SC Modification, Accommodation, Reports and Standards (MARS)	H63		H326X060007	0
Deaf-Blind Grant	H75		None	81,026
Program Total				**81,026**
Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants)		**84.330**		
Advanced Placement Program	H63		910513	0
Advanced Placement Program	H63		930607	0

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DEPARTMENT OF EDUCATION				
Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants)		**84.330**		
Program Total				**0**
Grants to States for Workplace and Community Transition Training for Incarcerated Individuals		**84.331**		
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	N04		Q331A070042	89,213
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	N04		Q331A080042	287,176
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	N04		Q331A090042	199,144
Program Total				**575,533**
Gaining Early Awareness and Readiness for Undergraduate Programs		**84.334**		
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	H03		0209234.002.016-24	0
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	H03		P334A990172	1,134,293
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	H03		P334S050009-08	222,232
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	H03		P334S050009-09	744,805
Program Total				**2,101,330**
Early Childhood Educator Professional Development		**84.349**		
Bridges to Early Learning	H63		S349A070038	990,538
Program Total				**990,538**
Transition to Teaching		**84.350**		
Transition to Teaching Program - Statewide	H63		S350B020014-05	0
Transition to Teaching Program - Statewide	H63		S350B020014-06	0
Program Total				**0**
Reading First State Grants		**84.357**		
Reading First	H63		S357A060042	0
Reading First	H63		S357A070042	10,597,478
Reading First	H63		S357A080042	479,368
Program Total				**11,076,846**
Rural Education		**84.358**		
Rural and Low-Income Schools	H63		S358B070040	129,250
Rural and Low-Income Schools	H63		S358B080040	3,054,294
Rural and Low-Income Schools	H63		S358B090040	781,988
Program Total				**3,965,532**
Early Reading First		**84.359**		
South Carolina Early Reading Collaborative	H63		S359B070052	1,462,720
Program Total				**1,462,720**

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DEPARTMENT OF EDUCATION					
English Language Acquisition Grants		**84.365**			
English Language Acquisition: State Formula Grant Program	H63		T365A070040		83,205
English Language Acquisition: State Formula Grant Program	H63		T365A080040		3,117,815
English Language Acquisition: State Formula Grant Program	H63		T365A090040		1,072,933
Program Total					**4,273,953**
Mathematics and Science Partnerships		**84.366**			
MSP	H63		S366B070041		1,332,837
MSP	H63		S366B080041		554,501
Program Total					**1,887,338**
Improving Teacher Quality State Grants		**84.367**			
Improving Teacher Quality State Grants	H03		S367B040035		0
Improving Teacher Quality State Grants	H03		S367B050035		0
Improving Teacher Quality State Grants	H03		S367B060035		0
Improving Teacher Quality State Grants	H03		S367B070035		16,394
Improving Teacher Quality State Grants	H03		S367B080035		0
Improving Teacher Quality State Grants	H03		S367B090035A		358,601
Improving Teacher Quality State Grants	H63		S367A060038		0
Improving Teacher Quality State Grants	H63		S367A070038		343,534
Improving Teacher Quality State Grants	H63		S367A080038		20,453,433
Improving Teacher Quality State Grants	H63		S367A090038		11,193,924
Program Total				**	**32,365,886**
Grants for Enhances Assessment Instruments		**84.368**			
Adding Value to Accommodations Decision Making (AVAD) for English Language Learners and Student with Disabilities	H63		S368A060013		203,909
Operationalizing Alternate Assessments for Science Inquiry Skills (OAASIS)	H63		S368A070012		575,765
Program Total					**779,674**
Grants for State Assessments and Related Activities		**84.369**			
State Assessments and Related Activities	H63		S369A060042		0
State Assessments and Related Activities	H63		S369A070042		1,448,256
State Assessments and Related Activities	H63		S369A080042		938,399
State Assessments and Related Activities	H63		S369A090042		6,202,676
Program Total					**8,589,331**
Special Education - Technical Assistance on State Data Collection		**84.373**			
Targeting Research to Investigate Alternate Assessment Development (TRIAAD)	H63		H373X070007		206,613
Program Total					**206,613**
College Access Challenge Grant Program		**84.378**			
College Access Challenge Grant Program	H03		P378A080048		25,275
College Access Challenge Grant Program	H03		P378A090048		198,109
Program Total					**223,384**
Other Federal Assistance		**NONE**			
American Printing House for the Blind (APH)	H63		None		160,882
Program Total					**160,882**

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NONCLUSTERED GRANTS, CONTINUED				
DEPARTMENT OF EDUCATION				
Total Department of Education				**133,562,359**
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION				
National Historical Publications and Records Grants		**89.003**		
SHRAB Regrant	H79		NAR07-RC-05707-07	67,776
State Board Snap Grant	H79		NAR08-RC-10013-08	22,664
Program Total				**90,440**
Total National Archives and Records Administration				**90,440**
ELECTION ASSISTANCE COMMISSION				
Help America Vote Act Requirements Payments		**90.401**		
Help America Vote Act Requirements Payments	E28		NONE	707,886
Program Total				**707,886**
Total Election Assistance Commission				**707,886**
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program		**93.006**		
2007 OMH State Partnership Grant Program	J04		5 STTMP051027-04-00	19,756
2009 OMH State Partnership Grant Program	J04		5 STTMP051027-05-00	88,717
Program Total				**108,473**
Medical Reserve Corps Small Grant Program		**93.008**		
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 0149 R2-8-939	2,618
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 0558	2,456
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1125	4,100
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1137 R3-8-902	1,030
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1142	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1151	4,311
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1174 R6-8-909	6,632
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-02; MRC 08 1191 R5-8-994	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03 R1-9-756	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 0149 R2-9-770	2,026
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 0558 R7-9-757	1,200
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 1125	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 1137 R3-9-768	0

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Medical Reserve Corps Small Grant Program		**93.008**		
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 1142	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	J04		1 MRCSG061001-03; MRC 09 1191 R5-9-774	3,872
Program Total				**28,245**
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation		**93.041**		
Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Abuse Neglect and Exploitation	E04		08AASCT7SP, 09AASCT7SP	74,760
Program Total				**74,760**
Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals		**93.042**		
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	E04		08AASCT7SP, 09AASCT7SP	230,806
Program Total				**230,806**
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services		**93.043**		
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	E04		07AASCT3SP, 08AASCT3SP, 09AASCT3SP, 10AASCT3SP	273,516
Program Total				**273,516**
Special Programs for the Aging - Title IV - and Title II - Discretionary Projects		**93.048**		
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90AM3052	9,472
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90AM3118	174,505
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90AM3163/02	33,986
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90CD1195	65,330
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90DR0034	68,350
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90MP0009	150,699
Special Programs for the Aging Title IV and Title II Discretionary Projects	E04		90SL0005	19,782
South Carolina: Implementation of Evidence-Based Intervention Programs Statewide	J04		90AM3118/04; EBD1004	15,644
Program Total				**537,768**
Alzheimer's Disease Demonstration Grants to States		**93.051**		
Alzheimer's Disease Demonstration Grants to States	E04		90A10015/01	248,448
Program Total				**248,448**
National Family Caregiver Support, Title III, Part E		**93.052**		
National Family Caregiver Support, Title III, Part E	E04		08AASCT3SP, 09AASCT3SP, 10AASCT3SP	2,042,346
Program Total				**2,042,346**
Chronic Diseases: Research, Control, and Prevention		**93.068**		
South Carolina ALS Registry	F03		200-2006-16243	21,096

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Chronic Diseases: Research, Control, and Prevention		**93.068**		
Program Total				**21,096**
Public Health Emergency Preparedness		**93.069**		
South Carolina Public Health Emergency Preparedness	J04		1H75TP000333-01 REVISED	9,365,698
Public Health Preparedness and Response for Bioterrorism	J04		5U90TP416976-08 Revised	24,026
Public Health Preparedness and Response for Bioterrorism	J04		5U90TP416976-09 Revised	2,467,097
Public Health Preparedness and Response for Bioterrorism	J04		5U90TP416976-10 REVISED	8,437,549
Program Total				**20,294,370**
Medicare Enrollment Assistance Program		**93.071**		
Medicare Enrollment Assistance Program	E04		09AASCMIDR	102,121
Medicare Enrollment Assistance Program	E04		09AASCMIPP	68,577
Program Total				**170,698**
Lifespan Respite Care Program		**93.072**		
Lifespan Respite Care Program	E04		90LR0011/01	16,659
Program Total				**16,659**
Emergency System for Advance Registration of Volunteer Health Professionals		**93.089**		
South Carolina ESAR-VHP Program	J04		1 U3REP090444-01-00	27,650
Program Total				**27,650**
Food and Drug Administration - Research		**93.103**		
Innovative Food Defense Projects	J04		1U13FD003615-01 REVISED	9,282
South Carolina State Interagency Food Safety Council	P16		FD-R-002635-01	11
Program Total				**9,293**
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)		**93.104**		
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	J12		5 U79 SM56056-04	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	J12		5U79SM056056-05	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	J12		5U79SM056056-06	692,206
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	J12		6 U79 SM56056-02-1	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	J12		6 U79 SM56056-03-2	0
Program Total				**692,206**
Maternal and Child Health Federal Consolidated Programs		**93.110**		
Strengthening Our Title V Information Infrastructure	J04		5 H18MC00045-17-00	37,935
Community-Based Integrated Service Systems (Local/State)	J04		5 H25MC06113-05-00	9,188
Strengthening Our Title V Information Infrastructure	J04		6 H18MC00045-16-01	51,694
Community-Based Integrated Service Systems (Local/State)	J04		6 H25MC06113-03-02	0
Community-Based Integrated Service Systems (Local/State)	J04		6 H25MC06113-04-02	93,676

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Maternal and Child Health Federal Consolidated Programs		**93.110**		
Program Total				**192,493**
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		**93.116**		
Tuberculosis Elimination and Laboratory Cooperative Agreements	J04		2U52PS400492-28 REVISED	610,029
Tuberculosis Control Program and AIDS	J04		5U52PS400492-27 REVISED	650,334
Program Total				**1,260,363**
Emergency Medical Services for Children		**93.127**		
Emergency Medical Services for Children Partnership Grants	J04		2 H33MC06719-04-00	84,699
Emergency Medical Services for Children Partnership Grants	J04		6 H33MC06719-03-02	0
Emergency Medical Services for Children Partnership Grants	J04		6 H33MC06719-05-01	39,238
Program Total				**123,937**
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices		**93.130**		
State Primary Care Offices	J04		1 U68HP11460-01-00	140,202
State Primary Care Offices	J04		5 U68HP11460-02-00	39,732
Program Total				**179,934**
Injury Prevention and Control Research and State and Community Based Programs		**93.136**		
Traumatic Brain Injury in Prisons	F03		1 U49CE001318-02	0
Programs for the Prevention of Fire-Related Injuries	J04		5H28CE000850-03 REVISED	36,837
Programs for the Prevention of Fire-Related Injuries	J04		5H28CE000850-04	88,826
South Carolina Violent Death Reporting System (SCVDRS)	J04		5U17CE001314-02	51,897
South Carolina Violent Death Reporting System (SCVDRS)	J04		5U17CE001314-03 REVISED	143,945
Public Health Injury Surveillance and Prevention Program	J04		5U17CE424805-04 REVISED	48,596
Public Health Injury Surveillance and Prevention Program	J04		5U17CE424805-05 REVISED	237,531
Sexual Violence Prevention and Education	J04		5VF1CE001108-03 REVISED	186,657
Sexual Violence Prevention and Education	J04		5VF1CE001108-04 REVISED	332,769
Program Total				**1,127,058**
Projects for Assistance in Transition from Homelessness (PATH)		**93.150**		
Projects for Assistance in Transition from Homelessness (PATH)	J12		2X06SM060041-07	17,722
Projects for Assistance in Transition from Homelessness (PATH)	J12		2X06SM060041-08	50,151
Projects for Assistance in Transition from Homelessness (PATH)	J12		2X06SM060041-09	364,945
Program Total				**432,818**
Coordinated Services and Access to Research for Women, Infants, Children, and Youth		**93.153**		
Ryan White Title IV Program	J04		5 H12HA00027-16-00	79,169
Ryan White Title IV Program	J04		6 H12HA00027-17-03	513,385
Program Total				**592,554**

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Disabilities Prevention		**93.184**		
The South Carolina Disability and Health Project	J04		U59 DD00268-03; USC No 10-1714 HS-0-586	3,500
Program Total				**3,500**
Family Planning - Services		**93.217**		
Title X, Family Planning Services Project	J04		6 FPHPA040443-38-04	179,282
Title X, Family Planning Services Project	J04		6 FPHPA040443-39-02	6,662,888
Program Total				**6,842,170**
Consolidated Knowledge Development and Application (KD&A) Program		**93.230**		
A Community-Based Partnership for Mental	J12		6 H79 SM53365-02-1	0
Program Total				**0**
Traumatic Brain Injury State Demonstration Grant Program		**93.234**		
South Carolina TBI Implementation Grant	J16		4H21 MC00050-02-02	0
Program Total				**0**
Abstinence Education Program		**93.235**		
Abstinence Education Grant Program	J04		G-0801SCAEGP	0
Abstinence Education Grant Program	J04		G-0901SCAEGP	47
Program Total				**47**
Substance Abuse and Mental Health Services - Projects of Regional and National Significance		**93.243**		
Co-Occurring State Incentive Grants	J12		1KD1TI018389-01	0
South Carolina Data Infrastructure Grant for Quality Improvement	J12		3HR1SM058122-03S1	16,551
All Hazards Unified Statewide Response to Behavioral	J12		4 H79 SM55244-02-2	0
Statewide Strategy for Offering the Evidence-Based Mul*	J12		4 H79 SM55803-02-3	0
State Mental Health Data Infrastructure Grant for Quality Improvement	J12		4 HR1 SM56657-03-5	0
South Carolina Data Infrastructure Grant for Quality Improvement	J12		5HR1SM058122-02	118,773
Child and Adolescent SIG	J12		5HS5SM056547-04	0
Child and Adolescent SIG	J12		5HS5SM056547-05	737,781
Co-Occurring State Incentive Grants	J12		5KD1TI018389-02	0
Co-Occurring State Incentive Grants	J12		5KD1TI018389-03	494,008
Co-Occurring State Incentive Grants	J12		5KD1TI018389-04	488,392
Child and Adolescent SIG	J12		6 HS5 SM56547-03-1	0
Community Action for a Safer Tomorrow (CAST)	J20		1U79SP015586	420,721
Adolescent Treatment Coordination in South Carolina	J20		5H79TI017377	37,130
Strengthening Treatment Access and Retention	J20		5UD1TI017614-03	176,654
Program Total				**2,490,010**
Universal Newborn Hearing Screening		**93.251**		
Universal Newborn Hearing Screening	J04		2 H61MC00040-08-00	87,899
Universal Newborn Hearing Screening	J04		5 H61MC00040-09-00	109,425
Program Total				**197,324**
Occupational Safety and Health Program		**93.262**		
National Institute for Occupational Safety and Health Grant 2008	K05		2122008M26768	3,667

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Occupational Safety and Health Program		**93.262**		
Program Total				**3,667**
Centers for Disease Control and Prevention - Investigations and Technical Assistance		**93.283**		
South Carolina Environmental Public Health Tracking Program	J04		1U38EH000628-01 REVISED	592,010
Southeastern African American Diabetes, Hypertension, and Stroke	J04		1U58DP001015-02; MUSC07-059 Amendment #2	1,500
South Carolina Wisewoman	J04		1U58DP001436-01 REVISED	35,197
State Public Health Approaches to Arthritis	J04		1U58DP001466-01 REVISED	125,447
Physical Activity and Obesity Program	J04		1U58DP001482-01	1,215
Chronic Disease Prevention and Health Promotion Program Component 4 - State Based	J04		1U58DP001581-01	48,316
South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control Program	J04		1U58DP001989-01	1,783,031
Re-Design and Enhancements to South Carolina Early Hearing Detection and Intervention Program Data Collection and Surveillance Systems	J04		1UR3DD000420-01	12,036
Epidemiology and Laboratory Capacity for Infectious Diseases	J04		3U50CI000491-03S3	221,005
South Carolina Division of Tobacco Prevention and Control, Diabetes, Prevention and Control Program	J04		3U58DP001989-01S1	97,530
Advanced Practice Centers Program: Promoting Public Health Preparedness through Local Innovation	J04		5H75TP000309-02; 2009-100108 R7-0-664	233,009
Sustaining Local Tobacco Control Program	J04		5U38HM000449-02; 2009-102005	3,000
Epidemiology and Laboratory Capacity for Infectious Diseases	J04		5U50CI000491 REVISED	403,646
State Public Health Department Comprehensive Heart Disease and Stroke Prevention Program	J04		5U50DP000735-02 REVISED	884
State Public Health Department Comprehensive Heart Disease and Stroke Prevention Program	J04		5U50DP000735-03	1,076,551
Adult Viral Hepatitis Prevention Coordinator	J04		5U51PS000910-02 REVISED	76,543
PS08-801, Adult Viral Hepatitis Prevention Program	J04		5U51PS000910-03	50,754
National Cancer Prevention and Control Program	J04		5U58DP000770-02	149,824
National Cancer Prevention and Control Program	J04		5U58DP000770-03 REVISED	4,239,976
Southeastern African American Diabetes, Hypertension and Stroke; Racial and Ethnic Approach to Community Health (REACH) US Center of Excellence for Eliminating Disparities (SEA-CEED)	J04		5U58DP001015-03; MUSC07-059 Amendment #4	43,517
South Carolina Wisewoman	J04		5U58DP001436-02	489,151
State Public Health Approaches to Arthritis	J04		5U58DP001466-02 REVISED	432,928
Physical Activity and Obesity Program	J04		5U58DP001482-02 REVISED	761,207
Chronic Disease Prevention and Health Promotion Program Component 4 - State Based	J04		5U58DP001581-02 REVISED	327,173
South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control Program	J04		5U58DP001989-02 REVISED	512,476

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DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Centers for Disease Control and Prevention - Investigations and Technical Assistance		**93.283**			
Re-Design and Enhancements to South Carolina Early Hearing Detection and Intervention Program Data Collection and Surveillance Systems	J04		5UR3DD000420-02 REVISED		71,814
Utilizing HABISS to Document, Analyze and Interpret the Impacts of Harmful Algal Blooms	P26		1U38EH000343-01		69,056
Program Total					**11,858,796**
ARRA - State Primary Care Offices		**93.414**			
State Primary Care Offices - ARRA	J04		1 U6AHP16554-01-00		21,965
Program Total					**21,965**
Promoting Safe and Stable Families		**93.556**			
2010 Promoting Safe and Stable Families	L04		G-01SCFPSS		5,851,933
2009 Promoting Safe and Stable Families	L04		G-01SCFPSS		2,803,501
Promoting Safe and Stable Families Caseworker Visitation	L04		G-11SCFPCV		7,156
Program Total					**8,662,590**
Child Support Enforcement		**93.563**			
Child Support Enforcement	L04		0804SC4004		0
Child Support Enforcement - ARRA	L04		0904SC4002		0
Child Support Enforcement	L04		0904SC4004		4,657,934
Child Support Enforcement	L04		1004SC4002		28,183,289
Child Support Enforcement - ARRA	L04		1004SC4002		2,801,925
Program Total				**	**35,643,148**
Refugee and Entrant Assistance - State Administered Programs		**93.566**			
Refugee and Entrant Assistance: State Administered Programs - Cash and Medical Assistance	L04		10AASC4100		85,143
Refugee and Entrant Assistance: State Administered Programs - Social Services	L04		G09AASC4110		88,022
Refugee and Entrant Assistance: State Administered Programs - Social Services	L04		G10AASC4110		270,002
Program Total					**443,167**
U.S. Repatriation		**93.579**			
US Repatriation	L04		NONE		27,413
Program Total					**27,413**
Empowerment Zones Program		**93.585**			
Social Services in Empowerment Zones and Enterprise Communities	J02		G-9501-SC-ECUR		61,287
Program Total					**61,287**
State Court Improvement Program		**93.586**			
State Court Improvements - Training Program Fiscal Year 2007	B04		0701SCSCIT		6,611
State Court Improvements - Data Sharing Program Fiscal Year 2008	B04		0801SCSCID		91,201
State Court Improvements - Training Program Fiscal Year 2008	B04		0801SCSCIT		132,903
Program Total					**230,715**
Grants to States for Access and Visitation Programs		**93.597**			
Grants to States for Access and Visitation Programs	L04		0901SCSAVP		58,044
Grants to States for Access and Visitation Programs	L04		1001SCSAVP		99,035

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DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Grants to States for Access and Visitation Programs		**93.597**			
Program Total					**157,079**
Chafee Education and Training Vouchers Program (ETV)		**93.599**			
Chafee Education & Training Vouchers Programs (ETV)	L04		G-0801SCCETV		0
Chafee Education & Training Vouchers Programs (ETV)	L04		G-0901SCCETV		216,434
Chafee Education & Training Vouchers Programs (ETV)	L04		G-1001SCCETV		240,431
Program Total					**456,865**
Adoption Incentive Payments		**93.603**			
Adoption Incentive Payments	L04		0901SCAIPP		2,691
Adoption Incentive Payments	L04		1001SCAIPP		35,480
Program Total					**38,171**
Family Connection Grants		**93.605**			
Family Connections Grant	L04		90CF0017/01		157,411
Program Total					**157,411**
Voting Access for Individuals with Disabilities - Grants to States		**93.617**			
Voting Access for Individuals with Disabilities - Grants to States	E28		NONE		222,894
Program Total					**222,894**
Developmental Disabilities Basic Support and Advocacy Grants		**93.630**			
Basic Support and Advocacy Grants	H75		None		0
Program Total					**0**
Developmental Disabilities Projects of National Significance		**93.631**			
Family Support Administration on Developmental Disabilities	J16		90DF0052		0
Program Total					**0**
Children's Justice Grants to States		**93.643**			
Children's Justice Grants to States	L04		G-09011SCCJA1		307,492
Children's Justice Grants to States	L04		G-1001SCCJA1		0
Program Total					**307,492**
Child Welfare Services - State Grants		**93.645**			
Child Welfare Services: State Grants	L04		G-0901SC1400		0
Child Welfare Services: State Grants	L04		G-1001SC1400		5,148,605
Program Total					**5,148,605**
Foster Care - Title IV-E		**93.658**			
Foster Care: Title IV-E	L04		0901SC1401		5,591,188
Foster Care: Title IV-E - ARRA	L04		0901SC1402		314,453
Foster Care: Title IV-E	L04		1001SC1401		28,732,497
Foster Care: Title IV-E - ARRA	L04		1001SC1402		759,924
Program Total				**	**35,398,062**
Adoption Assistance		**93.659**			
Adoption Assistance - ARRA	L04		0901SC1403		175,000
Adoption Assistance	L04		0901SC1407		1,723,523

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DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Adoption Assistance		**93.659**			
Adoption Assistance - ARRA	L04		1001SC1403		837,197
Adoption Assistance	L04		1001SC1407		12,183,947
Program Total					**14,919,667**
Social Services Block Grant		**93.667**			
Social Services Block Grant	L04		G-0802SCSOSR		0
Social Services Block Grant	L04		G-0902SCSOSR		10,756,105
Social Services Block Grant	L04		G-1002SCSOSR		15,333,646
Program Total				**	**26,089,751**
Child Abuse and Neglect State Grants		**93.669**			
Child Abuse and Neglect State Grants	L04		G-0901SCCA01		212,750
Child Abuse and Neglect State Grants	L04		G-1001SCCA01		222,041
Program Total					**434,791**
Child Abuse and Neglect Discretionary Activities		**93.670**			
The Evidenced Based Home Visitation Initiative to Prevent Child Maltreatment	J04		90CA1765; MC-0-362		20,946
Program Total					**20,946**
Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes		**93.671**			
Family Violence Prevention & Services/Grants for Battered Women's Shelters: Grants to States and Indian Tribes	L04		G-0901SCFVPS		1,377,330
Family Violence Prevention & Services/Grants for Battered Women's Shelters: Grants to States and Indian Tribes	L04		G-1001SCFVPS		361
Program Total					**1,377,691**
Chafee Foster Care Independence Program		**93.674**			
Chafee Foster Care Independence Program	L04		G-0901SC1420		467,743
Chafee Foster Care Independence Program	L04		G-1001SC1420		1,048,044
Program Total					**1,515,787**
ARRA-Preventing Healthcare-Associated Infections		**93.717**			
Epidemiology and Laboratory Capacity for Infectious Diseases - HAI - ARRA	J04		3U50CI000491-03S1 REVISED		59,426
Program Total					**59,426**
ARRA - State Grants to Promote Health Information Technology		**93.719**			
State Health Information Exchange Cooperative Agreement Program - Inter-State - ARRA	J02		90HT0053/01		0
State Health Information Exchange Cooperative Agreement Program - Intra-State - ARRA	J02		90HT0053/01		0
State Health Information Exchange Cooperative Agreement Program - Planning - ARRA	J02		90HT0053/01		0
Program Total					**0**
ARRA - Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative		**93.720**			
Healthcare Associated Infection (ASC-HAI) Initiative - ARRA	J04		05-1005-SC-5ASC		7,491

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
ARRA - Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative		**93.720**		
Program Total				**7,491**
ARRA - Prevention and Wellness-State, Territories and Pacific Islands		**93.723**		
901ARRA Comp I - South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control PR - ARRA	J04		3U58DP001989-01S2	125
Program Total				**125**
ARRA - Prevention and Wellness Communities Putting Prevention to Work Funding Opportunities Announcement (FOA)		**93.724**		
Category B: Communities Putting Prevention To Work - ARRA	J04		1U58DP002600-01	185,314
Program Total				**185,314**
ARRA - Communities Putting Zprevention to Work: Chronic Desease Self-Management Program		**93.725**		
Communities Putting Prevention to Work: Chronic Disease Self-Management Program - ARRA	E04		90RA0044/01	1,196
Program Total				**1,196**
Children's Health Insurance Program		**93.767**		
Children's Health Insurance Program	J02		05-0705SC5021	6,232,145
Children's Health Insurance Program	J02		05-0805SC5021	73,672,967
Children's Health Insurance Program	J02		05-0905SC5021	7,195,850
Children's Health Insurance Program	J02		05-1005SC5021	0
CHIPRA Quality Demonstration Grant	J02		1Z0CMS030540-01-01	3,755
Program Total				**87,104,717**
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		**93.779**		
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	E04		11-P-20219-4/16, 11-P20219-4-17-03, 1N0CMS020219-	693,987
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	E04		1LOCMS030307/01	263,126
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	E04		1LQCMS300038/01	881,566
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	E04		1XOCMS030425-01-02	62,228
Program Total				**1,900,907**
Alternatives to Psychiatric Residential Treatment Facilities for Children		**93.789**		
Community Based Alternatives to Psychiatric Residential Treatment Facilities	J02		1S0CMS300131/01	449,375
Program Total				**449,375**
National Bioterrorism Hospital Preparedness Program		**93.889**		
Fiscal Year 2009 Announcement of Availability of Funds for the Hospital Preparedness Program (HPP)	J04		1 U3REP090255-01-00	4,218,667
South Carolina Pandemic Influenza Healthcare Preparedness Improvement for States	J04		4 U3REP090196-01-00	629,547
Hospital Preparedness Program	J04		6 U3REP070053-01-03	1,112,870

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DEPARTMENT OF HEALTH AND HUMAN SERVICES					
National Bioterrorism Hospital Preparedness Program		**93.889**			
Hospital Preparedness Program	J04		6 U3REP080120-01-03		2,713,634
Bioterrorism - Hospital Preparedness Program	J04		6 U3RHS007569-01-03		486,357
Emergency Hospital Preparedness Program	J16		ER-09-013		0
Program Total					**9,161,075**
HIV Care Formula Grants		**93.917**			
Ryan White Part B Supplemental	J04		1 X08HA16860-01-00		554,279
Minority AIDS Initiative Programs for Part B Grantees	J04		5 G24HA08409-03-00		149,144
Minority AIDS Initiative Programs for Part B Grantees	J04		6 G24HA08409-02-01		54,416
Ryan White Care Act Title II	J04		6 X07HA00038-16-04		0
Ryan White Care Act Title II	J04		6 X07HA00038-19-01		25,635,207
Ryan White Care Act Title II	J04		6 X07HA00038-20-01		3,910,369
Program Total				**	**30,303,415**
Healthy Start Initiative		**93.926**			
Closing the Health Gap on Infant Mortality: African American - Focused Risk Reduction	J04		4 U19MC03179-03-06		99,531
Program Total					**99,531**
Special Projects of National Significance		**93.928**			
North Carolina Heart Disease and Stroke Prevention Program	J04		5U50DP00722-02; 02533-09 HS-9-771		0
Program Total					**0**
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems		**93.938**			
School Health Programs to Prevent Serious Health Problems and Improve Education	H63		1U87DP001244		0
School Health Programs to Prevent Serious Health Problems and Improve Education	H63		5U87DP0012444		667,236
School Health Programs to Prevent Serious Health Problems and Improve Education	H63		U87/CCU4090		0
School Health Programs to Prevent Serious Health Problems and Improve Education	H63		U87/CCU4226		906
Program Total					**668,142**
HIV Prevention Activities - Health Department Based		**93.940**			
HIV Prevention Projects	J04		2U62PS423484-06 REVISED		1,870,850
PS04-012, HIV Prevention Projects	J04		3U62PS423484-05S1 REVISED		3,145,050
Expanded and Integrated Human Immunodeficiency Virus (HIV) Testing for Populations	J04		5U62PS000774-02 REVISED		952,528
PS07-768, Expanded and Integrated Human Immunodeficiency Virus (HIV) Testing for Populations Disproportionately	J04		5U62PS000774-03 REVISED		652,820
Program Total					**6,621,248**
HIV Demonstration, Research, Public and Professional Education Projects		**93.941**			
Enhanced HIV/AIDS Surveillance for Perinatal Prevention	J04		1U62PS001428-01		54,760

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
HIV Demonstration, Research, Public and Professional Education Projects		**93.941**		
HIV/AIDS Surveillance	J04		5U62PS001007-02 REVISED	531,514
HIV/AIDS Surveillance	J04		5U62PS001007-03 REVISED	444,220
Enhanced HIV/AIDS Surveillance for Perinatal Prevention	J04		5U62PS001428-02	55,613
Program Total				**1,086,107**
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		**93.944**		
Morbidity and Risk Behavior Surveillance	J04		3U62PS424457-04S1 REVISED	552
Program Total				**552**
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs		**93.946**		
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	J04		3UR6DP000502-04W1	129,505
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	J04		5UR6DP000502-03 REVISED	0
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	J04		5UR6DP000502-05 REVISED	23,319
Program Total				**152,824**
Block Grants for Community Mental Health Services		**93.958**		
Community Mental Health Services Block Grant	J12		02 B1 SC CMHS-04	0
Community Mental Health Services Block Grant	J12		03B1SCCMHS-02	0
Community Mental Health Services Block Grant	J12		04B1SCCMHS-02	0
Community Mental Health Services Block Grant	J12		05B1SCCMHS-03	0
Community Mental Health Services Block Grant	J12		06B1SCCMHS-04	0
Community Mental Health Services Block Grant	J12		3B09SM010048-07S3	0
Community Mental Health Services Block Grant	J12		3B09SM010048-08S3	486,262
Community Mental Health Services Block Grant	J12		3B09SM010048-09S1	2,703,735
Community Mental Health Services Block Grant	J12		3B09SM010048-10S1	1,101,321
Program Total				**4,291,318**
Block Grants for Prevention and Treatment of Substance Abuse		**93.959**		
Substance Abuse Prevention/Treatment Block Grant	J20		2B08TI010048	1,100,851
Substance Abuse Prevention/Treatment Block Grant	J20		3B08TI010048-09	18,748,478
Substance Abuse Prevention/Treatment Block Grant	J20		3B08TI010048-10	1,198,615
Program Total				**21,047,944**
Preventive Health Services - Sexually Transmitted Diseases Control Grants		**93.977**		
PS09-902 Comprehensive STD Prevention Systems (CSPS)	J04		1H25PS001399-01 REVISED	920,878
PS09-902 Comprehensive STD Prevention Systems (CSPS)	J04		5H25PS001399-02	420,844
Program Total				**1,341,722**
Preventive Health and Health Services Block Grant		**93.991**		
Preventive Health Services	J04		2B01DP009049-10W1	717,167
Preventive Health Services	J04		3B01DP009049-08W1	104,334

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DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Preventive Health and Health Services Block Grant		**93.991**		
Preventive Health Services	J04		3B01DP009049-09W1	354,356
Program Total				**1,175,857**
Maternal and Child Health Services Block Grant to the States		**93.994**		
Maternal and Child Health Services	J04		6 B04MC08924-01-06	52,690
Maternal and Child Health Services	J04		6 B04MC11155-01-02	3,527,879
Maternal and Child Health Services	J04		6 B04MC17051-01-03	7,122,509
Program Total				**10,703,078**
Other Federal Assistance		**NONE**		
Historically Black Colleges and Universities Program	J02		NONE	0
Cancer Information Service	J04		HHSN26120051105C; N01-CO-51105 Amendment 006 HS-	32,532
HHS Letter of Credit - G Accounts	J04		None	0
HHS Letter of Credit - P Accounts	J04		None	0
Program Total				**32,532**
Total Department of Health and Human Services				**357,810,398**
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Learn and Serve America - School and Community Based Programs		**94.004**		
K-12 School Based	H63		06KSHSC001	245,095
K-12 School Based	H63		06KSSSC001	137,630
Program Total				**382,725**
Total Corporation for National and Community Service				**382,725**
SOCIAL SECURITY ADMINISTRATION				
Social Security - Work Incentives Planning and Assistance Program		**96.008**		
South Carolina Pathways Towards Employment Project	H73		14-W-50078-4-03	428
South Carolina Pathways Towards Employment Project	H73		14-W-50078-4-04	220,272
South Carolina Pathways Towards Employment Project	H73		14-W-50078-4-05	56,977
Program Total				**277,677**
Total Social Security Administration				**277,677**
DEPARTMENT OF HOMELAND SECURITY				
Homeland Security Preparedness Technical Assistance Program		**97.007**		
Task Force for Emergency Readiness	D10		2008-TH-T8-K005	0
Program Total				**0**
Boating Safety Financial Assistance		**97.012**		
State Recreational Boating Safety Program South Carolina Region 2 Facilities Construction	P24		10.01.45	185,852
State Recreational Boating Safety Program	P24		10.01.45	1,294,896
State Recreational Boating Safety Program	P24		19.01.45	635,683
Program Total				**2,116,431**

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DEPARTMENT OF HOMELAND SECURITY				
Pre-Disaster Mitigation (PDM) Competitive Grants		**97.017**		
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	E24		EMA-2005-PC-0005	484,505
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	E24		EMA-2007-PC-0008	888,866
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	E24		EMA-2008-PC-0007	697,197
Pre-Disaster Mitigation Competitive Grants	E24		EMA-2008-PD-0001 LPDM 08	387,616
Program Total				**2,458,184**
Community Assistance Program State Support Services Element (CAP-SSSE)		**97.023**		
Community Assistance Program (CAP) Fiscal Year 2008	P24		EMA-2008-GR-5831	0
Community Assistance Program (CAP) Fiscal Year 2009	P24		EMA-2009-GR-5916	96,382
Community Assistance Program (CAP) Fiscal Year 2010	P24		EMA-2010-GR-5066	107,317
Program Total				**203,699**
Flood Mitigation Assistance		**97.029**		
Flood Mitigation Assistance - Technical Assistance	P24		EMA-2005-FM-E010	0
Beaufort County Flood Mitigation Assistance Planning Update	P24		EMA-2007-FM-E008	18,750
South Carolina Department of Natural Resources Technical Assistance Grant	P24		EMA-2007-FM-E013	3,618
City of Myrtle Beach Hazard Mitigation Plan Update	P24		EMA-2008-FM-E003	30,833
Fiscal Year 2008 South Carolina Department of Natural Resources Technical Assistance Grant	P24		EMA-2008-FM-E003	228
Program Total				**53,429**
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		**97.036**		
Federal Emergency Management Agency - Hurricane Floyd Public Assistance	E24		FEMA-1299-DR-SC	0
Public Assistance Grants (Hurricane Charley)	E24		FEMA-1543-DR-SC	0
Public Assistance Grants (Tropical Storm Gaston)	E24		FEMA-1547-DR-SC	50,880
FEMA Hurricanes	J04		None	2,823
Program Total				**53,703**
First Responder Counter-Terrorism Training Assistance		**97.038**		
First Responder Counter-Terrorism Training	R36		None	30,250
Program Total				**30,250**
Hazard Mitigation Grant		**97.039**		
Hazard Mitigation Grant Program - Winter Storm	E24		FEMA-1313-DR-SC	0
Hazard Mitigation Grant Program - Winter Storm	E24		FEMA-1451-DR-SC	359,868
Hazard Mitigation Grant Program - Winter Storm	E24		FEMA-1509-DR-SC	196,485
Hazard Mitigation Grant Program - Charley	E24		FEMA-1543-DR-SC	24,295
Hazard Mitigation Grant Program - Gaston	E24		FEMA-1547-DR-SC	37,102
Hazard Mitigation Grant Program - Frances	E24		FEMA-1566-DR-SC	4,258
Hazard Mitigation Grant Program - Ice Storm	E24		FEMA-1625-DR-SC	287,894
Program Total				**909,902**
National Dam Safety Program		**97.041**		
Fiscal Year 2009 National Dam Safety Program	J04		2009-RC-55-0004	124,978
National Dam Safety Program	J04		EMW-2008-GR-0672	17,775
Program Total				**142,753**

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DEPARTMENT OF HOMELAND SECURITY				
Emergency Management Performance Grants		**97.042**		
2007 Emergency Management Performance Grant Supplement	D10		2007-EM-E7-0113	46,766
2008 Emergency Management Performance Grant	D10		2008-EM-E8-0056	1,069,276
2009 Emergency Management Performance Grant	D10		2009-EP-E9-0028	853,811
Program Total				**1,969,853**
Cooperating Technical Partners		**97.045**		
Cooperating Technical Partners	P24		EMA-2004-CA-5022	54,986
Cooperating Technical Partners	P24		EMA-2005-CA-5214	465,255
Cooperating Technical Partners	P24		EMA-2006-CA-5619	441,891
Cooperating Technical Partners	P24		EMA-2007-CA-5773	660,057
Cooperating Technical Partners	P24		EMA-2008-CA-5885	3,143,380
Cooperating Technical Partners	P24		EMA-2009-CA-5934	200,295
Program Total				**4,965,864**
Pre-Disaster Mitigation		**97.047**		
Pre-Disaster Mitigation	E24		EMA-2008-PD-0001	0
Pre-Disaster Mitigation	E24		EMA-2009-PC-0002	69,665
Program Total				**69,665**
Port Security Grant Program		**97.056**		
2007 IPP-Port Security Supplemental Grant	D10		2007-GB-T7-K301	0
Program Total				**0**
Map Modernization Management Support		**97.070**		
Map Modernization Management Support	P24		EMA-2005-CA-5237	110
Map Modernization Management Support	P24		EMA-2006-CA-5629	57,656
Map Modernization Management Support	P24		EMA-2007-CA-5729	523
Map Modernization Management Support	P24		EMA-2008-CA-5869	4,625
Program Total				**62,914**
Buffer Zone Protection Program (BZPP)		**97.078**		
2006 Buffer Zone Protection Grant	D10		2006-BZ-T6-0017	9,108
Program Total				**9,108**
Earthquake Consortium		**97.082**		
2009 Earthquake Grant	E24		EMA-2009-GR-5554	5,625
Program Total				**5,625**
Driver's License Security Grant Program		**97.089**		
Real ID Demonstration Grant	R40		2008-ID-MX-0022	262,831
Driver License Security Grant	R40		2009-ID-MX-0028	574,670
Program Total				**837,501**
Total Department of Homeland Security				**13,888,881**
Total Nonclustered Grants				**885,627,112**

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RESEARCH AND DEVELOPMENT CLUSTER				
DEPARTMENT OF AGRICULTURE				
Plant and Animal Disease, Pest Control, and Animal Care		**10.025**		
Surveillance and Management of Chronic Wasting Disease	P24		08-9645-0892 CA	9,605
Chronic Wasting Disease Program	P24		09-9645-0277CA	45,000
Program Total				**54,605**
Grants for Agricultural Research, Special Research Grants		**10.200**		
U.S. Marine Shrimp Farming Program	P24		USMSFP2008-19163-SCDNR	188,769
U.S. Marine Shrimp Farming Program Fiscal Year 2009	P24		USMSFP2009-19851-SCDNR	156,748
Program Total				**345,517**
Grants for Agricultural Research - Competitive Research Grants		**10.206**		
Shrimp Immunity Viral Infection: An Evaluation of the Contribution of RNA Interference	P24		2006-35204-17434	0
Program Total				**0**
Organic Agriculture Research and Extension Initiative		**10.307**		
Organic Farming of Marine Shrimp: A Holistic Approach to Management of Feeds and Microbial Dynamics	P24		2006-51300-03472	0
Program Total				**0**
Total Department of Agriculture				**400,122**
DEPARTMENT OF COMMERCE				
Anadromous Fish Conservation Act Program		**11.405**		
Investigations of Fisheries Parameters for Anadromous Fishes in South Carolina	P24		NA04NMF4050201	37,135
Program Total				**37,135**
Interjurisdictional Fisheries Act of 1986		**11.407**		
Fishery Independent Assessment of Adult Red Drum & Coastal Sharks in South Carolina	P24		NA06NMF4070049	4,954
Program Total				**4,954**
Sea Grant Support		**11.417**		
A Proposal for Sea Grant College Program Support, South Carolina Sea Grant Consortium for 2006-2010	P26		NA06OAR4170015	1,326,908
Carolinas Coastal Climate Outreach Initiative	P26		NA06OAR4170212	105,323
Commercialization of Bait Shrimp Farming Based on Specific Pathogen Free Stocks	P26		NA06OAR4170235	86,335
National Initiative for Aquaculture Development and Fishery Enhancement of Cobia (Rachycentron Canadium)	P26		NA06OAR4170252	3,889
Knauss Fellowship (South Carolina), (St. John)	P26		NA09OAR4170013	25,199
Building the Regional Network: The National Federation of Regional Associations for Coastal Ocean Observing	P26		NA09OAR4170216	100,000
Knauss Fellowship (South Carolina), (Johnston)	P26		NA10OAR4170003	15,059
Knauss Fellowship (South Carolina), (Rathburn)	P26		NA10OAR4170005	13,998
Knauss Fellowship (South Carolina), (Vandiver)	P26		NA10OAR4170007	15,310
A Proposal for Sea Grant College Program Support, South Carolina Sea Grant Consortium for 2010-2012	P26		NA10OAR4170073	137,612

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF COMMERCE				
Sea Grant Support		**11.417**		
Program Total				**1,829,633**
Coastal Zone Management Estuarine Research Reserves		**11.420**		
Beach Renourishment Activities and Potential Impacts on Sediment Movement and Biological Resources Around Critical Hard Bottom Habitats on the Shoreface of the Grand Strand, South Carolina	P24		CCU NO. 2008.001	5,249
Beach Renourishment Activities and Potential Impacts on Sediment Movement and Biological Resources Around Critical Hard Bottom Habitats on the Shoreface of the Grand Strand, South Carolina	P24		CCU NO. 2009.001	32,759
Application for Federal Funds (Fiscal Year 2008) to Operate the Programs of the Ace Basin National Estuarine Research Reserve (NERR)	P24		NA08NOS4200351	220,048
Application for Federal Funds to Operate the Programs of the Ace Basin National Estuarine Research Reserve (NERR)	P24		NA09NOS4200136	330,001
Program Total				**588,057**
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program		**11.427**		
Evaluation of Habitat Utilization, Recruitment Bottlenecks and Movement of Coastal Striped Bass Population(s) Using Cultured Animals and Genetic-Based Identification Tools	P24		NA09NMF4270085	64,283
Program Total				**64,283**
Climate and Atmospheric Research		**11.431**		
Guidance for South Carolina on Near-Term Coastal Adaptation Priorities	J04		NA09OAR4310158	33,595
Assessing the Impact of Salt-Water Intrusion in the Carolinas Under Future Climatic and Sea-Level Conditions	P26		NA08OAR4310715	121,223
Program Total				**154,818**
Marine Fisheries Initiative		**11.433**		
Genetic Evaluation of Population Bottlenecks in Gag (Mycteroperca Microlepis)	P24		NA09NMF4330154	21,991
Program Total				**21,991**
Cooperative Fishery Statistics		**11.434**		
South Carolina National Marine Fisheries Service Cooperative Fishery Statistics Program	P24		NA07NMF4340040	125,134
Program Total				**125,134**
Southeast Area Monitoring and Assessment Program		**11.435**		
South Carolina National Marine Fisheries Service Southeast Area Monitoring and Assessment Program (SEAMAP) South Atlantic Shallow Water Trawl Survey	P24		NA06NMF4350021	1,183,764
Program Total				**1,183,764**
Unallied Management Projects		**11.454**		
Batch Fecundity and Spawning Frequency as a Function of Size, Age and Season for Black Sea Bass and Red Porgy in the U.S. South Atlantic	P24		508710-08-01	2,077
Marine Resources Monitoring, Assessment and Prediction Program (MARMAP) Conducting Fishery-Independent Surveys and Research off the Atlantic Coast of the Southeastern United States	P24		NA06NMF4540093	934,390
Characterization of Bycatch Associated with the South Atlantic Snapper, Grouper, Bandit Fishery with Electronic Video Monitoring, At-Sea Observers, and Biological Sampling	P26		NA09NMF4540138	1,941

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF COMMERCE				
Unallied Management Projects		**11.454**		
Program Total				**938,408**
Habitat Conservation		**11.463**		
Marine Debris and Abandoned Vessels: Identification, Reduction and Prevention through Community-Based Education and Action	J04		NA09NMF4630059	13,481
South Carolina Oyster Habitat Restoration and Shoreline Enhancement Project - ARRA	P24		051224	36,458
Creating Oyster Niche Structures Through Restoration Using Crab Traps	P24		1609	933
Restoration of Intertidal Oyster Reefs as Habitat for Finfish in South Carolina	P24		FAF-8040	22,032
Field Evaluation of a Novel Restoration Structure (Concrete Castles) to Enhance Oyster Reef and Finfish Habitat While Stabilizing Shorelines Around Jeremey Island, South Carolina	P24		JUL-SCDNRMRRI-081209	13,569
Marine Debris and Abandoned Vessels: Identification, Reduction, and Prevention through Community-based Education and Action	P26		NA09NMF4630059	13,572
Program Total				**100,045**
Unallied Science Program		**11.472**		
Cooperative Fisheries Research in South Carolina	P24		NA04NMF4720306	77,013
The Southeastern Regional Taxonomic Center	P24		NA05NMF4721145	33,664
Inter-Basin Transfer, Migration and Habitat Use by Shortnose Sturgeon in the Santee River and Winyah Bay System	P24		NA06NMF4720044	0
Shortnose Sturgeon Population Estimate and Ages	P24		NA06NMF4720273	27,355
To Implement Portions of the Recovery Plan for United States Population of Loggerhead Turtle and for Other Species of Sea Turtles in South Carolina Waters	P24		NA07NMF4720207	37,822
Relative Abundance, Distribution, and Health of Sea Turtles in Near-Shore Coastal Waters of the Southeastern United States	P24		NA08NMF4720502	231,527
Contributions to the Biology of Red Drum (Sciaenops Ocellatus) in South Carolina: Continuation of Mark-Recapture Studies, Estimates of Subadult Abundance and Adult Abundance from Fishery Independent Studies	P24		NA08NMF4720514	185,210
A Multi-Stage Survey Protocol for Shortnose Sturgeon	P24		NA08NMF4720601	7,952
Facility Development for Sea Turtle Necropsy and Tissue Collection	P24		NA09NMF4720041	19,631
Research and Management of Endangered Species in South Carolina: Shortnose Sturgeon Data Management	P24		NA09NMF4720189	27,272
Cooperative Multi-State Management of the Northern Recovery Unit of the Loggerhead (Caretta caretta) Sea Turtle: Implementation of High Priority Recovery Actions	P24		NA10NMF4720035	4,999
Cooperative Institute for Fisheries Molecular Biology (FISHTEC) - Interpretation and Distribution of Fisheries and Coastal Ecosystems Data and Information	P26		EA133C-06-SE-3283	10,916
Providing Oceans and Human Health Research, Education and Training to Appropriate Audiences	P26		MOA-2006-025/7182	158,157
Program Total				**821,518**
Coastal Services Center		**11.473**		
Southeast Coastal Ocean Observations Regional Association (SECOORA): Building a Regional Framework for the Coastal Ocean Observing System in the Southeastern United States	P26		NA05NOS4731148	539
Enhancing the Regional Coastal Ocean Observing System in the Southeastern United States	P26		NA07NOS4730219	76,964

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF COMMERCE				
Coastal Services Center		**11.473**		
Southeast Coastal Ocean Observations Regional Association (SECOORA): Building a Regional Framework for the Coastal Ocean Observing System in the Southeastern United States	P26		NA08NOS4730298	373,317
Implementation of Regional Integrated Ocean Observing Systems: Support of RCOOS Development in SECOORA-South Carolina	P26		NA08NOS4730409	452,151
Program Total				**902,971**
Atlantic Coastal Fisheries Cooperative Management Act		**11.474**		
Atlantic Coastal Fisheries Cooperative Management Act Program in South Carolina	P24		NA07NMF4740044	175,276
Continuation of Sampling for Hard Part/Aging from the Commercial Fishery for Snapper/Grouper Complex in South Carolina	P24		NA07NMF4740063	0
Implementation of the ACCSP Commercial Module in South Carolina	P24		NA17FG1234	1,809
Program Total				**177,085**
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program		**11.478**		
South Atlantic Bight Land Use-Coastal Ecosystem Study (LU-CES), Phase II	P26		NA96OP0113	0
Urbanization and Southeastern Estuarine Systems (USES)	P26		NA96OP0222	0
Program Total				**0**
Total Department of Commerce				**6,949,796**
DEPARTMENT OF DEFENSE				
Navigation Projects		**12.107**		
Richard B. Russell Trout Stocking Mitigation	P24		SCDNR-RBRTROUT99	75,961
Program Total				**75,961**
Total Department of Defense				**75,961**
DEPARTMENT OF THE INTERIOR				
Cooperative Endangered Species Conservation Fund		**15.615**		
South Carolina Endangered Species Program	P24		E-1-30	7,554
South Carolina Endangered Species Program	P24		E-1-31	53,221
South Carolina Endangered Species Program	P24		E-1-32	74,100
Forty Acre Rock Heritage Preserve	P24		E-7-RL	499,387
Program Total				**634,262**
State Wildlife Grants		**15.634**		
Conservation of Migratory Landbirds in South Carolina	P24		T-13-R-2	2,462
Development of Best Management Practices for Sustaining Wildlife in the Maritime Zone of South Carolina	P24		T-14-T-1	6,017
Upland Habitat Improvements on Lewis Ocean Bay Heritage Preserve	P24		T-16-R-1	5,190
Protection and Management of Seabird Colonies	P24		T-17-R-1	14,663
Habitat Enhancement on North and South Williman Islands, Beaufort County, South Carolina	P24		T-19-R-1	0
Controlling Access to Known and Potential Bat Roosts	P24		T-23-R-1	1,630
Fish Passage on the Broad River: An Assessment of the Benefits to Freshwater Mussels	P24		T-24-R-1	0
South Carolina Stream Conservation Implementation	P24		T-25-R-1	45,492

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF THE INTERIOR				
State Wildlife Grants		**15.634**		
South Carolina Reptile and Amphibian Implementation	P24		T-26-R-1	63,888
Habitat Improvement for Grassland Birds	P24		T-27-R-1	10,439
Coordination and Implementation of South Carolina's Comprehensive Wildlife Conservation Plan	P24		T-29-0-1	243
Assessing Introgressive Hybridization Within and Habitat Requirements of Native South Carolina Redeye Bass (Micropterus Coosae)	P24		T-31-R-1	35,117
Robust Redhorse (Moxostoma Robustum) Electrofishing and Radio Telemetry Tracking on the Great Pee Dee River, South Carolina	P24		T-33-R-1	1,314
Community Based Habitat Restoration and Large-Scale Resource Enhancement through SCORE	P24		T-34-HM-1	72,276
Identification of Diamond Terrapin Habitat in South Carolina	P24		T-35-R-1	22,353
A GIS-Based Model to Guide Landscape-Scale Restoration at the Woodberry Tract and Hamilton Ridge Properties	P24		T-36-HM-1	3,334
Carolina Herp Atlas	P24		T-37-T-1	17,074
Mink Restoration and Monitoring Development Project	P24		T-38-R-1	35,137
Prescribed Burning Crew for South Carolina Department of Natural Resources Lands	P24		T-39-M-1	124,516
Conservation of Watershore and Seabirds in South Carolina	P24		T-41-R-1	38,720
Use of GIS to Assess the Demographic Isolation of Red-cockaded Woodpecker Groups in South Carolina	P24		T-42-R-1	17,919
Conservation of Migratory Landbirds in South Carolina	P24		T-43-R-1	25,585
Least Tern Reproductive Success on Rooftops	P24		T-44-R-1	7,992
American Shad Culture and Stocking in the Edisto River	P24		T-45-R-1	103,477
Landscape Planning for Priority Wildlife Species on Agricultural Lands	P24		T-46-T-1	41,517
Conservation of Breeding Painted Buntings and Other Songbird Indicators in Early-Successional Shrub-Scrub Habitat	P24		T-47-R-1	41,690
Effects of Predation on Seabird Nests in Cape Romain	P24		T-48-R-1	13,087
Sea Turtle Conservation on Botany Bay Plantation WMA	P24		T-49-R-1	13,305
Development of a Comprehensive Wildlife Conservation Plan	P24		T-5-1	18,840
Ecology and Impacts of Coyotes on Loggerhead Sea Turtles, Least Terns, and Other Wildlife: Implications for Management	P24		T-51-R-1	8,020
Robust Redhorse Restoration and Conservation	P24		T-9-R-1	2,304
Multistate Sandhills Ecological Restoration Project, Alabama, Florida, Georgia and South Carolina	P24		U2-1-HM	0
Program Total				**793,601**
U.S. Geological Survey - Research and Data Collection		**15.808**		
Establishment of a Multi-agency Structures Stewardship Program	J04		G09AC00456	1,447
Development of Digital Elevation Models Using Lidar Technologies for Five Coastal Counties of South Carolina	P24		G09AC00057	166,000
Development of Digital Elevation Models Using Lidar Technologies for Four Coastal Counties of South Carolina	P24		G10AC00101	0
Program Total				**167,447**
National Cooperative Geologic Mapping Program		**15.810**		
Mapping and Digitization of 7.5 Minute Quadrangles in the Savannah River and I-20 Growth Corridor Areas, South Carolina	P24		08HQAG0107	60,714
Mapping and Digitization of 7.5 Minute Quadrangles in the Savannah River Basin and Georgetown Areas, South Carolina	P24		G09AC00180	166,643

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF THE INTERIOR				
National Cooperative Geologic Mapping Program		**15.810**		
Program Total				**227,357**
Total Department of the Interior				**1,822,667**
NATIONAL SCIENCE FOUNDATION				
Geosciences		**47.050**		
Enhancing Diversity in the Geosciences: Mentoring and Research Modeling for Middle School and University Students	P24		07-581038-BAPS-SCDNR-SC	1,983
Enhancing Diversity in the Geosciences: Mentoring and Research Modeling	P26		GEO-0703702NSF	12,231
Center for Ocean Sciences Education Excellence Southeast: Building on Success	P26		OCE-0527849	426,603
Program Total				**440,817**
Trans-NSF Recovery Act Research Support		**47.082**		
REU Site: Research Experiences for Undergraduate Minorities in Marine and Environmental Sciences (MIMES) - ARRA	P24		0851490	16,677
Program Total				**16,677**
Total National Science Foundation				**457,494**
DEPARTMENT OF ENERGY				
Conservation Research and Development		**81.086**		
Natural Resources Management Activities and Biodiversity Maintenance	P24		DE-FC09-97SR18926	98,575
Program Total				**98,575**
Total Department of Energy				**98,575**
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Mental Health Research Grants		**93.242**		
Statewide Emergency Telepsychiatry Program	F03		10-1739	33,019
Clinical and Policy Implications of a Statewide Emergency Telepsychiatry Program	J12		10-1738	30,000
CBT for PTSD Among Public-Sector Consumers	J12		RM MH 065248	0
Program Total				**63,019**
Drug Abuse and Addiction Research Programs		**93.279**		
Stage II Research on Outpatient Treatment for Adolescents with Comorbidity	J12		1R01DA025616-01A1	24,744
South Carolina Consortium of the Clinical Trials Network	J12		MUSC 08-114	118,223
Program Total				**142,967**
Social Services Research and Demonstration		**93.647**		
Social Services Research and Demonstration (SCCCRE)	L04		90PD0267/02	58,902
Social Services Research and Demonstration (SCCCRE)	L04		90YE0103/02	42,525
Social Services Research and Demonstration (SCCCRE)	L04		90YE0103/03	286,821
Program Total				**388,248**
Trans-NIH Recovery Act Research Support		**93.701**		
HIV Testing and Counseling in STD Clinics: an Adaptation of CTN 0032 - ARRA	J04		1RC2DA028973-01 REVISED; MUSC09-147	2,745

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RESEARCH AND DEVELOPMENT CLUSTER, CONTINUED				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Trans-NIH Recovery Act Research Support		93.701		
Program Total				2,745
Total Department of Health and Human Services				596,979
Total Research and Development Cluster				10,401,594
TOTAL FEDERAL EXPENDITURES				$ 7,536,103,234

See accompanying notes to the schedules of expenditures of federal awards.

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JUDICIAL DEPARTMENT (B04)			
Modernization of the South Carolina Courts and Criminal Justice System through the Use of Technologies	16.580	2003-DD-BX-0347	$ 4,754,796
State Court Improvements - Training Program Fiscal Year 2007	93.586	0701SCSCIT	6,611
State Court Improvements - Data Sharing Program Fiscal Year 2008	93.586	0801SCSCID	91,201
State Court Improvements - Training Program Fiscal Year 2008	93.586	0801SCSCIT	132,903
Total Direct Assistance			**4,985,511**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	4,000,000
Total Passed Through Entities Not Included in Reporting Entity			**4,000,000**
Total Judicial Department			**8,985,511**
LAW ENFORCEMENT DIVISION (SLED) (D10)			
2007 Public Safety Interoperable Communications Grant	11.555	2007-GS-H7-0021	2,524,133
National Criminal History Improvement Program - 2007	16.554	2007-RU-BX-K001	0
Crime Laboratory Improvement Program - 2003	16.560	2004-LP-CX-K001	502,504
2007 Adam Walsh NSOR	16.580	2008-DD-BX-0080	230,158
2007 DNA Capacity Enhancement	16.741	2007-DN-BK-K053	726,240
2008 DNA Capacity Enhancement	16.741	2008-DN-BX-K066	338,984
2009 DNA Capacity Enhancement	16.741	2009-DN-BX-K101	91,535
2008 Support for Adam Walsh Act	16.750	2008-AW-BX-0014	138,931
DEA Marijuana Eradication Program - 2009	NONE	2009-101	64,899
DEA Marijuana Eradication Program - 2010	NONE	2010-108	0
Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Program	NONE	None	735,240
Spent Fuel Security 2002 - 2013	81.114	DE-FG09-97-AE 18904	163,955
2004 Homeland Security Grant Program	97.004	2004-GE-T4-0013	0
Task Force for Emergency Readiness	97.007	2008-TH-T8-K005	0
2007 Emergency Management Performance Grant Supplement	97.042	2007-EM-E7-0113	46,766
2008 Emergency Management Performance Grant	97.042	2008-EM-E8-0056	1,069,276
2009 Emergency Management Performance Grant	97.042	2009-EP-E9-0028	853,811
2007 IPP-Port Security Supplemental Grant	97.056	2007-GB-T7-K301	0
2003 Homeland Security Grant Program - Part II	97.067	2003-MU-T3-0017	0
2005 Homeland Security Grant Program	97.067	2005-GE-T5-0018	0
2006 Homeland Security Grant Program	97.067	2006-GE-T6-0001	685,255
2007 Citizen Preparedness for Catastrophic Events	97.067	2007-GE-T7-0045	2,715,446
2008 Homeland Security Grant Program	97.067	2008-GE-T8-0049	1,690,707
2008 Homeland Security Grant Program	97.067	2008-TH-T8-K005	68,907
2009 Homeland Security Grant Program	97.067	2009-SS-T9-0084	29,548
2006 Buffer Zone Protection Grant	97.078	2006-BZ-T6-0017	9,108
Total Direct Assistance			**12,685,403**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	1,990,000
Total Passed Through Entities Not Included in Reporting Entity			**1,990,000**
Project Safe Neighborhoods - 2007 South Carolina GangNET Conference	16.609	1P07006	26,958
Project Safe Neighborhoods - 2009 South Carolina GangNET Conference	16.609	1P09001	4,825
Gang Database Coordinator - 2007	16.738	1G07047	4,617
2009 Coverdell Evidence Collection Kits	16.742	1NF09004	15,922

See accompanying notes to the schedules of expenditures of federal awards.

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LAW ENFORCEMENT DIVISION (SLED) (D10), CONTINUED			
2009 Coverdell Overtime and Lab Supplies	16.742	1NF09005	10,458
2009 Coverdell Lab Equipment	16.742	1NF09006	20,753
2009 JAG Stimulus Training Unit Enhancement	16.803	1GS09123	80,052
2009 JAG Stimulus Investigative Services Upgrade	16.803	1GS09124	273,107
2009 JAG Stimulus Forensic Lab Enhancement	16.803	1GS09125	229,849
2009 JAG Stimulus AFIS Upgrade	16.803	1GS09170	1,046,687
Total Passed Through State Agencies Included in Reporting Entity			**1,713,228**
Total Law Enforcement Division (SLED)			**16,388,631**
LIEUTENANT GOVERNOR'S OFFICE (E04)			
Senior Community Service Employment Program	17.235	AD-164643G0, AD-187347R0	1,386,790
Senior Community Service Employment Program - ARRA	17.235	AD-183925TO	282,522
Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Abuse Neglect and Exploitation	93.041	08AASCT7SP, 09AASCT7SP	74,760
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	08AASCT7SP, 09AASCT7SP	230,806
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	93.043	07AASCT3SP, 08AASCT3SP, 09AASCT3SP, 10AASCT3SP	273,516
Special Programs for the Aging Title III, Part B Grant for Supportive Services and Senior Centers	93.044	08AASCT3SP, 09AASCT3SP, 10AASCT3SP	7,545,512
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	07AASCT3SP, 08AASCT3SP, 09AASCT3SP, 10AASCT3SP	7,000,386
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90AM3052	9,472
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90AM3118	174,505
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90AM3163/02	33,986
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90CD1195	65,330
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90DR0034	68,350
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90MP0009	150,699
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	90SL0005	19,782
Alzheimer's Disease Demonstration Grants to States	93.051	90A10015/01	248,448
National Family Caregiver Support, Title III, Part E	93.052	08AASCT3SP, 09AASCT3SP, 10AASCT3SP	2,042,346
Nutrition Services Incentive Program	93.053	09AASCNSIP, 10AASCNSIP	1,603,634
Medicare Enrollment Assistance Program	93.071	09AASCMIDR	102,121
Medicare Enrollment Assistance Program	93.071	09AASCMIPP	68,577
Lifespan Respite Care Program	93.072	90LR0011/01	16,659
Aging Home-Delivered Nutrition Services for States - ARRA	93.705	09AASCC2RR	363,687
Aging Congregate Nutrition Services for States - ARRA	93.707	09AASCC1RR	663,515
Communities Putting Prevention to Work: Chronic Disease Self-Management Program - ARRA	93.725	90RA0044/01	1,196
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	93.779	11-P-20219-4/16, 11-P20219-4-17-03, 1N0CMS020219-	693,987
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	93.779	1LOCMS030307/01	263,126
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	93.779	1LQCMS300038/01	881,566
Center for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	93.779	1XOCMS030425-01-02	62,228
Total Direct Assistance			**24,327,506**

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LIEUTENANT GOVERNOR'S OFFICE (E04), CONTINUED			
Social Services Block Grant	93.667	DSS Contract # C 9 0039 E-4, C 10039 E	877,190
Total Passed Through State Agencies Included in Reporting Entity			**877,190**
Total Lieutenant Governor's Office			**25,204,696**
ATTORNEY GENERAL'S OFFICE (E20)			
Internet Crimes Against Children Task Force	16.542	2005-MC-CX-K025	144,769
Internet Crimes Against Children Task Force - South Carolina	16.800	2009-MC-CX-K003	229,300
Internet Crimes Against Children Task Force - South Carolina - ARRA	16.800	2009-SN-B9-K003	120,224
Medicaid Fraud Control Unit - Year 15	93.775	01-0901-SC-5050	229,174
Medicaid Fraud Control Unit - Year 16	93.775	01-1001-SC-5050	753,577
Total Direct Assistance			**1,477,044**
Prosecution Assistance and Criminal Justice Training Year 14	16.588	1K08004	26,856
Prosecution Assistance and Criminal Justice Training Year 15 - ARRA	16.588	1KS09011	137,373
Total Passed Through State Agencies Included in Reporting Entity			**164,229**
Total Attorney General's Office			**1,641,273**
COMMISSION ON PROSECUTION COORDINATION (E21)			
Capital Case Litigation Initiative	16.746	2009-CP-BX-00006	33,800
Total Direct Assistance			**33,800**
Child Victim/Witness Advocate - ARRA	16.801	1VS09002	45,716
Criminal Domestic Violence Prosecution Programs - ARRA	16.803	1GS09019	1,275,859
Traffic Safety Resource Prosecutor	20.601	2H08017	0
Traffic Safety Resource Prosecutor	20.601	2H09017	52,195
Traffic Safety Resource Prosecutor	20.601	2H10017	102,310
Total Passed Through State Agencies Included in Reporting Entity			**1,476,080**
Total Commission on Prosecution Coordination			**1,509,880**
ADJUTANT GENERAL'S OFFICE (E24)			
NOAA Saluda Warning	11.468	NA08NWS4680063 NOAA	197,032
NOAA Aiken Warning	11.468	NA09NWS4680041 NOAA	225,000
Charleston Readiness Center	12.400	W912QG-06-2-2002	1,229,249
Donaldson Army Aviation Facility	12.400	W912QG-09-2-2001	894,800
Florence Maintenance Shop	12.400	W912QG-09-2-2002	123,356
Anderson Readiness Center	12.400	W912QG-09-2-2003	7,000,000
Sumter Readiness Center	12.400	W912QG-09-2-2004	210,775
Appendix 1 - Army National Guard Facilities Programs	12.401	W912QG-06-2-1001	7,217
Appendix 1 - Army National Guard Facilities Programs	12.401	W912QG-08-2-1001	20,198
Appendix 2 - Army National Guard Environmental Programs Resources Management	12.401	W912QG-08-2-1002	3,873
Appendix 5 - Army National Guard Telecommunications	12.401	W912QG-08-2-1005	0
Appendix 1 - Army National Guard Facilities Programs	12.401	W912QG-09-2-1001	5,225,423
Appendix 2 - Army National Guard Environmental Programs Resources Management	12.401	W912QG-09-2-1002	524,289
Appendix 3 - Army National Guard Security Guard	12.401	W912QG-09-2-1003	204,160

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ADJUTANT GENERAL'S OFFICE (E24), CONTINUED			
Appendix 4 - Army National Guard Electronic Security System Installation, Operations and Maintenance	12.401	W912QG-09-2-1004	72,852
Appendix 5 - Army National Guard Telecommunications	12.401	W912QG-09-2-1005	333,921
Appendix 7 - Army National Guard Sustainable Range Program	12.401	W912QG-09-2-1007	163,959
Appendix 8 - Army National Guard Fulltime Dining Facility Operations	12.401	W912QG-09-2-1008	350,892
Appendix 10 - Army National Guard Antiterrorism Program Manager	12.401	W912QG-09-2-1010	28,282
Appendix 19 - Army National Guard Supplementary Transportation Activities	12.401	W912QG-09-2-1019	5,523
Appendix 21 - Air National Guard Facilities Operations and Maintenance Activities	12.401	W912QG-09-2-1021	718,958
Appendix 22 - Air National Guard Environmental Program Management	12.401	W912QG-09-2-1022	24,455
Appendix 23 - Air National Guard Security Guard	12.401	W912QG-09-2-1023	156,867
Appendix 24 - Air National Guard Fire Protection	12.401	W912QG-09-2-1024	383,973
Appendix 25 - Air National Guard Natural and Cultural Resources Management	12.401	W912QG-09-2-1025	32,118
Appendix 29 - Air National Guard Family Readiness and Support Services	12.401	W912QG-09-2-1029	38,341
Appendix 40 - Army National Guard Distance Learning Project	12.401	W912QG-09-2-1040	66,005
Sustainment, Restoration, Modernization Projects - ARRA	12.401	W912QG-09-2-9047	2,062,424
Appendix 1 - Army National Guard Facilities Programs	12.401	W912QG-10-2-1001	8,663,834
Appendix 2 - Army National Guard Environmental Programs Resources Management	12.401	W912QG-10-2-1002	849,930
Appendix 3 - Army National Guard Security Guard Cooperative Agreement	12.401	W912QG-10-2-1003	378,919
Appendix 4 - Army National Guard Electronic Security System Installation, Operations and Maintenance	12.401	W912QG-10-2-1004	122,968
Appendix 5 - Army National Guard Command, Control, Communications, Computers, and Information Management Service	12.401	W912QG-10-2-1005	602,744
Appendix 7 - Army National Guard Sustainable Range Programs	12.401	W912QG-10-2-1007	392,566
Appendix 8 - Army National Guard Fulltime Dining Facility Operation	12.401	W912QG-10-2-1008	380,943
Appendix 10 - Army National Guard Antiterrorism Program Coordinator Activities	12.401	W912QG-10-2-1010	49,368
Appendix 19 - Army National Guard Supplementary Transportation Activities	12.401	W912QG-10-2-1019	7,190
Appendix 21 - Air National Guard Facilities Operations and Maintenance Activities	12.401	W912QG-10-2-1021	1,419,896
Appendix 22 - Air National Guard Environmental Program Management	12.401	W912QG-10-2-1022	26,505
Appendix 23 - Air National Guard Security Cooperative Agreement	12.401	W912QG-10-2-1023	342,556
Appendix 24 - Air National Guard Fire Protection Activities	12.401	W912QG-10-2-1024	855,924
Appendix 25 - Air National Guard Natural and Cultural Resources Management	12.401	W912QG-10-2-1025	44,414
Appendix 40 - Army National Guard Distributed Learning	12.401	W912QG-10-2-1040	168,631
Appendix 41 - State Family Program Activities	12.401	W912QG-10-2-1041	40,729
National Guard Youth Opportunities - South Carolina National Guard Youth ChalleNGe Program	12.404	DAHA38-00-2-4000	0
National Guard Youth Opportunities - South Carolina National Guard Youth ChalleNGe Program	12.404	DAHA38-98-2-4000	0
Appendix 1 - ChalleNGe	12.404	W912QG-08-2-4001	0
Appendix 2 - STARBASE	12.404	W912QG-08-2-4002	0
Appendix 1 - ChalleNGe	12.404	W912QG-09-2-4001	823,534
Appendix 2 - STARBASE	12.404	W912QG-09-2-4002	87,868
Appendix 3 - National Guard Youth ChalleNGe Staff Training/ASD-RA Special Projects	12.404	W912QG-09-2-4003	0
Appendix 1 - ChalleNGe	12.404	W912QG-10-2-4001	1,081,449

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ADJUTANT GENERAL'S OFFICE (E24), CONTINUED			
Appendix 2 - STARBASE	12.404	W912QG-10-2-4002	176,330
Appendix 3 - National Guard Youth ChalleNGe Staff Training/ASD-RA Special Projects	12.404	W912QG-10-2-4003	0
Hazardous Materials Emergency Preparedness, Planning and Training Activities	20.703	HMESC7042150	150,025
Hazardous Materials Emergency Preparedness, Planning and Training Activities	20.703	HMESC8042160	143,188
Emergency Preparedness	81.502	DE-FG09-00SR22166	182,170
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	97.017	EMA-2005-PC-0005	484,505
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	97.017	EMA-2007-PC-0008	888,866
Pre-Disaster Mitigation Competitive Grant Program (PDM-C)	97.017	EMA-2008-PC-0007	697,197
Pre-Disaster Mitigation Competitive Grants	97.017	EMA-2008-PD-0001 LPDM 08	387,616
Federal Emergency Management Agency - Hurricane Floyd Public Assistance	97.036	FEMA-1299-DR-SC	0
Public Assistance Grants (Hurricane Charley)	97.036	FEMA-1543-DR-SC	0
Public Assistance Grants (Tropical Storm Gaston)	97.036	FEMA-1547-DR-SC	50,880
Hazard Mitigation Grant Program - Winter Storm	97.039	FEMA-1313-DR-SC	0
Hazard Mitigation Grant Program - Winter Storm	97.039	FEMA-1451-DR-SC	359,868
Hazard Mitigation Grant Program - Winter Storm	97.039	FEMA-1509-DR-SC	196,485
Hazard Mitigation Grant Program - Charley	97.039	FEMA-1543-DR-SC	24,295
Hazard Mitigation Grant Program - Gaston	97.039	FEMA-1547-DR-SC	37,102
Hazard Mitigation Grant Program - Frances	97.039	FEMA-1566-DR-SC	4,258
Hazard Mitigation Grant Program - Ice Storm	97.039	FEMA-1625-DR-SC	287,894
Pre-Disaster Mitigation	97.047	EMA-2008-PD-0001	0
Pre-Disaster Mitigation	97.047	EMA-2009-PC-0002	69,665
2009 Earthquake Grant	97.082	EMA-2009-GR-5554	5,625
Total Direct Assistance			**40,789,879**
Waste Isolation Pilot Project	81.106	SSEB-WIPP-SC-SCEMD	42,083
Twenty-First Century Community Learning Center	84.287	10CL302-01	147,851
Total Passed Through Entities Not Included in Reporting Entity			**189,934**
Free and Reduced Price Meals/SNACS	10.555	NONE	0
DHEC-PHP REACH SC	93.069	NONE	10,000
DHEC-PHP REACH SC	93.889	NONE	509
2003 Homeland Security - State Level Exercise	97.004	3HS027	0
2003 Homeland Security - State Emergency Communication Vehicle Radio	97.004	3HS030	0
Citizens Corps Program - State Allocation and M & A	97.004	4CC02	0
WMD Operations Level Training for EMS	97.004	4SHP03	0
Homeland Security - State Emergency Communication Vehicle Radio	97.004	4SHP27	0
Task Force Emergency Readiness Transfer	97.007	8TFER02	79,066
2009 Emergency Management Performance Grant	97.042	10EMGP01	455,741
2007 Emergency Management Performance Grant	97.042	2007-EM-E7-0038	386,936
2007 Emergency Management Performance Grant	97.042	2007-EM-E7-0113	50,468
2009 Emergency Management Performance Grant	97.042	9EMPG01	3,065,524
Emergency Management Performance Grant	97.067	5EMPG01	0
WMD Operations Level Training	97.067	5SHSP50	0
Plans Integration/Chemical Detention Equipment for Local Authorities	97.067	5SHSP77	0
Citizen Corps Program	97.067	6CCP01	0

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ADJUTANT GENERAL'S OFFICE (E24), CONTINUED			
2006 State Homeland Security Grant Program	97.067	6SHSP04	0
DHS REACH SC Supplemental	97.067	6SHSP34	254,000
2007 State Homeland Security Program	97.067	7SHSP04	99,127
2008 Homeland Security NIMSCAST/NIMS Credential	97.067	8SHSP23	60,210
Citizen Corps (State Allocation)	97.067	SCC01	0
Total Passed Through State Agencies Included in Reporting Entity			**4,461,581**
Total Adjutant General's Office			**45,441,394**
ELECTION COMMISSION (E28)			
Election Reform Payments	39.011	NONE	381,754
Help America Vote Act Requirements Payments	90.401	NONE	707,886
Voting Access for Individuals with Disabilities - Grants to States	93.617	NONE	222,894
Total Direct Assistance			**1,312,534**
Total Election Commission			**1,312,534**
BUDGET AND CONTROL BOARD (F03)			
National Oceanic and Atmospheric Administration's National Height Modernization Project	11.400	NA08NOS4000349	66,665
Crash Outcome Data Evaluation System (CODES) V	20.600	DTNH22-04-H-27021	0
Crash Outcome Data Evaluation System (CODES) VI	20.600	DTNH22-09-H-00408	21,200
Greer Water Storage Tank	23.001	SC-16008-08	0
Powdersville Water District Water Storage Tank	23.001	SC-16010-08	396,968
Pendleton/Clemson Waste Water Treatment Plant	23.001	SC-16347-09	0
Pioneer Rural Water System Upgrade	23.001	SC-16432-09	74,414
Federal Surplus Property	39.003	None	9,415,836
Capitalization Grants for State Revolving Fund - ARRA	66.458	2W95426309-0	19,250,840
Capitalization Grants for State Revolving Fund	66.458	CS-45000109-0	41,332,419
Safe Drinking Water State Revolving Fund - ARRA	66.468	2F95426409-0	14,151,794
Safe Drinking Water State Revolving Fund	66.468	FS-98431208-0	22,782,163
State Energy Program Administration - ARRA	81.041	DE-EEE0000158	5,425,707
State Energy Program - South Carolina 2008	81.041	DE-FG26-05R410968	333,000
Wind Powering America	81.087	DE-EE0000515	76
Save Energy Now	81.119	DE-EE0000352	50,990
South Carolina Roadmap to Gigawatt - Scale Coastal Clean Energy Generation: Transmission, Regulation and Demonstration	81.119	DE-FG26-08NT05560	295,840
State Industrial Assessments	81.119	DE-FG36-08G048011	19,506
Energy Assurance Capabilities and Planning - ARRA	81.122	DE-OE0000052	40,988
State Energy Efficient Appliance Rebate - ARRA	81.127	DE-EE0001595	4,131,556
Energy Efficiency Conservation Block Grant - ARRA	81.128	DE-EE0000952	175,223
Exxon Hawkins Settlement	81.502	None	0
Stripper Well	81.502	None	2,222,485
Diamond Shamrock	81.502	None	36,962
South Carolina ALS Registry	93.068	200-2006-16243	21,096
Total Direct Assistance			**120,245,728**
Traumatic Brain Injury in Prisons	93.136	1 U49CE001318-02	0
Statewide Emergency Telepsychiatry Program	93.242	10-1739	33,019

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BUDGET AND CONTROL BOARD (F03), CONTINUED			
Technical Assistance and Development Project for an Electronic System of Data Collection and Authentic Assessment for Infants and Toddlers	93.575	10-1718	90,002
Total Passed Through Entities Not Included in Reporting Entity			**123,021**
Georgetown County Simulcast Upgrade	11.555	7PSIC03	869,787
Greenville County Simulcast Upgrade	11.555	7PSIC04	2,450,000
Public Safety Interoperable Communications State Development Plan	11.555	7PSIC05	415,412
Strategic Technology Reserve	11.555	7PSIC15	15,287
Performance Outcome Measure Project (POMP)	93.048	None	0
Department of Social Services Child Care Data Bridge Project	93.575	ACF-696	88,197
Department of Social Services Early Child Care and Education Website	93.575	None	87,163
Integrate Cyber Security Into SDC Infrastructure	97.067	6LETP03	0
Integrate Cyber Security and International Infrastructure	97.067	6SHSP05	0
800 MHz Radios - Training - Fire Academy	97.067	6SHSP06	450
Portable Trunked Repeater Site	97.067	7LETP02	9,554
4 Sector Cyber Security	97.067	7LETP03	154
Multi-state Assessment and Equipment	97.067	7LETP09	6,593
Cyber Security Operations Center	97.067	7SHSP05	424
Radio Interoperability	97.067	7SHSP06	3,176
Multi-state Interoperable Communications	97.067	7SHSP26	0
Interoperable Emergency Communications	97.067	8IEC01	38,130
Statewide Interoperable Communications	97.067	8SHSP19	512,636
Midlands Pee Dee 800 MHz Infrastructure	97.067	8SHSP20	600,000
Cyber Security Infrastructure Plan	97.067	8SHSP21	145,160
Statewide Interoperable Communications Project	97.067	9SHSP04	199,872
Cyber Security Infrastructure Protection	97.067	9SHSP44	103,072
Total Passed Through State Agencies Included in Reporting Entity			**5,545,067**
Total Budget and Control Board			**125,913,816**
COMMISSION ON HIGHER EDUCATION (H03)			
Veterans Education Assistance	64.124	V101(223C) P-4854	0
Veterans Education Assistance	64.124	V101(223C) P-5054	42,754
Veterans Education Assistance	64.124	V101(223D) P-4854	113,879
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	84.334	P334A990172	1,134,293
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	84.334	P334S050009-08	222,232
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	84.334	P334S050009-09	744,805
Improving Teacher Quality State Grants	84.367	S367B040035	0
Improving Teacher Quality State Grants	84.367	S367B050035	0
Improving Teacher Quality State Grants	84.367	S367B060035	0
Improving Teacher Quality State Grants	84.367	S367B070035	16,394
Improving Teacher Quality State Grants	84.367	S367B080035	0
Improving Teacher Quality State Grants	84.367	S367B090035A	358,601
College Access Challenge Grant Program	84.378	P378A080048	25,275
College Access Challenge Grant Program	84.378	P378A090048	198,109

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COMMISSION ON HIGHER EDUCATION (H03), CONTINUED			
Total Direct Assistance			**2,856,342**
Library Services and Technology Act	45.310	IE 05-55	0
Performance Funding in South Carolina (PFSC)	84.116	P116B020966	0
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	84.334	0209234.002.016-24	0
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	364,440
Total Passed Through Entities Not Included in Reporting Entity			**364,440**
Total Commission on Higher Education			**3,220,782**
HIGHER EDUCATION TUITION GRANTS COMMISSION (H06)			
Leveraging Educational Assistance Partnership Program (LEAP)	84.069	N069A090041	338,235
Special Leveraging Educational Assistance Partnership Program (SLEAP)	84.069	N069B090037	365,991
Total Direct Assistance			**704,226**
Total Higher Education Tuition Grants Commission			**704,226**
BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59)			
Broadband Technology Opportunities Program (BTOP) - ARRA	11.557	45-42-B10012	178,038
Apprenticeship Carolina Building New Career Pathways	84.116	P116Z080154	113,723
Total Direct Assistance			**291,761**
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	S394A090052	14,277,248
Total Passed Through Entities Not Included in Reporting Entity			**14,277,248**
WIA Adult Program - ARRA QuickJobs Carolina Program - ARRA	17.258	9ARRA002	614,804
WIA Youth Activities - ARRA QuickJobs Carolina Program - ARRA	17.259	9ARRA002	349,837
WIA Dislocated Workers - ARRA QuickJobs Carolina Program - ARRA	17.260	9ARRA002	535,471
Federal Incentive Grant - Quick Skills Project	17.267	8 FIG 002	358,355
Perkins IV Administrative Funds	84.048	10VA501	93,364
Total Passed Through State Agencies Included in Reporting Entity			**1,951,831**
Total Board for Technical and Comprehensive Education			**16,520,840**
DEPARTMENT OF EDUCATION (H63)			
National School Lunch Program	10.555	5SC300328	233,109,745
Food Donation	10.555	N/A	17,852,367
State Administrative Expenses for Child Nutrition	10.560	5SC300911	1,821,790
Nutrition Education and Training Program	10.564	59-84531-0-528	0
Team Nutrition Grants	10.574	1005554	0
Team Nutrition Grants	10.574	3N3502	90,063
2006 Local Wellness Program	10.574	CNLW-06-SC-01	0
Team Nutrition Grants	10.574	CNTN-09-SC	25
Team Nutrition Grants	10.574	IN350330	2
Child Nutrition Recovery Act - ARRA	10.579	5SC340328	1,821,546
Fresh Fruit and Vegetable	10.582	2008IN77034	0
Fresh Fruit and Vegetable	10.582	5SC310328	1,195,942
Troops to Teachers Program	12.552	N/A	99,417

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DEPARTMENT OF EDUCATION (H63), CONTINUED			
SC Environmental Education School Network	15.608	2005-0297-000	0
Juvenile Justice and Delinquency Prevention Congressional Earmark Program	16.541	2003-JS-FX-0084	1,328
South Carolina Palmetto Mentoring - ARRA	16.808	2009SCB90002	28,976
SC Clean School Bus Initiative	66.036	SB832878010	152,822
Environmental Education Grants	66.951	83267201	0
Environmental Education Grants	66.951	NE 83448501-0	0
Adult Education - State Administered	84.002	V002A070040	188,871
Adult Education - State Administered	84.002	V002A080040	3,259,993
Adult Education - State Administered	84.002	V002A090040	3,619,646
Title I - Grants to LEAS	84.010	S010A070040	5,172,539
Title I - Grants to LEAS	84.010	S010A080040	108,490,934
Title I - Grants to LEAS	84.010	S010A090040	90,940,595
Migrant Education - State Grant Program	84.011	S011A070041	349,179
Migrant Education - State Grant Program	84.011	S011A080041	156,484
Neglected and Delinquent	84.013	S013A070040	451,052
Neglected and Delinquent	84.013	S013A080040	779,074
Part B	84.027	H027A070081	78,669
Part B	84.027	H027A080081	91,703,153
Part B	84.027	H027A090081	55,455,327
Vocational Education - Basic Grants to States	84.048	V048A070040	527,654
Vocational Education - Basic Grants to States	84.048	V048A080040	11,858,943
Vocational Education - Basic Grants to States	84.048	V048A090040	7,522,505
Personal Pathways for STEM Success	84.051	V051C080010	97,438
MEP Consortium Incentive Grant	84.144	S144F060041	0
MEP Consortium Incentive Grant	84.144	S144F070041	114,494
MEP Consortium Incentive Grant	84.144	S144F080041	85,070
MSIX State Data Quality Grants	84.144	S144G070041	32,021
Part B	84.173	H173A080085	2,748,681
Part B	84.173	H173A090085	4,054,503
Infants and Toddlers	84.181	H1781A090036	1,363,860
Robert C. Byrd Honors Scholarship Program	84.185	P185A080042	57,079
Robert C. Byrd Honors Scholarship Program	84.185	P185A090042	540,046
State and Local Programs	84.186	Q186A060042	0
State and Local Programs	84.186	Q186A070042	84,172
State and Local Programs	84.186	Q186A080042	2,668,631
State and Local Programs	84.186	Q186A090042	258,971
Education for Homeless Children and Youth	84.196	S196A040042	0
Education for Homeless Children and Youth	84.196	S196A060042	0
Education for Homeless Children and Youth	84.196	S196A070042	104,875
Education for Homeless Children and Youth	84.196	S196A080042	467,020
Education for Homeless Children and Youth	84.196	S196A090042	249,604
Even Start - State Grants	84.213	S213C070041	466,156
Even Start - State Grants	84.213	S213C080041	488,122
Even Start - State Grants	84.213	S213C090041	52,626
Linking School and Mental Health	84.215	Q215M070022	67,892
South Carolina Teen Leaders Evolving and Developing Project (Teen LEAD)	84.215	Q215S060055	536,229

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DEPARTMENT OF EDUCATION (H63), CONTINUED			
Tech-Prep Education	84.243	V243A090040	1,400,618
Public Charter Schools	84.282	U282A060013	4,417,845
After School Learning Center Formula Award	84.287	S287C060041	0
After School Learning Center Formula Award	84.287	S287C070041	100,099
After School Learning Center Formula Award	84.287	S287C080041	10,847,934
After School Learning Center Formula Award	84.287	S287C090041	9,156,343
Title V	84.298	S298A070041	792,916
National Institute on Student Achievement, Curriculum and Assessment	84.305	ED-03-CO-0053	107
National Institute on Student Achievement, Curriculum and Assessment	84.305	ED-08-CO-0067	122,513
Teacher Quality Research: Mathematics and Science	84.305	R305M050270	241,457
Educational Technology State Grant	84.318	S318X060040	0
Educational Technology State Grant	84.318	S318X070040	682,393
Educational Technology State Grant	84.318	S318X080040	3,054,100
Educational Technology State Grant	84.318	S318X090040	31,769
SC Modification, Accommodation, Reports and Standards (MARS)	84.326	H326X060007	0
Bridges to Early Learning	84.349	S349A070038	990,538
Transition to Teaching Program - Statewide	84.350	S350B020014-05	0
Transition to Teaching Program - Statewide	84.350	S350B020014-06	0
Reading First	84.357	S357A060042	0
Reading First	84.357	S357A070042	10,597,478
Reading First	84.357	S357A080042	479,368
Rural and Low-Income Schools	84.358	S358B070040	129,250
Rural and Low-Income Schools	84.358	S358B080040	3,054,294
Rural and Low-Income Schools	84.358	S358B090040	781,988
South Carolina Early Reading Collaborative	84.359	S359B070052	1,462,720
English Language Acquisition: State Formula Grant Program	84.365	T365A070040	83,205
English Language Acquisition: State Formula Grant Program	84.365	T365A080040	3,117,815
English Language Acquisition: State Formula Grant Program	84.365	T365A090040	1,072,933
MSP	84.366	S366B070041	1,332,837
MSP	84.366	S366B080041	554,501
Improving Teacher Quality State Grants	84.367	S367A060038	0
Improving Teacher Quality State Grants	84.367	S367A070038	343,534
Improving Teacher Quality State Grants	84.367	S367A080038	20,453,433
Improving Teacher Quality State Grants	84.367	S367A090038	11,193,924
Adding Value to Accommodations Decision Making (AVAD) for English Language Learners and Student with Disabilities	84.368	S368A060013	203,909
Operationalizing Alternate Assessments for Science Inquiry Skills (OAASIS)	84.368	S368A070012	575,765
State Assessments and Related Activities	84.369	S369A060042	0
State Assessments and Related Activities	84.369	S369A070042	1,448,256
State Assessments and Related Activities	84.369	S369A080042	938,399
State Assessments and Related Activities	84.369	S369A090042	6,202,676
Statewide Data Systems	84.372	R372A060054	1,676,641
Targeting Research to Investigate Alternate Assessment Development (TRIAAD)	84.373	H373X070007	206,613
Teacher Incentive Funds	84.374	S374A070027	7,105,830
School Improvement Grant	84.377	S377A070041	752,321
School Improvement Grant	84.377	S377A080042	3,144,593

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DEPARTMENT OF EDUCATION (H63), CONTINUED			
Education Technology State Grants - ARRA	84.386	S386A090040	1,903,977
Education for Homeless Children and Youth, Recovery Act - ARRA	84.387	S387A090040	265,243
Title I Grants to Local Educational Agencies, Recovery Act - ARRA	84.389	S389A090040	30,236,181
IDEA State Grants - ARRA	84.391	H391A090081	32,260,490
Part B/Preschool - ARRA	84.392	H392A090085	866,832
Infants and Families with Disabilities - ARRA	84.393	H393A090036	2,642,770
School Health Programs to Prevent Serious Health Problems and Improve Education	93.938	1U87DP001244	0
School Health Programs to Prevent Serious Health Problems and Improve Education	93.938	5U87DP0012444	667,236
School Health Programs to Prevent Serious Health Problems and Improve Education	93.938	U87/CCU4090	0
School Health Programs to Prevent Serious Health Problems and Improve Education	93.938	U87/CCU4226	906
K-12 School Based	94.004	06KSHSC001	245,095
K-12 School Based	94.004	06KSSSC001	137,630
Total Direct Assistance			**829,243,406**
SCUREF-Summer Science Program	81.004	SC137-6112-32-5346	0
Advanced Placement Program	84.330	910513	0
Advanced Placement Program	84.330	930607	0
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	S394A090052	120,515,374
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	998,872
American Printing House for the Blind (APH)	NONE	None	160,882
Total Passed Through Entities Not Included in Reporting Entity			**121,675,128**
South Carolina Youth Court Expansion Initiative	16.523	1JS0107	0
South Carolina Youth Court Expansion Program/Truancy	16.523	1JS03012	0
Workforce Development Grant Childcare Pathway Pilot	17.258	6WDG001	86,467
Credit Recovery WIA Youth Program - ARRA	17.259	9ARRA001	1,047,841
WIA Federal Incentive Grant	17.267	6WDG019	4,491
Federal Incentive Grant - Quick Skills Project	17.267	8FIG001	82,671
Literacy	84.235	H235P030009	89,476
Mathematics and Science Coaches Training	84.281	S281B010040	0
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	84.334	P334S05009	235,397
South Carolina State-Based Tobacco Use and Prevention and Control Grant	93.283	HP-00-054	0
South Carolina State-Based Tobacco Use and Prevention and Control Grant	93.283	HP-04-016	0
School Readiness Initiative	93.558	G10085T	5,600,000
School Readiness Initiative	93.558	G90085T	0
Child Care and Development Block Grant	93.575	B20906N	0
Child Care and Development Block Grant	93.575	B30828G	0
Child Care and Development Block Grant	93.575	B40906N	0
Child Care and Development Block Grant	93.575	C50048H	0
Child Care and Development Block Grant	93.575	C80048H	3,106,546
Head Start	93.600	A41294A	0
Total Passed Through State Agencies Included in Reporting Entity			**10,252,889**
Total Department of Education			**961,171,423**

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State Agency/Grant Title	CFDA Number	Grant/Contract Number	Expenditures
WIL LOU GRAY OPPORTUNITY SCHOOL (H71)			
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	492,626
Total Passed Through Entities Not Included in Reporting Entity			**492,626**
National School Lunch Program - Fiscal Year 2007	10.555	None	14
National School Lunch Program - Fiscal Year 2009	10.555	None	0
National School Lunch Program - Fiscal Year 2008	10.555	None	16
National School Lunch Program - Fiscal Year 2010	10.555	None	2,131
Child Nutrition Discretionary Grants - ARRA	10.579	None	11,568
Special Education Grants to States	84.027	None	22,721
Total Passed Through State Agencies Included in Reporting Entity			**36,450**
Total Wil Lou Gray Opportunity School			**529,076**
STATE AGENCY OF VOCATIONAL REHABILITATION (H73)			
Basic Support	84.126	H126A090060	27,781,848
Basic Support	84.126	H126A100060	14,192,956
State Independent Living Services	84.169	H169A080059	14,100
State Independent Living Services	84.169	H169A090059	180,929
State Independent Living Services	84.169	H169A100059	287
Supported Employment State Grant	84.187	H187A090061	106,441
Supported Employment State Grant	84.187	H187A100061	161,915
Literacy	84.235	H235P030009	46,763
The YES Program	84.235	H235U070011	702,361
State Vocational Unit In-Service Training	84.265	H265A050085	244,774
Basic Support - ARRA	84.390	H390A090060	3,904,457
Social Security - Disability Insurance	96.001	04-09-04SCD100	12,250,040
Social Security - Disability Insurance	96.001	04-10-04SCD100	25,564,087
South Carolina Pathways Towards Employment Project	96.008	14-W-50078-4-03	428
South Carolina Pathways Towards Employment Project	96.008	14-W-50078-4-04	220,272
South Carolina Pathways Towards Employment Project	96.008	14-W-50078-4-05	56,977
Total Direct Assistance			**85,428,635**
SEP - ARRA Award	81.041	DE0000158	2,835
Co-Occurring State Incentive Grants	93.243	5KD1TI018389	60,384
Total Passed Through State Agencies Included in Reporting Entity			**63,219**
Total State Agency of Vocational Rehabilitation			**85,491,854**
SCHOOL FOR THE DEAF AND THE BLIND (H75)			
Deaf-Blind Grant	84.326	None	81,026
Total Direct Assistance			**81,026**
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	S394A090052	0
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	231,675
Basic Support and Advocacy Grants	93.630	None	0
Total Passed Through Entities Not Included in Reporting Entity			**231,675**
National School Lunch Program	10.555	None	375
Personnel Development Collaboration	84.027	None	254,583

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SCHOOL FOR THE DEAF AND THE BLIND (H75), CONTINUED			
Individuals with Disabilities Act	84.027	None	0
PL 99-457 Preschool Grant	84.173	None	0
Early Education Program	84.181	None	116,699
Safe and Drug-Free Schools and Communities - State Grants	84.186	None	0
Youth Leadership Project	84.215	None	2,936
Innovative Education Program Strategies Title V	84.298	None	0
Improving Teacher Quality	84.367	None	1,915
Total Passed Through State Agencies Included in Reporting Entity			**376,508**
Total School for the Deaf and the Blind			**689,209**
DEPARTMENT OF ARCHIVES AND HISTORY (H79)			
Preserve America	15.904	45-07-PA-3072	67,219
Historic Preservation	15.904	45-08-21745	51,688
Historic Preservation	15.904	45-09-21846	119,650
Historic Preservation	15.904	45-10-21947	261,680
Environmental Decommissioning and Deactivation at Savannah River Site	81.104	03SR22276	44,452
SHRAB Regrant	89.003	NAR07-RC-05707-07	67,776
State Board Snap Grant	89.003	NAR08-RC-10013-08	22,664
Total Direct Assistance			**635,129**
Teaching American History Grant Number 2	84.215	U215X040339	320,037
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	500,000
Total Passed Through Entities Not Included in Reporting Entity			**820,037**
Total Department of Archives and History			**1,455,166**
STATE LIBRARY (H87)			
State Library Program	45.310	LS-00-07-0041-07	0
State Library Program	45.310	LS-00-08-0041-08	1,387,966
State Library Program	45.310	LS-00-09-0041-09	1,244,812
Total Direct Assistance			**2,632,778**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	1,685,045
Total Passed Through Entities Not Included in Reporting Entity			**1,685,045**
Total State Library			**4,317,823**
ARTS COMMISSION (H91)			
American Masterpieces	45.025	07-6100-2034	16,569
Arts in Underserved Communities	45.025	07-6100-2034	15
Arts in Education	45.025	07-6100-2034	0
National Endowment for the Arts / Promotion of the Arts	45.025	08-6100-2046	270,840
National Endowment for the Arts / Promotion of the Arts	45.025	09-6100-2025	414,706
National Endowment for the Arts - Stimulus	45.025	09-6188-2065	311,500
Total Direct Assistance			**1,013,630**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	500,000

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ARTS COMMISSION (H91), CONTINUED			
Total Passed Through Entities Not Included in Reporting Entity			**500,000**
Total Arts Commission			**1,513,630**
DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)			
Social Services in Empowerment Zones and Enterprise Communities	93.585	G-9501-SC-ECUR	61,287
State Health Information Exchange Cooperative Agreement Program - Intra-State - ARRA	93.719	90HT0053/01	0
State Health Information Exchange Cooperative Agreement Program - Inter-State - ARRA	93.719	90HT0053/01	0
State Health Information Exchange Cooperative Agreement Program - Planning - ARRA	93.719	90HT0053/01	0
Children's Health Insurance Program	93.767	05-0705SC5021	6,232,145
Children's Health Insurance Program	93.767	05-0805SC5021	73,672,967
Children's Health Insurance Program	93.767	05-0905SC5021	7,195,850
Children's Health Insurance Program	93.767	05-1005SC5021	0
CHIPRA Quality Demonstration Grant	93.767	1Z0CMS030540-01-01	3,755
State Survey and Certification of Health Care Providers and Suppliers	93.777	05-0905-SC-5001	3,859
State Survey and Certification of Health Care Providers and Suppliers	93.777	05-1005-SC-5001	384,613
Medical Administration Payments	93.778	05-0705SC5048	0
Medical Assistance Payments	93.778	05-0805SC5028	0
Medical Administration Payments	93.778	05-0805SC5048	0
Medical Assistance Payments	93.778	05-0905SC5028	872,461,246
Medical Administration Payments	93.778	05-0905SC5048	13,537,788
Increased Medical Assistance Payments - ARRA	93.778	05-0905SCARRA	100,702,672
Health Information Technology Administration Recovery Act - ARRA	93.778	05-0905SCHITA	100,726
Disproportionate Share Hospital Payments - ARRA	93.778	05-0905SCMDSH	8,051,297
Medical Administration Payments	93.778	05-1005SC5ADM	66,897,791
Medical Assistance Payments	93.778	05-1005SC5MAP	2,643,451,259
Increased Medical Assistance Payments - ARRA	93.778	05-1005SCARRA	311,516,901
Health Information Technology Administration Recovery Act - ARRA	93.778	05-1005SCHITA	599,051
Disproportionate Share Hospital Payments - ARRA	93.778	05-1005SCMDSH	0
Qualifying Individual Program Payment - ARRA	93.778	05-1005SCQUAL	3,584,805
Community Based Alternatives to Psychiatric Residential Treatment Facilities	93.789	1S0CMS300131/01	449,375
Historically Black Colleges and Universities Program	NONE	NONE	0
Total Direct Assistance			**4,108,907,387**
Total Department of Health and Human Services			**4,108,907,387**
DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)			
2008 Food Emergency Response Network Continuations	10.479	FSIS-C-36-2005/04 00	66,299
Food Emergency Response Network (FERN) Microbiology	10.479	FSIS-C-36-2005/05	133,172
Women, Infants and Children	10.557	5SC700706 11	8,257,080
Women, Infants and Children	10.557	5SC700706 13	44,635
Women, Infants and Children	10.557	5SC700706 4	79,117
Women, Infants and Children	10.557	5SC700706 5	126,903
Women, Infants and Children	10.557	5SC700706 7	18,264,881
Women, Infants and Children	10.557	5SC700715 5	52,968,343

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Women, Infants and Children	10.557	5SC700715 8	11,980,436
Women, Infants and Children	10.557	5SC700749 1	913
Commodity Assistance Program	10.572	5SC810706 1	3,047
Commodity Assistance Program	10.572	5SC810706 2	109,755
The Marine Debris and Abandoned Vessel Removal Project, Phase III	11.419	NA05NOS4191178 Amendment 3	67,250
Fiscal Year 2007 Coastal Zone Management Award for the State of South Carolina	11.419	NA07NOS4190070 Amendment 5	97,547
Fiscal Year 2008 Coastal Zone Management Award for the State of South Carolina	11.419	NA08NOS4190423 Amendment 3	546,583
Fiscal Year 2009 Coastal Zone Management Grant for the State of South Carolina	11.419	NA09NOS4190092	1,445,315
Guidance for South Carolina on Near-Term Coastal Adaptation Priorities	11.431	NA09OAR4310158	33,595
Marine Debris and Abandoned Vessels: Identification, Reduction and Prevention through Community-Based Education and Action	11.463	NA09NMF4630059	13,481
Defense Environmental Restoration Program	12.113	W912DY-08-2-0145 (SC 08-1) Modification 015	1,132,495
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2010	14.241	SCH010-F999	119,446
Housing Opportunities for Persons with AIDS (HOPWA) 2006 Formula Grant Agreement	14.241	SCH06-F999	0
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2008	14.241	SCH-08-F999	554,887
Housing Opportunities for Persons with AIDS Performance Grant Agreement for Fiscal Year 2009	14.241	SCH-09-F999	1,090,845
Establishment of a Multi-agency Structures Stewardship Program	15.808	G09AC00456	1,447
OVW Fiscal Year 2009 Sexual Assault Services Formula Grant Program	16.017	2009-KF-AX-0047	227,393
South Carolina Prescription Monitoring Program	16.580	2004-PM-BX-0025 006	100,120
Particulate Matter PM2.5 Monitoring	66.034	PM-96497208-3	467,312
National Air Toxics Trends Site (NATTS)	66.034	XA-95404008-0	99,004
State Clean Diesel Grant Program (B) - ARRA	66.040	2D-95421909-0	694,587
State Clean Diesel Grant Program	66.040	DS-95409808-1	126,562
South Carolina: Training - Revitalize Environmental Justice Communities	66.312	AJ-83436501-0	11,416
Water Pollution Control State and Interstate Program Support	66.419	I-95448509-0	10,239
Water Pollution Control State and Interstate Program Support	66.419	I-96470107-1	138,972
EPA/State Joint Conference: Radionuclides: Rock Core and Analysis	66.424	X6 96405004-3	0
Water Quality Management Planning - ARRA	66.454	2P-95424209-0	93,650
Water Quality Management Planning	66.454	C6-00476109-0	95,930
Water Quality Management Planning	66.454	C6-00476110-1	1,922
Capitalization Grants for State Revolving Fund	66.458	CS-45000108-0	512,224
Water Quality Management Nonpoint Source Program	66.460	C9-99462903-2	320,277
Water Quality Management Nonpoint Source Program	66.460	C9-99462904-0	0
Water Nonpoint Source Implementation - South Carolina	66.460	C9-99462905-1	468,826
Nonpoint Source Implementation Grant	66.460	C9-99462906-0	385,491
Nonpoint Source Program	66.460	C9-99462907-1	180,201
Nonpoint Source Implementation	66.460	C9-99462908-0	534,144
Nonpoint Source Implementation Program	66.460	C9-99462909-0	1,265,199
Regional Wetlands Program Development Grant	66.461	CD-96458907-0	220,451
Safe Drinking Water State Revolving Fund - ARRA	66.468	2F-95426409-0	263,016
Safe Drinking Water State Revolving Fund	66.468	FS-98431204-1	164,820

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Drinking Water State Revolving Fund Capitalization Grant	66.468	FS-98431205-1	131,602
Safe Drinking Water State Revolving Fund	66.468	FS-98431206-0	83,060
Safe Drinking Water State Revolving Fund	66.468	FS-98431207-0	231,751
Safe Drinking Water State Revolving Fund	66.468	FS-98431208-1	136,328
Safe Drinking Water State Revolving Fund	66.468	FS-98431209-0	442,873
State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	66.471	CT-97480703-2	0
Beach Monitoring and Notification Program Development Grants	66.472	CU-95437309-1	137,303
Beach Monitoring and Notification Program Development Grants	66.472	CU-97441602-8	132,749
Water Protection Coordination Grants to the States	66.474	WP-97459902-7	79,256
Performance Partnership Grants	66.605	BG-98417509-5	7,355,881
Fiscal Year 2007 Exchange Network - South Carolina Department of Health and Environmental Control	66.608	OS-83349101-1	52,587
Fiscal Year 2008 Exchange Network - South Carolina Department of Health and Environmental Control	66.608	OS-83403601-0	244,684
Source Reduction Assistance Program	66.717	X9-95449509-0	33,574
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	66.802	V-95446310-2	291,370
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	66.802	V-95447310-2	139,594
Superfund State Political Subdivision and Indian Tribe Site Specific Grants	66.802	V-96482408-2	97,216
Superfund State Political Subdivision and Indian Tribe Site Specific Cooperative Agreements	66.802	V-96484508-1	45,391
State and Underground Storage Tanks Program	66.804	L-95411908-2	720,190
Leaking Underground Storage Tank Trust Fund Program - ARRA	66.805	2L-95424409-1	901,179
Leaking Underground Storage Tank Trust Fund Program	66.805	LS-96443306-7	1,122,535
Superfund State and Indian Tribe Core Program	66.809	VC-95447409-1	365,571
Superfund State and Indian Tribe Core Program	66.809	VC-96484408-1	110,675
State and Tribal Response Program	66.817	RP-95406008-0	821,260
Brownsfields Assessment and Cleanup Cooperative Agreements	66.818	BF-95407208-0	2,675
Brownsfields Assessment and Cleanup Cooperative Agreements	66.818	BF-96429905-2	47,267
Incremental Funding for REM Grant	81.104	DE-FG09-08SR22641 Modification No 006	839,664
Incremental Funding for REM Grant A008	81.104	DE-FG09-08SR22641 Modification No 011	2,591,739
South Carolina Technical Radiological Transportation and Emergency Response Project in Support of DOE Foreign Spent Nuclear Fuel (FSNF) transportation to DOE-SRS	81.104	DE-FG09-08SR22642	19,569
South Carolina Technical Radiological Transportation and Emergency Response Project in Support of Department Of Energy Foreign Spent Nuclear Fuel (FSNF) Transportation to Department Of Energy-SRS	81.104	DE-FG09-08SR22642 A000	55,712
Special Education - Grants for Infants and Families with Disabilities	84.181	H181A070036	31,561
Special Education - Grants for Infants and Families with Disabilities	84.181	H181A080036	1,527,253
Special Education - Grants for Infants and Families with Disabilities	84.181	H181A090036	1,761,210
Special Education - Grants for Infants and Families "Recovery Funds" - ARRA	84.393	H393A090036A	936,748
2007 OMH State Partnership Grant Program	93.006	5 STTMP051027-04-00	19,756
2009 OMH State Partnership Grant Program	93.006	5 STTMP051027-05-00	88,717
South Carolina: Implementation of Evidence-Based Intervention Programs Statewide	93.048	90AM3118/04; EBD1004	15,644
South Carolina Public Health Emergency Preparedness	93.069	1H75TP000333-01 REVISED	9,365,698

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Public Health Preparedness and Response for Bioterrorism	93.069	5U90TP416976-08 Revised	24,026
Public Health Preparedness and Response for Bioterrorism	93.069	5U90TP416976-09 Revised	2,467,097
Public Health Preparedness and Response for Bioterrorism	93.069	5U90TP416976-10 REVISED	8,437,549
South Carolina ESAR-VHP Program	93.089	1 U3REP090444-01-00	27,650
Innovative Food Defense Projects	93.103	1U13FD003615-01 REVISED	9,282
Strengthening Our Title V Information Infrastructure	93.110	5 H18MC00045-17-00	37,935
Community-Based Integrated Service Systems (Local/State)	93.110	5 H25MC06113-05-00	9,188
Strengthening Our Title V Information Infrastructure	93.110	6 H18MC00045-16-01	51,694
Community-Based Integrated Service Systems (Local/State)	93.110	6 H25MC06113-03-02	0
Community-Based Integrated Service Systems (Local/State)	93.110	6 H25MC06113-04-02	93,676
Tuberculosis Elimination and Laboratory Cooperative Agreements	93.116	2U52PS400492-28 REVISED	610,029
Tuberculosis Control Program and AIDS	93.116	5U52PS400492-27 REVISED	650,334
Emergency Medical Services for Children Partnership Grants	93.127	2 H33MC06719-04-00	84,699
Emergency Medical Services for Children Partnership Grants	93.127	6 H33MC06719-03-02	0
Emergency Medical Services for Children Partnership Grants	93.127	6 H33MC06719-05-01	39,238
State Primary Care Offices	93.130	1 U68HP11460-01-00	140,202
State Primary Care Offices	93.130	5 U68HP11460-02-00	39,732
Programs for the Prevention of Fire-Related Injuries	93.136	5H28CE000850-03 REVISED	36,837
Programs for the Prevention of Fire-Related Injuries	93.136	5H28CE000850-04	88,826
South Carolina Violent Death Reporting System (SCVDRS)	93.136	5U17CE001314-02	51,897
South Carolina Violent Death Reporting System (SCVDRS)	93.136	5U17CE001314-03 REVISED	143,945
Public Health Injury Surveillance and Prevention Program	93.136	5U17CE424805-04 REVISED	48,596
Public Health Injury Surveillance and Prevention Program	93.136	5U17CE424805-05 REVISED	237,531
Sexual Violence Prevention and Education	93.136	5VF1CE001108-03 REVISED	186,657
Sexual Violence Prevention and Education	93.136	5VF1CE001108-04 REVISED	332,769
Ryan White Title IV Program	93.153	5 H12HA00027-16-00	79,169
Ryan White Title IV Program	93.153	6 H12HA00027-17-03	513,385
Title X, Family Planning Services Project	93.217	6 FPHPA040443-38-04	179,282
Title X, Family Planning Services Project	93.217	6 FPHPA040443-39-02	6,662,888
Abstinence Education Grant Program	93.235	G-0801SCAEGP	0
Abstinence Education Grant Program	93.235	G-0901SCAEGP	47
Universal Newborn Hearing Screening	93.251	2 H61MC00040-08-00	87,899
Universal Newborn Hearing Screening	93.251	5 H61MC00040-09-00	109,425
Immunization and Vaccines for Children Grants	93.268	5H23IP422544-07 REVISED	2,848,216
Immunization and Vaccines for Children Grants	93.268	5H23IP422544-08 REVISED	1,783,399
South Carolina Environmental Public Health Tracking Program	93.283	1U38EH000628-01 REVISED	592,010
South Carolina Wisewoman	93.283	1U58DP001436-01 REVISED	35,197
State Public Health Approaches to Arthritis	93.283	1U58DP001466-01 REVISED	125,447
Physical Activity and Obesity Program	93.283	1U58DP001482-01	1,215
Chronic Disease Prevention and Health Promotion Program Component 4 - State Based	93.283	1U58DP001581-01	48,316
South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control Program	93.283	1U58DP001989-01	1,783,031
Re-Design and Enhancements to South Carolina Early Hearing Detection and Intervention Program Data Collection and Surveillance Systems	93.283	1UR3DD000420-01	12,036
Epidemiology and Laboratory Capacity for Infectious Diseases	93.283	3U50CI000491-03S3	221,005
South Carolina Division of Tobacco Prevention and Control, Diabetes, Prevention and Control Program	93.283	3U58DP001989-01S1	97,530

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.283	5U50CI000491 REVISED	403,646
State Public Health Department Comprehensive Heart Disease and Stroke Prevention Program	93.283	5U50DP000735-02 REVISED	884
State Public Health Department Comprehensive Heart Disease and Stroke Prevention Program	93.283	5U50DP000735-03	1,076,551
Adult Viral Hepatitis Prevention Coordinator	93.283	5U51PS000910-02 REVISED	76,543
PS08-801, Adult Viral Hepatitis Prevention Program	93.283	5U51PS000910-03	50,754
National Cancer Prevention and Control Program	93.283	5U58DP000770-02	149,824
National Cancer Prevention and Control Program	93.283	5U58DP000770-03 REVISED	4,239,976
South Carolina Wisewoman	93.283	5U58DP001436-02	489,151
State Public Health Approaches to Arthritis	93.283	5U58DP001466-02 REVISED	432,928
Physical Activity and Obesity Program	93.283	5U58DP001482-02 REVISED	761,207
Chronic Disease Prevention and Health Promotion Program Component 4 - State Based	93.283	5U58DP001581-02 REVISED	327,173
South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control Program	93.283	5U58DP001989-02 REVISED	512,476
Re-Design and Enhancements to South Carolina Early Hearing Detection and Intervention Program Data Collection and Surveillance Systems	93.283	5UR3DD000420-02 REVISED	71,814
State Primary Care Offices - ARRA	93.414	1 U6AHP16554-01-00	21,965
317 Immunization and Vaccines for Children Grants - ARRA	93.712	3H23IP422544-07S1	42,580
317 Immunization and Vaccines for Children Grants - ARRA	93.712	3H23IP422544-07S2	90,280
ELC ARRA 317 - MCV - ARRA	93.712	3U50CI000491-03S2	14,741
Epidemiology and Laboratory Capacity for Infectious Diseases - HAI - ARRA	93.717	3U50CI000491-03S1 REVISED	59,426
Healthcare Associated Infection (ASC-HAI) Initiative - ARRA	93.720	05-1005-SC-5ASC	7,491
901ARRA Comp I - South Carolina Division of Tobacco Prevention and Control, Diabetes Prevention and Control PR - ARRA	93.723	3U58DP001989-01S2	125
Category B: Communities Putting Prevention To Work - ARRA	93.724	1U58DP002600-01	185,314
Survey and Certification Services	93.777	05-0905-SC-5000	584,389
South Carolina CLIA	93.777	05-0905-SC-5002	42,318
Survey and Certification Services	93.777	05-1005-SC-5000	1,806,196
South Carolina CLIA	93.777	05-1005-SC-5002	133,275
Fiscal Year 2009 Announcement of Availability of Funds for the Hospital Preparedness Program (HPP)	93.889	1 U3REP090255-01-00	4,218,667
South Carolina Pandemic Influenza Healthcare Preparedness Improvement for States	93.889	4 U3REP090196-01-00	629,547
Hospital Preparedness Program	93.889	6 U3REP070053-01-03	1,112,870
Hospital Preparedness Program	93.889	6 U3REP080120-01-03	2,713,634
Bioterrorism - Hospital Preparedness Program	93.889	6 U3RHS007569-01-03	486,357
Ryan White Part B Supplemental	93.917	1 X08HA16860-01-00	554,279
Minority AIDS Initiative Programs for Part B Grantees	93.917	5 G24HA08409-03-00	149,144
Minority AIDS Initiative Programs for Part B Grantees	93.917	6 G24HA08409-02-01	54,416
Ryan White Care Act Title II	93.917	6 X07HA00038-16-04	0
Ryan White Care Act Title II	93.917	6 X07HA00038-19-01	25,635,207
Ryan White Care Act Title II	93.917	6 X07HA00038-20-01	3,910,369
Closing the Health Gap on Infant Mortality: African American - Focused Risk Reduction	93.926	4 U19MC03179-03-06	99,531
HIV Prevention Projects	93.940	2U62PS423484-06 REVISED	1,870,850
PS04-012, HIV Prevention Projects	93.940	3U62PS423484-05S1 REVISED	3,145,050
Expanded and Integrated Human Immunodeficiency Virus (HIV) Testing for Populations	93.940	5U62PS000774-02 REVISED	952,528

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
PS07-768, Expanded and Integrated Human Immunodeficiency Virus (HIV) Testing for Populations Disproportionately	93.940	5U62PS000774-03 REVISED	652,820
Enhanced HIV/AIDS Surveillance for Perinatal Prevention	93.941	1U62PS001428-01	54,760
HIV/AIDS Surveillance	93.941	5U62PS001007-02 REVISED	531,514
HIV/AIDS Surveillance	93.941	5U62PS001007-03 REVISED	444,220
Enhanced HIV/AIDS Surveillance for Perinatal Prevention	93.941	5U62PS001428-02	55,613
Morbidity and Risk Behavior Surveillance	93.944	3U62PS424457-04S1 REVISED	552
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	93.946	3UR6DP000502-04W1	129,505
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	93.946	5UR6DP000502-03 REVISED	0
South Carolina Pregnancy Risk Assessment Monitoring System (PRAMS)	93.946	5UR6DP000502-05 REVISED	23,319
PS09-902 Comprehensive STD Prevention Systems (CSPS)	93.977	1H25PS001399-01 REVISED	920,878
PS09-902 Comprehensive STD Prevention Systems (CSPS)	93.977	5H25PS001399-02	420,844
Preventive Health Services	93.991	2B01DP009049-10W1	717,167
Preventive Health Services	93.991	3B01DP009049-08W1	104,334
Preventive Health Services	93.991	3B01DP009049-09W1	354,356
Maternal and Child Health Services	93.994	6 B04MC08924-01-06	52,690
Maternal and Child Health Services	93.994	6 B04MC11155-01-02	3,527,879
Maternal and Child Health Services	93.994	6 B04MC17051-01-03	7,122,509
HHS Letter of Credit - P Accounts	NONE	None	0
HHS Letter of Credit - G Accounts	NONE	None	0
FEMA Hurricanes	97.036	None	2,823
Fiscal Year 2009 National Dam Safety Program	97.041	2009-RC-55-0004	124,978
National Dam Safety Program	97.041	EMW-2008-GR-0672	17,775
State Homeland Security Grant Program	97.067	2007-GE-T7-0045; 7SHSP32	0
State Homeland Security Grant Program	97.067	2008-GE-T8-0049; 8SHSP18 Adj 4 8SHSP18	53,000
Total Direct Assistance			**235,952,968**
To Support the Transportation of Transuranic Waste from the Transportation Corridors to the Waste Isolation Pilot Plant in Carlsbad, New Mexico	81.106	DE-FC04-93AL82966;SSEB-WIPP-WC-DHEC-0203-21	140,724
Elementary and Secondary School Counseling Demonstration Program	84.215	Q215E090014 R3-0-830	35,830
Elementary and Secondary School Counseling Demonstration Program	84.215	Q215E090014 R3-9-914	101,030
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 0149 R2-8-939	2,618
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 0558	2,456
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1125	4,100
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1137 R3-8-902	1,030
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1142	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1151	4,311
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1174 R6-8-909	6,632
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-02; MRC 08 1191 R5-8-994	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03 R1-9-756	0

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 0149 R2-9-770	2,026
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 0558 R7-9-757	1,200
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 1125	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 1137 R3-9-768	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 1142	0
Support and Capacity Building for an Expansion of the Medical Reserve Corps and a Demonstration of the Public Health Services Auxiliary	93.008	1 MRCSG061001-03; MRC 09 1191 R5-9-774	3,872
The South Carolina Disability and Health Project	93.184	U59 DD00268-03; USC No 10-1714 HS-0-586	3,500
Southeastern African American Diabetes, Hypertension, and Stroke	93.283	1U58DP001015-02; MUSC07-059 Amendment #2	1,500
Advanced Practice Centers Program: Promoting Public Health Preparedness through Local Innovation	93.283	5H75TP000309-02; 2009-100108 R7-0-664	233,009
Sustaining Local Tobacco Control Program	93.283	5U38HM000449-02; 2009-102005	3,000
Southeastern African American Diabetes, Hypertension and Stroke; Racial and Ethnic Approach to Community Health (REACH) US Center of Excellence for Eliminating Disparities (SEA-CEED)	93.283	5U58DP001015-03; MUSC07-059 Amendment #4	43,517
The Evidenced Based Home Visitation Initiative to Prevent Child Maltreatment	93.670	90CA1765; MC-0-362	20,946
HIV Testing and Counseling in STD Clinics: an Adaptation of CTN 0032 - ARRA	93.701	1RC2DA028973-01 REVISED; MUSC09-147	2,745
North Carolina Heart Disease and Stroke Prevention Program	93.928	5U50DP00722-02; 02533-09 HS-9-771	0
Cancer Information Service	NONE	HHSN26120051105C; N01-CO-51105 Amendment 006 HS-	32,532
Total Passed Through Entities Not Included in Reporting Entity			**646,578**
Team Nutrition Grant "Healthy Parents, Healthy Kids"	10.574	CNTN-07-SC HS-9-137	12,417
Healthy Parents, Healthy Kids	10.574	CNTN-07-SC R3-8-864	4,240
Healthy Habits for a Lifetime	10.574	CNTN-09-SC R3-0-618	12,741
Buckle Up Safely South Carolina	20.600	2H09034	30,838
Giving Safety a Boost in South Carolina	20.600	2H10034	99,102
Clean School Bus USA	66.036	SB-96493708-0 EQ-9-809	21,141
Recovery Act - State Energy Program - ARRA	81.041	DE-EE01000158; S09-0146	58,187
Empowering Older People to Take More control of Their Health Through Evidence-Based Prevention Programs	93.048	HHS-2006-AOA-BP-0611; EBD0904	0
Expanding Existing Surveillance Systems to Include Pfiesteria, Other Harmful Algal Blooms, and Marine Toxins	93.283	1U38EH000343-01; CH04	10,262
Expanding Existing Surveillance Systems to Include Pfiesteria, Other Harmful Algal Blooms, and Marine Toxins	93.283	5U38EH000343-02; CH10	14,710
Utilizing HABISS to Document, Analyze and Interpret the Impacts of Harmful Algal Blooms	93.283	5U38EH000343-02; CH11 R7-0-693	9,282
Expansion of CDSMP in South Carolina - ARRA	93.725	90RA0044/01; ARAEB01	960
Survey and Certification Services	93.777	A 6 1208 A A 6 1208 A	0
Survey and Certification Services	93.777	A 8 1208 A	0
Survey and Certification Services	93.777	A 9 1208 A	541,832
Survey and Certification Services	93.777	Pending F260 F660 G140	1,430,779

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DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04), CONTINUED			
Improving the Health and Educational Outcomes of Young People in South Carolina	93.938	5U87DP001244-02; 09FR550-01	64,603
Improving the Health and Educational Outcomes of Young People in South Carolina	93.938	5U87DP001244-03; 0FR550-01	32,940
HIV/AIDS Early Intervention Services Grant	93.959	2B08T1010048-08; DHEC-HIV-9 HS-9-401	0
HIV/AIDS Early Intervention Services Grant	93.959	2B08T1010048-09; DHEC-HIV-0 HS-0-554	375,109
Total Passed Through State Agencies Included in Reporting Entity			**2,719,143**
Total Department of Health and Environmental Control			**239,318,689**
DEPARTMENT OF MENTAL HEALTH (J12)			
Shelter Plus Care	14.238	SC-0009-C-4E-01-08-01	110,470
Shelter Plus Care	14.238	SC-0024-C-4E-02-08-01	322,104
Shelter Plus Care	14.238	SC16C302001	150,721
Shelter Plus Care	14.238	SC16C501015	0
Shelter Plus Care	14.238	SC16C502001	132,587
Shelter Plus Care	14.238	SC16C601015	0
Shelter Plus Care	14.238	SC16C602001	42,778
Shelter Plus Care	14.238	SC16C701015	0
Shelter Plus Care	14.238	SC16C701016	0
Shelter Plus Care	14.238	SC16C702009	27,225
Shelter Plus Care	14.238	SC16C802001	76,446
Program Support Grant from NCA	16.543	435-COLU-SC-PS09	7,398
South Carolina State Veterans Home in Anderson, South Carolina	64.005	FAI-45-005	357,500
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	93.104	5 U79 SM56056-04	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	93.104	5U79SM056056-05	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	93.104	5U79SM056056-06	692,206
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	93.104	6 U79 SM56056-02-1	0
YouthNet - A Comprehensive Child Mental Health Program in York, Lancaster, and Chester Counties	93.104	6 U79 SM56056-03-2	0
Projects for Assistance in Transition from Homelessness (PATH)	93.150	2X06SM060041-07	17,722
Projects for Assistance in Transition from Homelessness (PATH)	93.150	2X06SM060041-08	50,151
Projects for Assistance in Transition from Homelessness (PATH)	93.150	2X06SM060041-09	364,945
A Community-Based Partnership for Mental	93.230	6 H79 SM53365-02-1	0
South Carolina Data Infrastructure Grant for Quality Improvement	93.243	3HR1SM058122-03S1	16,551
All Hazards Unified Statewide Response to Behavioral	93.243	4 H79 SM55244-02-2	0
Statewide Strategy for Offering the Evidence-Based Mul*	93.243	4 H79 SM55803-02-3	0
State Mental Health Data Infrastructure Grant for Quality Improvement	93.243	4 HR1 SM56657-03-5	0
South Carolina Data Infrastructure Grant for Quality Improvement	93.243	5HR1SM058122-02	118,773
Child and Adolescent SIG	93.243	5HS5SM056547-04	0
Child and Adolescent SIG	93.243	5HS5SM056547-05	737,781
Child and Adolescent SIG	93.243	6 HS5 SM56547-03-1	0
Stage II Research on Outpatient Treatment for Adolescents with Comorbidity	93.279	1R01DA025616-01A1	24,744

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DEPARTMENT OF MENTAL HEALTH (J12), CONTINUED			
Community Mental Health Services Block Grant	93.958	02 B1 SC CMHS-04	0
Community Mental Health Services Block Grant	93.958	03B1SCCMHS-02	0
Community Mental Health Services Block Grant	93.958	04B1SCCMHS-02	0
Community Mental Health Services Block Grant	93.958	05B1SCCMHS-03	0
Community Mental Health Services Block Grant	93.958	06B1SCCMHS-04	0
Community Mental Health Services Block Grant	93.958	3B09SM010048-07S3	0
Community Mental Health Services Block Grant	93.958	3B09SM010048-08S3	486,262
Community Mental Health Services Block Grant	93.958	3B09SM010048-09S1	2,703,735
Community Mental Health Services Block Grant	93.958	3B09SM010048-10S1	1,101,321
Total Direct Assistance			**7,541,420**
Clinical and Policy Implications of a Statewide Emergency Telepsychiatry Program	93.242	10-1738	30,000
CBT for PTSD Among Public-Sector Consumers	93.242	RM MH 065248	0
Co-Occurring State Incentive Grants	93.243	1KD1TI018389-01	0
Co-Occurring State Incentive Grants	93.243	5KD1TI018389-02	0
Co-Occurring State Incentive Grants	93.243	5KD1TI018389-03	494,008
Co-Occurring State Incentive Grants	93.243	5KD1TI018389-04	488,392
South Carolina Consortium of the Clinical Trials Network	93.279	MUSC 08-114	118,223
Total Passed Through Entities Not Included in Reporting Entity			**1,130,623**
Project Safe Passages at Lexington School District 2	16.523	1JS05008	0
Department of Juvenile Justice Detention Center Mental Health Liaison	16.523	1JS06008	0
Alternative Academy Retention Team	16.523	1JS06009	0
Department of Juvenile Justice Detention Center Mental Health Liaison	16.523	1JS06010	5,727
Alternative Academy Retention Team	16.523	1JS06011/1JI06001	6,800
Department of Juvenile Justice Detention Center Mental Health Liaison	16.523	1JS07005	59,220
Alternative Academy Retention Team	16.523	1JS08002	22,202
Contract between the South Carolina Department of Mental Health (DMH) and the South Carolina Department of Juvenile Justice	16.523	None	0
Project FOCUS - Aiken Barnwell Mental Health Center	16.541	08FC502-01	3
Equipment for Statewide Officers - ARRA	16.803	1GS09176	156,000
South Carolina Energy Office SEP - ARRA	81.041	S09-0045	86,834
Contract between the South Carolina Department of Social Services and South Carolina Department of Mental Health	93.556	C 70216 O-5	0
Contract between South Carolina Department of Social Services and South Carolina Department of Mental Health for the Purchase and Provision of Family Preservation Services	93.645	C 30192 O	0
Contract between South Carolina Department of Health and Human Services and South Carolina Department of Mental Health for the Provision of Home and Community-Based Waiver Services	93.789	None	64,048
Contract between South Carolina Department of Health and Environmental Control Office of Social Work by the Way of the Office the Public Health Preparedness and South Carolina Department of Mental Health	93.889	ER-08-004	17,534
Total Passed Through State Agencies Included in Reporting Entity			**418,368**
Total Department of Mental Health			**9,090,411**
DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS (J16)			
South Carolina TBI Implementation Grant	93.234	4H21 MC00050-02-02	0

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DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS (J16), CONTINUED			
Family Support Administration on Developmental Disabilities	93.631	90DF0052	0
Emergency Hospital Preparedness Program	93.889	ER-09-013	0
Total Direct Assistance			**0**
Food Donation	10.555	NONE	3,291
National School Lunch Program	10.555	NONE	49,280
Justice Assistance Grant	16.738	1GI08002	4,034
State Energy Program for Energy Efficiency and Renewable Energy Improvements	81.041	S09-0128	114,686
Individuals with Disabilities Education Improvement Act Part B	84.027	01-CA-503; 04-CA-503; 04-CR-503; 05-CA-503; 05-C	106,167
Individuals with Disabilities Education Improvement Act Preschool Grant	84.173	09-CG-503;10-CG-503	177,658
Total Passed Through State Agencies Included in Reporting Entity			**455,116**
Total Department of Disabilities and Special Needs			**455,116**
DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES (J20)			
OJJDP Fiscal Year 2008 Enforcing Underage Drinking Laws Block Grant Program	16.727	2008-AH-FX-0033	35,158
Palmetto Initiative for Campus/Community Collaborations (PICCC)	16.727	2008-AH-FX-0068	146,883
OJJDP Fiscal Year 2009 Enforcing Underage Drinking Laws Block Grant Program	16.727	2009-AH-FX-0063	326,465
Governors Grants	84.186	Q186B080043	27,672
Governors Grants	84.186	Q186B090043	752,472
Community Action for a Safer Tomorrow (CAST)	93.243	1U79SP015586	420,721
Adolescent Treatment Coordination in South Carolina	93.243	5H79TI017377	37,130
Strengthening Treatment Access and Retention	93.243	5UD1TI017614-03	176,654
Substance Abuse Prevention/Treatment Block Grant	93.959	2B08TI010048	1,100,851
Substance Abuse Prevention/Treatment Block Grant	93.959	3B08TI010048-09	18,748,478
Substance Abuse Prevention/Treatment Block Grant	93.959	3B08TI010048-10	1,198,615
Total Direct Assistance			**22,971,099**
South Carolina Alcohol Enforcement Teams ARRA	16.803	1GS09025	277,088
Building Local Law Enforcement Capacity to Address Underage Drinking and Impaired Driving in South Carolina	20.601	2H09038	16,340
Co-Occurring State Incentive Grants	93.243	J12014010909	39,228
Co-Occurring State Incentive Grants	93.243	J12FS08	38,911
No Wrong Door	93.243	J12FS28	135,365
Temporary Assistance for Needy Families	93.959	C10090I	900,479
Temporary Assistance for Needy Families	93.959	C90090I	383,674
Total Passed Through State Agencies Included in Reporting Entity			**1,791,085**
Total Department of Alcohol and Other Drug Abuse Services			**24,762,184**
DEPARTMENT OF PUBLIC SAFETY (K05)			
Fiscal Year 2005 Juvenile Accountability Block Grants Program	16.523	2005JBFX0002	185
Fiscal Year 2006 Juvenile Accountability Block Grants Program	16.523	2006JBFX0030	216,959
Fiscal Year 2007 Juvenile Accountability Block Grants Program	16.523	2007JBFX0045	212,187
Fiscal Year 2008 Juvenile Accountability Block Grants Program	16.523	2008JBFX0048	83,370
Fiscal Year 2009 Juvenile Accountability Block Grants Program	16.523	2009JBFX0072	6,140

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Fiscal Year 2006 Title II Part B Formula Grants Program	16.540	2006JFFX0044	64,057
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2007JFFX0033	240,262
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2008JFFX0048	233,144
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2009JFFX0034	76,039
Fiscal Year 2007 Title II Part B Formula Grants Program	16.548	2007JPFX0048	27,305
Fiscal Year 2008 Title II Part B Formula Grants Program	16.548	2008JPFX0038	38,786
Fiscal Year 2009 Title II Part B Formula Grants Program	16.548	2009JPFX0083	1,930
Fiscal Year 2007 State Justice Statistics Program for Statistical Analysis Centers	16.550	2007BJCXK017	22,077
Fiscal Year 2009 State Justice Statistics Program for Statistical Analysis Centers	16.550	2009BJCXK004	23,980
Fiscal Year 2006 Victims of Crime Act, Victims Assistance Grant Program	16.575	2006VAGX0021	213,572
Fiscal Year 2007 Victims of Crime Act, Victims Assistance Grant Program	16.575	2007VAGX0035	402,082
Fiscal Year 2008 Victims of Crime Act, Victims Assistance Grant Program	16.575	2008VAGX0011	568,518
Fiscal Year 2009 Victims of Crime Act, Victims Assistance Grant Program	16.575	2009VAGX0076	4,001,109
STOP Violence Against Women Formula Grants Program	16.588	2005WFAX0016	0
STOP Violence Against Women Formula Grants Program	16.588	2006WFAX0067	0
STOP Violence Against Women Formula Grants Program	16.588	2007WFAX0061	276,351
STOP Violence Against Women Formula Grants Program	16.588	2008WFAX0055	710,127
Violence Against Women Act Grant 2009 - ARRA	16.588	2009EFS60051	873,119
STOP Violence Against Women Formula Grants Program	16.588	2009WFAX0038	337,306
Fiscal Year 2006 Residential and Substance Abuse Treatment Formula Grant	16.593	2006RTBX0047	3,028
Fiscal Year 2007 Residential and Substance Abuse Treatment Formula Grant	16.593	2007RTBX0051	5,883
Bulletproof Vest Program	16.607	BVP GRANT PROGRAM	17,360
Project Safe Neighborhoods South Carolina	16.609	2007GPCX0026	67,417
Project Safe Neighborhoods South Carolina	16.609	2008GPCX0031	79,488
Project Safe Neighborhoods South Carolina	16.609	2009GPBX0006	50,601
Justice Research and Statistical Association Project	16.734	2007RUBXK003	2,293
Fiscal Year 2005 Edward J. Byrne Memorial Justice Assistance Grant Program	16.738	2005DJBX0030	185,966
Fiscal Year 2006 Edward J. Byrne Memorial Justice Assistance Grant Program	16.738	2006DJBX0061	400,886
Fiscal Year 2007 Edward J. Byrne Memorial Justice Assistance Grant Program	16.738	2007DJBX0070	494,484
Fiscal Year 2008 Edward J. Byrne Memorial Justice Assistance Grant Program	16.738	2008DJBX0020	521,710
Fiscal Year 2008 Edward J. Byrne Memorial Justice Assistance Grant Program	16.738	2008DJBX0746	34,085
Paul Coverdell Forensic Science Improvement Grants Program	16.742	2008CDBX0003	84,200
Paul Coverdell Forensic Science Improvement Grants Program	16.742	2009CDBX0046	45,390
Project Safe Neighborhoods South Carolina - Anti-Gang	16.744	2006PGBX0041	29,083
Project Safe Neighborhoods South Carolina - Anti-Gang	16.744	2007PGBX0011	115,445
State Victim Assistance Formula Grant Program - ARRA	16.801	2009SGB90099	228,995
Fiscal Year 2009 Recovery Act Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	2009SUB90024	10,499,152
Commercial Vehicle Information Systems and Networks Deployment 2001	20.218	MC0145555	12,683
Motor Carrier Safety Assistance Program - Basic Grant 2008	20.218	MC-08-45-1	0
Motor Carrier Safety Assistance Program - Basic Grant 2009	20.218	MC094510000000	2,172,438

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Motor Carrier Safety Assistance Program - New Entrant Grant 2009	20.218	MN094510000000	290,770
Commercial Vehicle Information Systems and Networks Deployment 2006	20.237	IT064501G00000	103,181
Commercial Vehicle Information Systems and Networks Deployment 2008	20.237	IT084501G00000	425,021
State and Community Highway Safety - 2009	20.600	2009NHTSA402	1,849,800
State and Community Highway Safety - 2010	20.600	2010NHTSA402	1,666,800
Fatality Accident Reporting System 1998	20.600	DTNH2207H00123	106,923
Fatality Accident Reporting System 1998	20.600	DTNH22-92-Y-07025	0
Alcohol Impaired Driving Countermeasures Incentive Grants - 2006	20.601	2006NHTSA410	100,177
Alcohol Impaired Driving Countermeasures Incentive Grants - 2007	20.601	2007NHTSA410	696,557
Alcohol Impaired Driving Countermeasures Incentive Grants - 2008	20.601	2008NHTSA410	2,267,648
Alcohol Impaired Driving Countermeasures Incentive Grants - 2009	20.601	2009NHTSA410	627,805
Occupant Protection Incentive Grants - 2008	20.602	2008NHTSA405	375,484
Safety Belt Performance Grants - 2006	20.609	2006NHTSA406	3,170,504
Safety Belt Performance Grants - 2009	20.609	2009NHTSA406	55,528
National Institute for Occupational Safety and Health Grant 2008	93.262	2122008M26768	3,667
Total Direct Assistance			**35,419,057**
Evaluating the Effectiveness of Sex Offender Registration and Notification	16.560	2006WGBX0002	637
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant	81.106	WIPP-SC-STPD-0405	59,435
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	15,000,000
Total Passed Through Entities Not Included in Reporting Entity			**15,060,072**
Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Program	NONE	None	5,387
State Energy Program - ARRA	81.041	S09-0043	0
South Carolina Department of Public Safety - State Transport Police Radiation Detection Systems	97.077	2006-DN-077-000001	136,824
Total Passed Through State Agencies Included in Reporting Entity			**142,211**
Total Department of Public Safety			**50,621,340**
DEPARTMENT OF SOCIAL SERVICES (L04)			
Supplemental Nutrition Assistance Program	10.551	NONE	1,070,026,720
2009 Supplemental Nutrition Assistance Program - ARRA	10.551	NONE	34,413,502
2010 Supplemental Nutrition Assistance Program - ARRA	10.551	NONE	111,109,601
2008 Child and Adult Care Food Program	10.558	5SC300329	0
2009 Child and Adult Care Food Program	10.558	5SC300329	5,422,759
2010 Child and Adult Care Food Program	10.558	5SC300329	22,635,291
2009 Summer Food Service Program for Children	10.559	5SC300329	5,270,395
2010 Summer Food Service Program for Children	10.559	5SC300329	267,036
2010 State Administrative Expense for Child Nutrition	10.560	5SC300912	577,340
State Administrative Expenses for Child Nutrition	10.560	5SC300912	0
2009 State Administrative Expense for Child Nutrition	10.560	5SC300912	110,198
2010 State Administrative Matching Grant for Supplemental Nutrition Assistance Program	10.561	5SC400407 & 5SC420417	18,135,791
2009 State Administrative Matching Grant for Supplemental Nutrition Assistance Program	10.561	5SC400407 & 5SC430417	1,514,980
2010 Supplemental Nutrition Assistance Program Recovery Act - SAE - ARRA	10.561	5SC440407	2,691,803

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DEPARTMENT OF SOCIAL SERVICES (L04), CONTINUED			
2009 Supplemental Nutrition Assistance Program Recovery Act - SAE - ARRA	10.561	5SC440407	2,297,799
2010 Commodity Supplemental Food Program	10.565	5SC810816	196,823
2009 Commodity Supplemental Food Program	10.565	5SC810816	49,870
Emergency Food Assistance Program (Administrative Costs)	10.568	5SC400816	175,523
Emergency Food Assistance Program (Administrative Costs)	10.568	5SC840816	978,423
2009 Emergency Food Assistance Program (Food Commodities) - ARRA	10.569	NONE	0
2010 Emergency Food Assistance Program (Food Commodities)	10.569	NONE	59,343
2009 Emergency Food Assistance Program (Food Commodities)	10.569	NONE	8,732,646
2010 Emergency Food Assistance Program (Food Commodities) - ARRA	10.569	NONE	506,041
2009 Senior Farmers Market Nutrition Program	10.576	5SC810816	87,337
2010 Senior Farmers Market Nutrition Program	10.576	5SC810816	627,705
2009 Promoting Safe and Stable Families	93.556	G-01SCFPSS	2,803,501
2010 Promoting Safe and Stable Families	93.556	G-01SCFPSS	5,851,933
Promoting Safe and Stable Families Caseworker Visitation	93.556	G-11SCFPCV	7,156
Temporary Assistance for Needy Families	93.558	G-0302SCTANF	0
Temporary Assistance for Needy Families	93.558	G-0802SCTANF	0
Temporary Assistance for Needy Families	93.558	G-0902SCTANF	25,003,685
Temporary Assistance for Needy Families	93.558	G-1002SCTANF	93,490,230
Child Support Enforcement	93.563	0804SC4004	0
Child Support Enforcement - ARRA	93.563	0904SC4002	0
Child Support Enforcement	93.563	0904SC4004	4,657,934
Child Support Enforcement - ARRA	93.563	1004SC4002	2,801,925
Child Support Enforcement	93.563	1004SC4002	28,183,289
Refugee and Entrant Assistance: State Administered Programs - Cash and Medical Assistance	93.566	10AASC4100	85,143
Refugee and Entrant Assistance: State Administered Programs - Social Services	93.566	G09AASC4110	88,022
Refugee and Entrant Assistance: State Administered Programs - Social Services	93.566	G10AASC4110	270,002
Child Care and Development Block Grant	93.575	G-0802SCCCDF	0
Child Care and Development Block Grant	93.575	G-0902SCCCDF	26,655,533
Child Care and Development Block Grant	93.575	G-1002SCCCDF	26,785,478
US Repatriation	93.579	NONE	27,413
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	93.596	G-0602SCCCDF	0
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	93.596	G-0802SCCCDF	0
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	93.596	G-0902SCCCDF	1,734,640
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	93.596	G-1002SCCCDF	20,534,686
Grants to States for Access and Visitation Programs	93.597	0901SCSAVP	58,044
Grants to States for Access and Visitation Programs	93.597	1001SCSAVP	99,035
Chafee Education & Training Vouchers Programs (ETV)	93.599	G-0801SCCETV	0
Chafee Education & Training Vouchers Programs (ETV)	93.599	G-0901SCCETV	216,434
Chafee Education & Training Vouchers Programs (ETV)	93.599	G-1001SCCETV	240,431
2009 Head Start	93.600	04CD002101	76,297
2010 Head Start	93.600	04CD002101	85,962

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DEPARTMENT OF SOCIAL SERVICES (L04), CONTINUED			
Adoption Incentive Payments	93.603	0901SCAIPP	2,691
Adoption Incentive Payments	93.603	1001SCAIPP	35,480
Family Connections Grant	93.605	90CF0017/01	157,411
Children's Justice Grants to States	93.643	G-09011SCCJA1	307,492
Children's Justice Grants to States	93.643	G-1001SCCJA1	0
Child Welfare Services: State Grants	93.645	G-0901SC1400	0
Child Welfare Services: State Grants	93.645	G-1001SC1400	5,148,605
Social Services Research and Demonstration (SCCCRE)	93.647	90PD0267/02	58,902
Social Services Research and Demonstration (SCCCRE)	93.647	90YE0103/02	42,525
Social Services Research and Demonstration (SCCCRE)	93.647	90YE0103/03	286,821
Foster Care: Title IV-E	93.658	0901SC1401	5,591,188
Foster Care: Title IV-E - ARRA	93.658	0901SC1402	314,453
Foster Care: Title IV-E	93.658	1001SC1401	28,732,497
Foster Care: Title IV-E - ARRA	93.658	1001SC1402	759,924
Adoption Assistance - ARRA	93.659	0901SC1403	175,000
Adoption Assistance	93.659	0901SC1407	1,723,523
Adoption Assistance - ARRA	93.659	1001SC1403	837,197
Adoption Assistance	93.659	1001SC1407	12,183,947
Social Services Block Grant	93.667	G-0802SCSOSR	0
Social Services Block Grant	93.667	G-0902SCSOSR	10,756,105
Social Services Block Grant	93.667	G-1002SCSOSR	15,333,646
Child Abuse and Neglect State Grants	93.669	G-0901SCCA01	212,750
Child Abuse and Neglect State Grants	93.669	G-1001SCCA01	222,041
Family Violence Prevention & Services/Grants for Battered Women's Shelters: Grants to States and Indian Tribes	93.671	G-0901SCFVPS	1,377,330
Family Violence Prevention & Services/Grants for Battered Women's Shelters: Grants to States and Indian Tribes	93.671	G-1001SCFVPS	361
Chafee Foster Care Independence Program	93.674	G-0901SC1420	467,743
Chafee Foster Care Independence Program	93.674	G-1001SC1420	1,048,044
Child Care and Development Fund - ARRA	93.713	G-0901SCCCD7	13,587,229
Emergency Contingency Fund for Temporary Assistance for Needy Families - ARRA	93.714	G-1001SCTANF2	10,505,864
Total Direct Assistance			**1,635,512,468**
Total Department of Social Services			**1,635,512,468**
JOHN DE LA HOWE SCHOOL (L12)			
National School Lunch Program	10.555	45065 13337 00	31,340
Energy Grant - ARRA	81.041	1QS09010	16,300
Title I Program for Neglected and Delinquent Children	84.013	08BE505	0
Title I Program for Neglected and Delinquent Children	84.013	09BE505	45,472
Special Education - Grants to States	84.027	09CA509	0
Improving Teacher Quality State Grants	84.367	09TG505	2,056
Total Passed Through State Agencies Included in Reporting Entity			**95,168**
Total John De La Howe School			**95,168**
COMMISSION FOR THE BLIND (L24)			
Basic Support	84.126	H126A060061	0

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COMMISSION FOR THE BLIND (L24), CONTINUED			
Basic Support	84.126	H126A070061	0
Basic Support	84.126	H126A080061	940,269
Basic Support	84.126	H126A090061	5,245,847
State Independent Living Services	84.169	H169A070060	0
State Independent Living Services	84.169	H169A080060	500
State Independent Living Services	84.169	H169A090060	6,670
Independent Living/Older Blind	84.177	H177B070040	0
Independent Living/Older Blind	84.177	H177B080040	0
Independent Living/Older Blind	84.177	H177B090040	490,796
Independent Living/Older Blind	84.177	H177B100040	204,781
Supported Employment State Grant	84.187	H187A060062	0
Supported Employment State Grant	84.187	H187A070062	0
Supported Employment State Grant	84.187	H187A080062	0
Supported Employment State Grant	84.187	H187A090062	10,638
State Vocational Rehabilitation Unit In-Service Training	84.265	H265A000030-09	966
State Vocational Rehabilitation Unit In-Service Training	84.265	H265A050087-06	0
State Vocational Rehabilitation Unit In-Service Training	84.265	H265A050087-07	0
State Vocational Rehabilitation Unit In-Service Training	84.265	H265A050087-08	2,894
Basic Support - ARRA	84.390	H390A090061	206,681
State Independent Living Services - ARRA	84.398	H398A090060	5,250
Independent Living/Older Blind - ARRA	84.399	H399A090040	2,405
Social Security Administration Disability Programs	96.001	NONE	0
Total Direct Assistance			**7,117,697**
Total Commission for the Blind			**7,117,697**
HUMAN AFFAIRS COMMISSION (L36)			
Fair Housing Assistance Program	14.401	FF204K054002	37,215
Fair Housing Assistance Program	14.401	FF204K074002	9,065
Fair Housing Assistance Program	14.401	FF204K084002	40,302
Fair Housing Assistance Program	14.401	FF204K094002	120,454
Total Direct Assistance			**207,036**
Total Human Affairs Commission			**207,036**
DEPARTMENT OF CORRECTIONS (N04)			
Serious and Violent Offender Reentry Initiative	16.202	2002-RE-CX-0037	0
Violent Offender Incarceration and Truth In Sentencing Incentive Formula Grant Program	16.586	96-CV-VX-0045	0
State Criminal Alien Assistance Program	16.606	1999-AP-VX-0208	0
State Criminal Alien Assistance Program	16.606	2004-AP-BX-0402	0
State Criminal Alien Assistance Program	16.606	2008-AP-BX-1029	350,770
State Criminal Alien Assistance Program	16.606	2009-AP-BX-0429	82,854
Developing and Enhancing Statewide Automated Victim Information and Notification (SAVIN)	16.740	2007-VN-CX-0002	527,881
Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Program	NONE	None	0
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	84.331	Q331A070042	89,213

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DEPARTMENT OF CORRECTIONS (N04), CONTINUED			
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	84.331	Q331A080042	287,176
Grants to States For WorkPlace And Community Transition Training For Incarcerated Youth Offenders	84.331	Q331A090042	199,144
Total Direct Assistance			**1,537,038**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	22,000,000
Total Passed Through Entities Not Included in Reporting Entity			**22,000,000**
National School Lunch Program	10.555	None	295,100
2009 School Food Equipment Assistance Formula Subgrant - ARRA	10.579	09SE509	13,326
Turbeville and Leath Addictions Treatment Unit (ATU)	16.593	1R09001	160,936
2009 Bulletproof Vest Program (BVP)	16.607	None	7,304
Live Scan Devices	16.738	1G07051	0
Special Investigations Unit Gang Intelligence Data/Officer Safety Awareness	16.744	1PG07008	9,980
South Carolina Department of Corrections Stimulus Energy Projects - ARRA	81.041	SCEO-01	0
Adult Education	84.002	08EC509	1,913
Adult Education	84.002	09EC509	5,644
Adult Education	84.002	10EC509	85,380
Title I Part A	84.010	10BA509	25,007
Title I - Neglected and Delinquent	84.013	08BE509	0
Title I - Neglected and Delinquent	84.013	09BE509	84,150
Title I - Neglected and Delinquent	84.013	10BE509	508,731
IDEA	84.027	09CA509	8,062
IDEA	84.027	10CA509-01	160,824
Career and Technology Education	84.048	08VA509	0
Career and Technology Education	84.048	09VA509	0
Career and Technology Education	84.048	10VA509	1,707
21st Century Community Learning Centers Grant	84.287	10CL509-01	138,419
21st Century Community Learning Centers Grant	84.287	10CL509-02	32,454
21st Century Community Learning Centers Grant	84.287	CL509-01	5,195
Title V Part A	84.298	08BB509	0
Title II Part A Improving Teacher Quality State Grants	84.367	08TQ0509	0
Title II Part A Improving Teacher Quality State Grants	84.367	09TQ0509	1,075
Title II Part A Improving Teacher Quality State Grants	84.367	10TQ0509	23,199
Title I Stimulus Funds - ARRA	84.389	09SA509	22,441
Implementation of Provisions Required Under the Individuals with Disabilities Education Act (IDEA) - ARRA	84.391	10SC509-01	801
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	S394A090052	320,974
Total Passed Through State Agencies Included in Reporting Entity			**1,912,622**
Total Department of Corrections			**25,449,660**
DEPARTMENT OF PROBATION, PAROLE, AND PARDON SERVICES (N08)			
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	1,896,619
Total Passed Through Entities Not Included in Reporting Entity			**1,896,619**
Remote Videoconferencing Project Expansion	16.575	1V05122	0
Remote Videoconferencing - Year 2	16.575	1V06093	0

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DEPARTMENT OF PROBATION, PAROLE, AND PARDON SERVICES (N08), CONTINUED			
Remote Videoconferencing - Year 4	16.575	1V06102	10,405
Remote Videoconferencing - Year 3	16.575	1V07290	0
Remote Videoconferencing Project Expansion	16.575	1V08084	340
Remote Videoconferencing - Year 4	16.575	None	14,035
Remote Videoconferencing Project Expansion	16.575	None	1,470
Enhancing Communication Skills Training	16.588	1K05040	0
Live Scan Continuation	16.738	1G07001	0
Field Radio Upgrade	16.738	1G07048	0
Live Scan Device - Year 2	16.738	None	37,710
Field Radio Upgrade	16.738	None	150,388
Ignition Interlock	20.601	2H09019	85,514
Total Passed Through State Agencies Included in Reporting Entity			**299,862**
Total Department of Probation, Parole, and Pardon Services			**2,196,481**
DEPARTMENT OF JUVENILE JUSTICE (N12)			
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	5,000,000
Total Passed Through Entities Not Included in Reporting Entity			**5,000,000**
School Breakfast Program	10.553	None	292,838
USDA Lunch	10.555	None	494,274
National School Lunch Program - Food Commodities	10.555	None	66,132
Detention Reform in the Pee Dee and Western Piedmont Regions	16.523	1JI07001	30,680
Detention Alternative through Electronic Monitoring	16.523	1JS07001	9,348
Detention Reform in the Pee Dee and Western Piedmont Regions	16.523	1JS07003	0
Detention Reform in the Pee Dee and Western Piedmont Regions	16.523	1JS07006	100,474
Department of Juvenile Justice and the Children's Law Center Detention Reform Initiative	16.540	1J08002	30,060
Department of Juvenile Justice and the Children's Law Center Detention Reform Initiative	16.540	1J09003	61,979
Department of Juvenile Justice Victim Services and Videoconferencing	16.540	1V06109	65,650
Department of Juvenile Justice Victim Services and Videoconferencing	16.540	1V08091	18,709
Victim Services: Gangs and Victimization Training	16.575	1V07315	12,525
Internet Victim Information System	16.575	1W09029	0
Juvenile Justice Management System Access to Local Law Enforcement ARRA	16.803	1GS09190	71,087
Workforce Investment Act (WIA) Juveniles Employment and Enrichment Program (JEEP)	17.259	8ARY006	26,218
South Carolina Department of Juvenile Justice Energy Reduction Projects ARRA	81.041	S09-0003	80,814
Title I - Neglected and Delinquent Children	84.013	09BE508	0
Title I Part A	84.013	10BA508	236,885
Title I - Neglected and Delinquent Children	84.013	10BE508	877,508
Individuals with Disabilities Education Act (IDEA)	84.027	09CA508	0
Individuals with Disabilities Education Act (IDEA)	84.027	10CA508	459,877
Career and Technology Education Funding Plan	84.048	09VA508	0
Career and Technology Education Funding Plan	84.048	10VA508	33,406
Safe and Drug-Free Schools and Communities	84.186	10FQ508	1,481
Twenty-First Century Community Learning Centers	84.287	09CL508-01	7,490

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DEPARTMENT OF JUVENILE JUSTICE (N12), CONTINUED			
Twenty-First Century Community Learning Centers	84.287	09CL508-02	22,764
Twenty-First Century Community Learning Centers	84.287	10CL508-01	75,136
Twenty-First Century Community Learning Centers TAD	84.287	10CL508-03	38,853
Title V Innovative Programs	84.298	09BB508	563
Improving Teacher Quality	84.367	09TQ508-01	0
Improving Teacher Quality	84.367	10TQ508-01	90,822
Title I Stimulus Funds - ARRA	84.389	09SA508	194,110
IDEA Stimulus ARRA	84.391	09SC508-01	175,150
IDEA Stimulus ARRA	84.391	10SC508-01	189,080
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	S394A090052	290,929
Total Passed Through State Agencies Included in Reporting Entity			**4,054,842**
Total Department of Juvenile Justice			**9,054,842**
CRIMINAL JUSTICE ACADEMY (N20)			
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	120,000
Total Passed Through Entities Not Included in Reporting Entity			**120,000**
2008 Bulletproof Vest Program	16.607	NONE	0
Advanced Training Field Kits	16.738	1GP08002	26,648
Mandated Training Support Equipment - ARRA	16.803	1GS09076	67,562
2009 Traffic Safety Officer Program	20.600	2H09014	113,145
2010 Traffic Safety Officer Program	20.600	2H10014	188,047
Impaired Driving Countermeasures Training for Law Enforcement	20.601	2H10011	41,923
State Energy Program - ARRA	81.129	S09-0022	43,768
2008 Terrorism/Weapons of Mass Destruction Tactical Response Training	97.067	8SHSP28	215,480
2009 Terrorism/Weapons of Mass Destruction Tactical Response Training	97.067	9SHSP26	15,000
Total Passed Through State Agencies Included in Reporting Entity			**711,573**
Total Criminal Justice Academy			**831,573**
FORESTRY COMMISSION (P12)			
Southern Annual Forest Inventory and Analysis	10.652	08-CA-11330145-035	250,224
Consolidated Payment Grant	10.664	05-DG-11083145-080	16,590
Consolidated Payment Grant	10.664	06-DG-11083145-003	78,922
Consolidated Payment Grant	10.664	07-DG-11083145-004	606,341
Volunteer Fire Assistance	10.664	08-DG-11083145-002	20,650
Consolidated Payment Grant	10.664	08-DG-11083145-004	666,045
Volunteer Fire Assistance	10.664	09-DG-11083145-002	221,864
Consolidated Payment Grant	10.664	09-DG-11083145-004	1,137,361
Forest Land Enhancement Program	10.677	05-DG-11083145-040	17,953
Conservation Reserve Program 36 Signups	10.678	09-DG-11083145-005	25,443
Conservation Reserve Program 32 and 35 Signups	10.678	10-DG-11083145-001	0
Forest Health Protection Southern Pine Beetle	10.680	07-DG-11083145-005	50,619
Chinese Privet Control	10.680	07-DG-11083145-006	13,488
Forest Health Protection Southern Pine Beetle	10.680	08-DG-11083145-003	862,596
Forest Health Protection Southern Pine Beetle	10.680	09-DG-11083145-001	306,289
Regional Longleaf Pine Restoration Initiative and Fuel Reduction - ARRA	10.688	09-DG-11084419-043	1,201,355

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FORESTRY COMMISSION (P12), CONTINUED			
Hemlock Wooly Adelgid Control to Protect Watersheds in South Carolina - ARRA	10.688	09-DG-11084419-051	80,002
Forest Health Enrichment Through Canopy Restoration and Hazard Mitigation - ARRA	10.688	10-DG-11084419-030	48,800
Total Direct Assistance			**5,604,542**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	500,000
Total Passed Through Entities Not Included in Reporting Entity			**500,000**
Equipment Replacement and Capability Enhancement - ARRA	16.803	1GS09193	57,700
Diesel Emission Reduction - ARRA	66.040	EQ-0-751	0
Implementation of South Carolina Forestry's BMP Program	66.460	EQ-0-460	179,476
Implementation of South Carolina Forestry's BMP Program	66.460	EQ-9-522	37,540
State Energy Program - ARRA	81.041	S09-0092	45,155
Type II Incident Management Team	97.067	6SHSP08	49,784
Type II Incident Management Team	97.067	7SHSP08	33,457
Type II Incident Management Team	97.067	8SHSP25	119,073
Type II Incident Management Team	97.067	9SHSP10	0
Total Passed Through State Agencies Included in Reporting Entity			**522,185**
Total Forestry Commission			**6,626,727**
DEPARTMENT OF AGRICULTURE (P16)			
2008 Aquaculture Grant Program - ARRA	10.086	USDA-FSA-ARRA-AGP-32	72,960
Market News Service	10.153	12-25-A-2929	6,138
Evaluating MarketMaker: Analyzing the Impact of an Electronic Food Marketing Network and its Capacity to Improve Efficient Market Access for Small to Midsized Farmers and Food Entrepreneurs	10.156	12-25-G-0679	60,145
How to Make the Best Use of Public Funds in Promoting Locally Grown Products: Assessment of the Potential Impact of a Promotion Campaign	10.156	12-25-G-0898	0
Federal - State Poultry Grading Service (State Trust Fund)	10.162	12-25-A-3315	1,347,499
Federal - State Inspection of Fresh Fruits, Vegetables and Other Products	10.162	12-25-A-3551	0
Meat Grading and Certification Service	10.162	12-25-A-4298	0
Federal - State Inspection of Fresh Fruits, Vegetables and Other Products	10.162	12-25-A-4812	832,103
National Organic Certification Cost-Share Program	10.163	12-25-A-4478	0
National Organic Certification Cost-Share Program	10.163	12-25-A-4968	4,867
South Carolina Department of Agriculture Specialty Crop Block Grant Program Activities	10.169	12-25-B-0656	17,763
South Carolina Department of Agriculture Specialty Crop Block Grant Program Activities	10.169	12-25-B-0862	107,593
South Carolina Department of Agriculture Branding and Promotional Campaign	10.169	12-25-G-0530	0
South Carolina Department of Agriculture Specialty Crop Block Grant Program-Farm Bill Activities	10.170	12-25-B-0814	39,238
South Carolina Department of Agriculture Specialty Crop Block Grant Program-Farm Bill Activities	10.170	12-25-B-0948	143,584
Federal - State Egg Products Inspection Service (State Trust Fund)	10.477	12-37-A-506	108,685
South Carolina Clean Sweep Pesticides Collection and Disposal Program	66.716	X8-96481307-0	0
South Carolina State Interagency Food Safety Council	93.103	FD-R-002635-01	11
Total Direct Assistance			**2,740,586**

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DEPARTMENT OF AGRICULTURE (P16), CONTINUED			
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	250,000
Total Passed Through Entities Not Included in Reporting Entity			**250,000**
Total Department of Agriculture			**2,990,586**
DEPARTMENT OF NATURAL RESOURCES (P24)			
Surveillance and Management of Chronic Wasting Disease	10.025	08-9645-0892 CA	9,605
Chronic Wasting Disease Program	10.025	09-9645-0277CA	45,000
Avian Influenza Surveillance Program	10.028	08-7100-0207-CA	0
Early Detection of Highly Pathogenic Avian Influenza in Wild Birds	10.028	09-7100-0207-CA	50,000
Organic Farming of Marine Shrimp: A Holistic Approach to Management of Feeds and Microbial Dynamics	10.307	2006-51300-03472	0
Forest Legacy Administration 2008	10.676	08-DG-11083145-005	10,772
Forest Legacy Program Belfast Phase I	10.676	08-DG-11083145-006	0
Forest Legacy Administration 2009	10.676	09-DG-11083145-003	2,747
Forest Legacy Administration 2010	10.676	10-DG-11083145-004	0
Forest Legacy Program Belfast Phase II	10.676	10-DG-11083145-005	0
NRCS Lidar Data Support	10.902	68-4639-7-7023	0
Challenge Cost-Share Agreement	NONE	09-CS-11081209-003	10,491
Investigations of Fisheries Parameters for Anadromous Fishes in South Carolina	11.405	NA04NMF4050201	37,135
Fishery Independent Assessment of Adult Red Drum & Coastal Sharks in South Carolina	11.407	NA06NMF4070049	4,954
Application for Federal Funds (Fiscal Year 2008) to Operate the Programs of the Ace Basin National Estuarine Research Reserve (NERR)	11.420	NA08NOS4200351	220,048
Application for Federal Funds to Operate the Programs of the Ace Basin National Estuarine Research Reserve (NERR)	11.420	NA09NOS4200136	330,001
Evaluation of Habitat Utilization, Recruitment Bottlenecks and Movement of Coastal Striped Bass Population(s) Using Cultured Animals and Genetic-Based Identification Tools	11.427	NA09NMF4270085	64,283
Genetic Evaluation of Population Bottlenecks in Gag (Mycteroperca Microlepis)	11.433	NA09NMF4330154	21,991
South Carolina National Marine Fisheries Service Cooperative Fishery Statistics Program	11.434	NA07NMF4340040	125,134
South Carolina National Marine Fisheries Service Southeast Area Monitoring and Assessment Program (SEAMAP) South Atlantic Shallow Water Trawl Survey	11.435	NA06NMF4350021	1,183,764
Marine Resources Monitoring, Assessment and Prediction Program (MARMAP) Conducting Fishery-Independent Surveys and Research off the Atlantic Coast of the Southeastern United States	11.454	NA06NMF4540093	934,390
Cooperative Fisheries Research in South Carolina	11.472	NA04NMF4720306	77,013
The Southeastern Regional Taxonomic Center	11.472	NA05NMF4721145	33,664
Inter-Basin Transfer, Migration and Habitat Use by Shortnose Sturgeon in the Santee River and Winyah Bay System	11.472	NA06NMF4720044	0
Shortnose Sturgeon Population Estimate and Ages	11.472	NA06NMF4720273	27,355
To Implement Portions of the Recovery Plan for United States Population of Loggerhead Turtle and for Other Species of Sea Turtles in South Carolina Waters	11.472	NA07NMF4720207	37,822
Relative Abundance, Distribution, and Health of Sea Turtles in Near-Shore Coastal Waters of the Southeastern United States	11.472	NA08NMF4720502	231,527
Contributions to the Biology of Red Drum (Sciaenops Ocellatus) in South Carolina: Continuation of Mark-Recapture Studies, Estimates of Subadult Abundance and Adult Abundance from Fishery Independent Studies	11.472	NA08NMF4720514	185,210

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DEPARTMENT OF NATURAL RESOURCES (P24), CONTINUED			
A Multi-Stage Survey Protocol for Shortnose Sturgeon	11.472	NA08NMF4720601	7,952
Facility Development for Sea Turtle Necropsy and Tissue Collection	11.472	NA09NMF4720041	19,631
Research and Management of Endangered Species in South Carolina: Shortnose Sturgeon Data Management	11.472	NA09NMF4720189	27,272
Cooperative Multi-State Management of the Northern Recovery Unit of the Loggerhead (Caretta caretta) Sea Turtle: Implementation of High Priority Recovery Actions	11.472	NA10NMF4720035	4,999
Atlantic Coastal Fisheries Cooperative Management Act Program in South Carolina	11.474	NA07NMF4740044	175,276
Continuation of Sampling for Hard Part/Aging from the Commercial Fishery for Snapper/Grouper Complex in South Carolina	11.474	NA07NMF4740063	0
Implementation of the ACCSP Commercial Module in South Carolina	11.474	NA17FG1234	1,809
Richard B. Russell Trout Stocking Mitigation	12.107	SCDNR-RBRTROUT99	75,961
Folly Beach Renourishment Project	NONE	SAC-0007	22,917
Clear Zone Habitat Conservation on South Carolina Airstrip	NONE	W912DY-07-2-0020	18,282
2007 Myrtle Beach Renourishment Project: Beach, Nearshore Reef and Borrow Site Monitoring	NONE	W912HN-06-2-002	78,896
Environmental Assessment of the Georgetown Dredge Material Deposit Site Expansion: Physical and Biological Characteristics of the Benthic	NONE	W912HN-06-2-002	90,670
South Carolina Region 2 Facilities Construction	15.605	F-103-D	200,497
Enterprise Landing, Intercoastal Waterway, Horry County	15.605	F-104-DB	0
Technical Guidance for Water Quality and Habitat Protection for Marine Finfish Resources	15.605	F-105-T-1	14,233
Technical Guidance for Water Quality and Habitat Protection for Marine Finfish Resources	15.605	F-105-T-2	147,426
Continuing the Assessment of Flounder Gigging in South Carolina	15.605	F-106-R	5,306
Characterization of the Mudminnow Fishery in South Carolina	15.605	F-107-R	0
Ricefield Cove Landing, Lumber River, Horry County	15.605	F-108-D	59,100
Butcher's Island Boat Ramp Renovation, Ward Creek, Beaufort County	15.605	F-109-B	23,750
Carroll Ashmore Campbell Marine Complex, Sampit River, Georgetown County	15.605	F-110-B	750,000
Highway 15 Landing, Lynches River, Lee County	15.605	F-111-B-1	0
Gunter's Lake Landing, Gunter's Lake, Horry County	15.605	F-112-B	24,994
Port Harrelson Dock Replacement, Bull Creek, Horry County	15.605	F-113-B	11,175
Highway 1/601 Courtesy Dock, Wateree River, Kershaw County	15.605	F-114-B	0
Demetre Park Pier and Dock, Charleston Harbor, City of Charleston	15.605	F-115-B	0
Reaves Ferry Landing Dock Addition, Waccamaw River, Horry County	15.605	F-116-B	0
Cane Creek Access Relocation, Fishing Creek Reservoir, Lancaster County	15.605	F-117-B	90,000
Highway 544 Fishing Piers, Atlantic Intercoastal Waterway, Horry County	15.605	F-118-B-1	0
Peterfield Landing Renovation Great Pee Dee River, Georgetown	15.605	F-119-B	0
Eddings Point Courtesy Dock Addition, Jenkins Creek, Beaufort County	15.605	F-120-B	0
Wimbee Boat Landing Courtesy Dock Addition, Wimbee Creek, Beaufort County	15.605	F-121-B	0
South Carolina Marine Recreational Fisheries Survey	15.605	F-29-22	22,535
South Carolina Marine Recreational Fisheries Survey	15.605	F-29-23	231,923
Marine Artificial Reef Development and Management	15.605	F-54-17	16,813
Marine Artificial Reef Development and Management	15.605	F-54-18	332,391
State Lakes Facilities and Boating Access Maintenance	15.605	F-59-16	960
State Lakes Facilities and Boating Access Maintenance	15.605	F-59-17	152,848
Fisheries Investigations in Lakes and Streams - Statewide	15.605	F-63-14	141,378

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DEPARTMENT OF NATURAL RESOURCES (P24), CONTINUED			
Fisheries Investigations in Lakes and Streams - Statewide	15.605	F-63-15	1,474,672
Aquatic Education Program	15.605	F-68-11	14,468
Aquatic Education Program	15.605	F-68-12	148,573
Walhalla Hatchery Operation and Maintenance	15.605	F-74-10	228,206
Walhalla Hatchery Operation and Maintenance	15.605	F-74-9	21,007
Marine Resources Division D-J Coordination Project	15.605	F-75-6	1,757
Marine Resources Division D-J Coordination Project	15.605	F-75-7	4,009
Cheraw Hatchery Operation and Maintenance	15.605	F-76-8	2,297
Cheraw Hatchery Operation and Maintenance	15.605	F-76-9	206,699
Assessment of Adult Red Drum in South Carolina Coastal Waters	15.605	F-77-5	0
Assessment of Adult Red Drum in South Carolina Coastal Waters	15.605	F-77-6	34,881
FERC Coordination	15.605	F-80-7	13,329
FERC Coordination	15.605	F-80-8	83,272
Dennis Center Hatchery Operation and Maintenance	15.605	F-83-7	15,179
Dennis Center Hatchery Operation and Maintenance	15.605	F-83-8	360,984
Utilization of Stocked Red Drum Larvae as a Tool to Evaluate Population Recruitment Bottlenecks	15.605	F-85-6	0
Utilization of Stocked Red Drum Larvae as a Tool to Evaluate Population Recruitment Bottlenecks	15.605	F-85-7	137,236
Freshwater Fisheries Centralized Data Base Development	15.605	F-89-T-4	4,624
Freshwater Fisheries Centralized Data Base Development	15.605	F-89-T-5	51,758
Fishery-Independent Monitoring of Juvenile Nursery Habitat of Key Recreational Fishery Species	15.605	F-95-R-2	0
Fishery-Independent Monitoring of Juvenile Nursery Habitat of Key Recreational Fishery Species	15.605	F-95-R-3	65,430
Creel Survey of Lake Russell, Lake Thurmond and the Russell Tailrace	15.608	401814G032	35,339
To Obtain Environmental Impact Assessment of the Offshore Borrow Area Used for Tybee Island Nourishment Project: Sediment and Biological Characteristics	15.608	401818J643	37,047
To Determine the Utilization of Newly Created Striped Bass Habitat in J. Strom Thurmond Lake-00	15.608	40181AG031	9,933
Conservation of Belfast Plantation	15.611	T-50-1-L	0
Hunter Education Program	15.611	W-1-34	206,674
Hunter Education Program	15.611	W-1-35	555,727
Southeastern Cooperative Wildlife Disease Study	15.611	W-29-53	11,250
Statewide Wildlife Management Technical Guidance, Research and Survey and Coordination	15.611	W-30-50	165,825
Statewide Wildlife Management Technical Guidance, Research and Survey and Coordination	15.611	W-30-51	2,264,200
Determining Population Abundance of Black Bears in Coastal South Carolina and Development of a Bear Management Plan	15.611	W-99-1-D	32,339
Provide GIS and Other Spatial Technology to Support Coastal Ecosystem Program	15.614	401813J031	0
South Carolina Endangered Species Program	15.615	E-1-30	7,554
South Carolina Endangered Species Program	15.615	E-1-31	53,221
South Carolina Endangered Species Program	15.615	E-1-32	74,100
Forty Acre Rock Heritage Preserve	15.615	E-7-RL	499,387
Clean Vessel Act Awareness - Outreach	15.616	V-16-DE-1	0
Clean Vessel Act Awareness Campaign - Inland Public Awareness Campaign	15.616	V-17-E0	20,719

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Clean Vessel Act Coastal	15.616	V-18-1	190,116
Clean Vessel Act Inland	15.616	V-19-1	29,990
Jocassee Gorges Education and Visitor Program Development	15.625	R-6-1	2,124
Classroom Addition and Firing Range Improvements	15.626	W-97-1	12,945
Take One Make One Program, Archery in the Schools, Scholastic Clay Target	15.626	W-98-E-3	80,998
Take One Make One Program and National Archery in Schools Program	15.626	W-98-E-4	11,931
Take One Make One Program and National Archery in Schools Program	15.626	W-98-E-5	103,891
To Restore Isolated Wetlands and Surrounding Uplands on the Williman Islands, Beaufort County, South Carolina	15.630	401818G553	14,981
Pilot Program to Increase Red Drum Fingerling Habitat Through a Community Based Restoration Program	15.630	401818J587	1,506
Restoring Nesting Habitat of the Threatened Loggerhead Sea Turtle (Caretta Caretta) on Edisto Island	15.630	401819J602	0
South Carolina RCW Safe Harbor Cost Share Program (LIP Tier 2)	15.633	I-2-1	107,916
South Carolina Landowner Incentive Program Tier 1 2007	15.633	I-5-1	39,160
Conservation of Migratory Landbirds in South Carolina	15.634	T-13-R-2	2,462
Development of Best Management Practices for Sustaining Wildlife in the Maritime Zone of South Carolina	15.634	T-14-T-1	6,017
Upland Habitat Improvements on Lewis Ocean Bay Heritage Preserve	15.634	T-16-R-1	5,190
Protection and Management of Seabird Colonies	15.634	T-17-R-1	14,663
Habitat Enhancement on North and South Williman Islands, Beaufort County, South Carolina	15.634	T-19-R-1	0
Controlling Access to Known and Potential Bat Roosts	15.634	T-23-R-1	1,630
Fish Passage on the Broad River: An Assessment of the Benefits to Freshwater Mussels	15.634	T-24-R-1	0
South Carolina Stream Conservation Implementation	15.634	T-25-R-1	45,492
South Carolina Reptile and Amphibian Implementation	15.634	T-26-R-1	63,888
Habitat Improvement for Grassland Birds	15.634	T-27-R-1	10,439
Coordination and Implementation of South Carolina's Comprehensive Wildlife Conservation Plan	15.634	T-29-0-1	243
Assessing Introgressive Hybridization Within and Habitat Requirements of Native South Carolina Redeye Bass (Micropterus Coosae)	15.634	T-31-R-1	35,117
Robust Redhorse (Moxostoma Robustum) Electrofishing and Radio Telemetry Tracking on the Great Pee Dee River, South Carolina	15.634	T-33-R-1	1,314
Community Based Habitat Restoration and Large-Scale Resource Enhancement through SCORE	15.634	T-34-HM-1	72,276
Identification of Diamond Terrapin Habitat in South Carolina	15.634	T-35-R-1	22,353
A GIS-Based Model to Guide Landscape-Scale Restoration at the Woodberry Tract and Hamilton Ridge Properties	15.634	T-36-HM-1	3,334
Carolina Herp Atlas	15.634	T-37-T-1	17,074
Mink Restoration and Monitoring Development Project	15.634	T-38-R-1	35,137
Prescribed Burning Crew for South Carolina Department of Natural Resources Lands	15.634	T-39-M-1	124,516
Conservation of Watershore and Seabirds in South Carolina	15.634	T-41-R-1	38,720
Use of GIS to Assess the Demographic Isolation of Red-cockaded Woodpecker Groups in South Carolina	15.634	T-42-R-1	17,919
Conservation of Migratory Landbirds in South Carolina	15.634	T-43-R-1	25,585
Least Tern Reproductive Success on Rooftops	15.634	T-44-R-1	7,992
American Shad Culture and Stocking in the Edisto River	15.634	T-45-R-1	103,477
Landscape Planning for Priority Wildlife Species on Agricultural Lands	15.634	T-46-T-1	41,517

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DEPARTMENT OF NATURAL RESOURCES (P24), CONTINUED			
Conservation of Breeding Painted Buntings and Other Songbird Indicators in Early-Successional Shrub-Scrub Habitat	15.634	T-47-R-1	41,690
Effects of Predation on Seabird Nests in Cape Romain	15.634	T-48-R-1	13,087
Sea Turtle Conservation on Botany Bay Plantation WMA	15.634	T-49-R-1	13,305
Development of a Comprehensive Wildlife Conservation Plan	15.634	T-5-1	18,840
Ecology and Impacts of Coyotes on Loggerhead Sea Turtles, Least Terns, and Other Wildlife: Implications for Management	15.634	T-51-R-1	8,020
Robust Redhorse Restoration and Conservation	15.634	T-9-R-1	2,304
Multistate Sandhills Ecological Restoration Project, Alabama, Florida, Georgia and South Carolina	15.634	U2-1-HM	0
Development of Digital Elevation Models Using Lidar Technologies for Five Coastal Counties of South Carolina	15.808	G09AC00057	166,000
Development of Digital Elevation Models Using Lidar Technologies for Four Coastal Counties of South Carolina	15.808	G10AC00101	0
South Carolina GIS State Outreach	15.809	08HQAG0010	5,342
Mapping and Digitization of 7.5 Minute Quadrangles in the Savannah River and I-20 Growth Corridor Areas, South Carolina	15.810	08HQAG0107	60,714
Mapping and Digitization of 7.5 Minute Quadrangles in the Savannah River Basin and Georgetown Areas, South Carolina	15.810	G09AC00180	166,643
Increased Usability through Data Preservation at the South Carolina Geological Survey	15.814	08HQGR0105	12,221
Developmental Work in Creating a Drill-Log Database by the South Carolina Geological Survey	15.814	G09AP00090	2,000
LiDAR for the South Carolina Coastal Plain - ARRA	15.817	G10AC00120	130,926
Junior Duck Conservation and Design Program	NONE	401814G001	1,093
Geological Mapping of Selective 7.5 Mile Quadrangle Covering the Congaree National Park and Selected Adjoining Areas	NONE	H2360 05 3170	24,871
REU Site: Research Experiences for Undergraduate Minorities in Marine and Environmental Sciences (MIMES) - ARRA	47.082	0851490	16,677
Natural Resources Management Activities and Biodiversity Maintenance	81.086	DE-FC09-97SR18926	98,575
State Recreational Boating Safety Program	97.012	10.01.45	1,294,896
State Recreational Boating Safety Program South Carolina Region 2 Facilities Construction	97.012	10.01.45	185,852
State Recreational Boating Safety Program	97.012	19.01.45	635,683
Community Assistance Program (CAP) Fiscal Year 2008	97.023	EMA-2008-GR-5831	0
Community Assistance Program (CAP) Fiscal Year 2009	97.023	EMA-2009-GR-5916	96,382
Community Assistance Program (CAP) Fiscal Year 2010	97.023	EMA-2010-GR-5066	107,317
Flood Mitigation Assistance - Technical Assistance	97.029	EMA-2005-FM-E010	0
Beaufort County Flood Mitigation Assistance Planning Update	97.029	EMA-2007-FM-E008	18,750
South Carolina Department of Natural Resources Technical Assistance Grant	97.029	EMA-2007-FM-E013	3,618
City of Myrtle Beach Hazard Mitigation Plan Update	97.029	EMA-2008-FM-E003	30,833
Fiscal Year 2008 South Carolina Department of Natural Resources Technical Assistance Grant	97.029	EMA-2008-FM-E003	228
Cooperating Technical Partners	97.045	EMA-2004-CA-5022	54,986
Cooperating Technical Partners	97.045	EMA-2005-CA-5214	465,255
Cooperating Technical Partners	97.045	EMA-2006-CA-5619	441,891
Cooperating Technical Partners	97.045	EMA-2007-CA-5773	660,057
Cooperating Technical Partners	97.045	EMA-2008-CA-5885	3,143,380
Cooperating Technical Partners	97.045	EMA-2009-CA-5934	200,295
Map Modernization Management Support	97.070	EMA-2005-CA-5237	110

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Map Modernization Management Support	97.070	EMA-2006-CA-5629	57,656
Map Modernization Management Support	97.070	EMA-2007-CA-5729	523
Map Modernization Management Support	97.070	EMA-2008-CA-5869	4,625
Total Direct Assistance			**22,710,154**
U.S. Marine Shrimp Farming Program	10.200	USMSFP2008-19163-SCDNR	188,769
U.S. Marine Shrimp Farming Program Fiscal Year 2009	10.200	USMSFP2009-19851-SCDNR	156,748
Shrimp Immunity Viral Infection: An Evaluation of the Contribution of RNA Interference	10.206	2006-35204-17434	0
Provide Program Technical Support for Implementing Conservation Programs in South Carolina	10.912	65-4639-10-002	10,104
Provide Conservation Program Technical Support in Eight (08) Counties (Aiken, Anderson, Chester, Dillon, Edgefield, Horry, Lancaster, Orangeburg)	10.912	65-4639-8-8024	53,099
Beach Renourishment Activities and Potential Impacts on Sediment Movement and Biological Resources Around Critical Hard Bottom Habitats on the Shoreface of the Grand Strand, South Carolina	11.420	CCU NO. 2008.001	5,249
Beach Renourishment Activities and Potential Impacts on Sediment Movement and Biological Resources Around Critical Hard Bottom Habitats on the Shoreface of the Grand Strand, South Carolina	11.420	CCU NO. 2009.001	32,759
Batch Fecundity and Spawning Frequency as a Function of Size, Age and Season for Black Sea Bass and Red Porgy in the U.S. South Atlantic	11.454	508710-08-01	2,077
South Carolina Oyster Habitat Restoration and Shoreline Enhancement Project - ARRA	11.463	051224	36,458
Creating Oyster Niche Structures Through Restoration Using Crab Traps	11.463	1609	933
Restoration of Intertidal Oyster Reefs as Habitat for Finfish in South Carolina	11.463	FAF-8040	22,032
Field Evaluation of a Novel Restoration Structure (Concrete Castles) to Enhance Oyster Reef and Finfish Habitat While Stabilizing Shorelines Around Jeremey Island, South Carolina	11.463	JUL-SCDNRMRRI-081209	13,569
Identification and Management of Essential Habitat for Endangered Species in the Savannah River	NONE	011110-1	11,285
Oyster Habitat Restoration and Capacity Building for Future Oyster Restoration in South Carolina	15.608	092309-01	28,188
Assessment and Restoration of Southern Appalachian Brook Trout in Jocassee Gorges, South Carolina	15.608	092309-02	3,593
Restore Native Aquatic Plants in Santee Cooper System, South Carolina to Improve Anadromous Fish Habitat	15.608	092309-03	0
Develop Artificial Estuarine Habitats in South Carolina to Increase Abundance of Recreationally Important Fish	15.608	092309-04	3,071
Improved Red Drum Habitat through Community-Based Oyster Reef Habitat Restoration (South Carolina)	15.608	092309-05	161
Lake Russell/Lake Hartwell Shoreline Habitat Enhancement	15.608	2007-0096-002	0
Northern Bobwhite and Songbird Monitoring on CP-33 Contracts in South Carolina	15.628	M-1-T	2,893
Enhancing Diversity in the Geosciences: Mentoring and Research Modeling for Middle School and University Students	47.050	07-581038-BAPS-SCDNR-SC	1,983
Fecal Coliform Bacteria TMDL Development and Implementation for Spears Creek Watershed	66.460	EQ-6-807	191
Geological Characterization of the South Georgia Rift Basin for Source Proximal CO2 Storage - ARRA	81.132	10-1779	6,369
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	250,000
Total Passed Through Entities Not Included in Reporting Entity			**829,531**
Evaluating the Comparative Survival and Growth of Diploid and Triploid Single Eastern Oysters in South Carolina	11.417	M178	5,843

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DEPARTMENT OF NATURAL RESOURCES (P24), CONTINUED			
Tagging of Horseshoe Crab (Limulus Polyphemus) in Conjunction with Commercial Harvesters and the Biomedical Industry	11.417	M180	8,419
Commercialization of Bait Shrimp (Litopenaeus Setiferus) Aquaculture through Year Round Production in Indoor Facilities Using Clear Water and Biotic-Base Culture Systems	11.417	M181	0
Development of Non-Lethal Genetic Techniques for Age and Sex Determination in Two Recreationally Important Fishes in South Carolina	11.417	M185	5,752
Paralichthid Flounder Spawning Grounds Study	11.417	R382	24,772
Developing Methodologies for Understanding Carrying Capacity as it Relates to the Introduction of Stocked Red Drum in Four South Carolina Estuaries	11.417	R389	11,058
Investigation and Mitigation of Algal Blooms and Pollutants in Coastal Stormwater Ponds and Adjacent Tidal Creek and Estuarine Systems	11.417	R478	41,300
Paralichthid Flounder Spawning Grounds Study	11.417	R482	50,880
Developing Methodologies for Understanding Carrying Capacity as it Relates to the Introduction of Stocked Red Drum in Four South Carolina Estuaries	11.417	R489	32,411
Commercialization of Bait Shrimp Farming Based on Specific Pathogen Free Stocks	11.417	RA10	19,777
South Carolina Estuarine and Coastal Assessment Program (SCECAP)	11.419	789566	34,642
Estuarine Shoreline Study	11.419	793368	9,151
Computer Aided Dispatch (CAD) Upgrade	16.738	1G08026	3,912
Surveillance, Search/Rescue and Aviation - ARRA	16.803	1GS09155	83,252
Safety Equipment and Training Needs - ARRA	16.803	1GS09156	38,470
Lynches State Scenic River Trail	20.219	2007011	631
Little Pee Dee Scenic River Trail	20.219	200803	91
State Energy Program (Chiller Replacement) Area - ARRA	81.041	S09-0143	111,230
Utilizing HABISS to Document, Analyze and Interpret the Impacts of Harmful Algal Blooms	93.283	CH01	23,622
Utilizing HABISS to Document, Analyze and Interpret the Impacts of Harmful Algal Blooms and their Associated Toxins on Ecosystems and Humans in South Carolina	93.283	CH13	7,061
Update of Seismic Hazards Map Inspections of Critical Lifelines	97.082	EMA-2009-GR-5554	3,283
Total Passed Through State Agencies Included in Reporting Entity			**515,557**
Total Department of Natural Resources			**24,055,242**
SEA GRANT CONSORTIUM (P26)			
A Proposal for Sea Grant College Program Support, South Carolina Sea Grant Consortium for 2006-2010	11.417	NA06OAR4170015	1,326,908
Carolinas Coastal Climate Outreach Initiative	11.417	NA06OAR4170212	105,323
Commercialization of Bait Shrimp Farming Based on Specific Pathogen Free Stocks	11.417	NA06OAR4170235	86,335
National Initiative for Aquaculture Development and Fishery Enhancement of Cobia (Rachycentron Canadium)	11.417	NA06OAR4170252	3,889
Knauss Fellowship (South Carolina), (St. John)	11.417	NA09OAR4170013	25,199
Building the Regional Network: The National Federation of Regional Associations for Coastal Ocean Observing	11.417	NA09OAR4170216	100,000
Knauss Fellowship (South Carolina), (Johnston)	11.417	NA10OAR4170003	15,059
Knauss Fellowship (South Carolina), (Rathburn)	11.417	NA10OAR4170005	13,998
Knauss Fellowship (South Carolina), (Vandiver)	11.417	NA10OAR4170007	15,310

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SEA GRANT CONSORTIUM (P26), CONTINUED			
A Proposal for Sea Grant College Program Support, South Carolina Sea Grant Consortium for 2010-2012	11.417	NA10OAR4170073	137,612
Assessing the Impact of Salt-Water Intrusion in the Carolinas Under Future Climatic and Sea-Level Conditions	11.431	NA08OAR4310715	121,223
Marine Debris and Abandoned Vessels: Identification, Reduction, and Prevention through Community-based Education and Action	11.463	NA09NMF4630059	13,572
Cooperative Institute for Fisheries Molecular Biology (FISHTEC) - Interpretation and Distribution of Fisheries and Coastal Ecosystems Data and Information	11.472	EA133C-06-SE-3283	10,916
Providing Oceans and Human Health Research, Education and Training to Appropriate Audiences	11.472	MOA-2006-025/7182	158,157
Southeast Coastal Ocean Observations Regional Association (SECOORA): Building a Regional Framework for the Coastal Ocean Observing System in the Southeastern United States	11.473	NA05NOS4731148	539
Enhancing the Regional Coastal Ocean Observing System in the Southeastern United States	11.473	NA07NOS4730219	76,964
Southeast Coastal Ocean Observations Regional Association (SECOORA): Building a Regional Framework for the Coastal Ocean Observing System in the Southeastern United States	11.473	NA08NOS4730298	373,317
Implementation of Regional Integrated Ocean Observing Systems: Support of RCOOS Development in SECOORA-South Carolina	11.473	NA08NOS4730409	452,151
South Atlantic Bight Land Use-Coastal Ecosystem Study (LU-CES), Phase II	11.478	NA96OP0113	0
Urbanization and Southeastern Estuarine Systems (USES)	11.478	NA96OP0222	0
Center for Ocean Sciences Education Excellence Southeast: Building on Success	47.050	OCE-0527849	426,603
Utilizing HABISS to Document, Analyze and Interpret the Impacts of Harmful Algal Blooms	93.283	1U38EH000343-01	69,056
Total Direct Assistance			**3,532,131**
Dissemination and Deployment of a Web-based Tool to Support Natural Resource-based Planning at the Local Level	11.419	NA06NOS4190167	7,108
Characterization of Bycatch Associated with the South Atlantic Snapper, Grouper, Bandit Fishery with Electronic Video Monitoring, At-Sea Observers, and Biological Sampling	11.454	NA09NMF4540138	1,941
Enhancing Diversity in the Geosciences: Mentoring and Research Modeling	47.050	GEO-0703702NSF	12,231
Total Passed Through Entities Not Included in Reporting Entity			**21,280**
Total Sea Grant Consortium			**3,553,411**
DEPARTMENT OF PARKS, RECREATION, AND TOURISM (P28)			
Rural Business Enterprise Grant	10.769	NONE	24,990
Wildlife Habitat Incentive Program	10.914	NONE	1,341
Coastal Parks Restoration and Enhancement of Southern Pine Forest - ARRA	15.656	40181RJ009	51,476
South Carolina National Heritage Corridor	15.904	1443CA509098004	21,216
South Carolina National Heritage Corridor 2007	15.904	H5041060121	824,765
South Carolina National Heritage Corridor Military Conflict Trail	15.904	H5430060019	0
Land and Water Conservation 2006 Grant	15.916	NONE	150,000
Land and Water Conservation 2007 Grant	15.916	NONE	267,739
Land and Water Conservation 2008 Grant	15.916	NONE	0
Land and Water Conservation 2005 Grant	15.916	NONE	250,000
American Battlefield Protection	15.926	GA-2255-07-017	5,537
Recreational Trails Program (2006 Grant)	20.219	RTP-2006(001)	45,541

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By State Agency
For the Year Ended June 30, 2010

State Agency/Grant Title	CFDA Number	Grant/Contract Number	Expenditures
DEPARTMENT OF PARKS, RECREATION, AND TOURISM (P28), CONTINUED			
Recreational Trails Program (2007 Grant)	20.219	RTP-2007(001)	217,856
Recreational Trails Program (2008 Grant)	20.219	RTP-2008(001)	393,960
Total Direct Assistance			**2,254,421**
State Energy Program - ARRA	81.041	S09-0122	0
Rose Hill Teaching American History Grant	84.215	NONE	2,156
Andrew Jackson Teaching American History Grant	84.215	NONE	2,496
Kings Mountain Teaching American History Grant	84.215	NONE	2,142
Hazard Mitigation Grant - Edisto Beach	97.039	1543-0006-SC	0
Total Passed Through State Agencies Included in Reporting Entity			**6,794**
Total Department of Parks, Recreation, and Tourism			**2,261,215**
DEPARTMENT OF COMMERCE (P32)			
Community Development Block Grant Program	14.228	B02DC450001	0
Community Development Block Grant Program	14.228	B03DC450001	546,816
Community Development Block Grant Program	14.228	B04DC450001	3,470,354
Community Development Block Grant Program	14.228	B05DC450001	2,684,464
Community Development Block Grant Program	14.228	B06DC450001	1,943,344
Community Development Block Grant Program	14.228	B07DC450001	7,638,740
Community Development Block Grant Program	14.228	B08DC450006	5,702,791
Community Development Block Grant Program	14.228	B09DC450001	1,765,221
Community Development Block Grant Program - ARRA	14.255	B09DY450001	2,666,707
Trade Adjustment Assistance	17.245	TA-15878-07-55-A-45	0
Trade Adjustment Assistance	17.245	TA-16825-08-55-A-45	681,636
Trade Adjustment Assistance	17.245	TA-17876-09-55-A-45	3,683,923
WIA Youth/Adult/Dislocated Workers Formula Combined	17.258	AA-15505-06-55	0
WIA Youth/Adult/Dislocated Workers Formula Combined	17.258	AA-16054-07-55-A-45	585,888
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	17.258	AA-17147-08-55-A-45	4,972,571
WIA Youth/Adult/Dislocated Workers Formula Combined	17.258	AA-17147-08-55-A-45	4,942,323
WIA Youth/Adult/Dislocated Workers Formula Combined	17.258	AA-18667-09-55-A-45	7,083,227
WIA Youth/Adult/Dislocated Workers Formula Combined	17.259	AA-14701-05-55	0
WIA Youth/Adult/Dislocated Workers Formula Combined	17.259	AA-16054-07-55-A-45	486,359
WIA Youth/Adult/Dislocated Workers Formula Combined	17.259	AA-17147-08-55-A-45	6,616,350
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	17.259	AA-17147-08-55-A-45	14,525,069
WIA Youth/Adult/Dislocated Workers Formula Combined	17.259	AA-18667-09-55-A-45	6,552,100
WIA Youth/Adult/Dislocated Workers Formula Combined	17.260	AA-14701-05-55	0
WIA Youth/Adult/Dislocated Workers Formula Combined	17.260	AA-15505-06-55	0
WIA Youth/Adult/Dislocated Workers Formula Combined	17.260	AA-16054-07-55-A-45	181,688
WIA Youth/Adult/Dislocated Workers Formula Combined	17.260	AA-17147-08-55-A-45	16,726,650
WIA Youth/Adult/Dislocated Workers Formula Combined - ARRA	17.260	AA-17147-08-55-A-45	9,197,889
WIA Youth/Adult/Dislocated Workers Formula Combined	17.260	AA-18667-09-55-A-45	9,381,351
WIA Incentive	17.267	PI-17538-08-55-A-45	351,133
State Labor Market Information Improvement Grants - ARRA	17.275	GJ-19830-10-60-A-45	56,688
Marion County Airport	20.106	3-45-4500-08	0
South Carolina Consolidated Technical Assistance	23.002	SC-7774-C21-08	7,239
South Carolina Consolidated Technical Assistance	23.002	SC-7774-C22-09	33,388

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By State Agency
For the Year Ended June 30, 2010

State Agency/Grant Title	CFDA Number	Grant/Contract Number	Expenditures
DEPARTMENT OF COMMERCE (P32), CONTINUED			
Total Direct Assistance			**112,483,909**
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	S397A090052	3,450,000
Total Passed Through Entities Not Included in Reporting Entity			**3,450,000**
Total Department of Commerce			**115,933,909**
PUBLIC SERVICE COMMISSION (R04)			
Electricity Delivery and Energy Reliability, Research, Development - ARRA	81.122	RA STATE ELECTRICITY REG	71,327
Total Direct Assistance			**71,327**
Total Public Service Commission			**71,327**
OFFICE OF REGULATORY STAFF (R06)			
2009 One Call Grant	20.700	DTPH56-09-G-PHPC29	9,903
2010 One Call Grant	20.700	DTPH56-10-G-PHPC29	0
Total Direct Assistance			**9,903**
Electricity Delivery and Energy Reliability, Research, Development - ARRA	81.122	R04011300010	55,579
Total Passed Through State Agencies Included in Reporting Entity			**55,579**
Total Office of Regulatory Staff			**65,482**
DEPARTMENT OF CONSUMER AFFAIRS (R28)			
State Agency Odometer Fraud Enforcement	20.600	DTNH22-06-H-00072	24,573
Total Direct Assistance			**24,573**
Total Department of Consumer Affairs			**24,573**
DEPARTMENT OF LABOR, LICENSING, AND REGULATION (R36)			
OSHS Cooperative Agreement	17.005	OS-18513-10-75-4-45	44,708
OSHS Cooperative Agreement	17.005	W9J981459P	21,730
State Operational Grant (23(g) OSHA)	17.503	SP16721SP8F45	0
State Operational Grant (23(g) OSHA)	17.503	SP177500975F45	313,015
State Operational Grant (23(g) OSHA)	17.503	SP19426SP0F45	1,062,515
Consultation Cooperative Agreement (21D)	17.504	CS17720CS9	267,623
Consultation Cooperative Agreement (21D)	17.504	CS19395CS0	484,105
First Responder Counter-Terrorism Training	97.038	None	30,250
Total Direct Assistance			**2,223,946**
Small Water Operators	66.471	None	0
USAR Type I Search and Rescue	97.067	5SHSP78	0
Fiscal Year 2006 State Homeland Security Program	97.067	6SHSP07	14,611
State Fire Project	97.067	7SHSP07	0
USAR Type I and Type II Enhancements	97.067	8SHSP26	77,974
Total Passed Through State Agencies Included in Reporting Entity			**92,585**
Total Department of Labor, Licensing, and Regulation			**2,316,531**

STATE OF SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
By State Agency
For the Year Ended June 30, 2010

State Agency/Grant Title	CFDA Number	Grant/Contract Number	Expenditures
DEPARTMENT OF MOTOR VEHICLES (R40)			
NMVTIS - National Motor Vehicle Title Information System Participation Program	16.580	2007-DD-BX-0705	3,818
NMVTIS - National Motor Vehicle Title Information System Participation Program	16.580	2009-DG-BX-0014	100,000
MCSAP - New Entrant Safety	20.218	27XX45MN084515780	166,752
Commercial Driver's License Program Improvement (CDLPI)	20.232	27XX45CD08451SC08	578,210
Commercial Driver's License Program Improvement (CDLPI)	20.232	CD094510000000	188,793
Commercial Driver's License Information System (CDLIS) Modernization Grant	20.238	27XX45CM08451SCCM	58,472
Real ID Demonstration Grant	97.089	2008-ID-MX-0022	262,831
Driver License Security Grant	97.089	2009-ID-MX-0028	574,670
Total Direct Assistance			**1,933,546**
Total Department of Motor Vehicles			**1,933,546**
DIVISION OF AERONAUTICS (U30)			
Anderson Regional Install Fencing/Conduct Sys Plan	20.106	3-45-0000-006-2007	164,857
State Sys Plan - Anderson - Charleston	20.106	3-45-0000-007-2008	481,593
Charleston Executive Airport	20.106	3-45-0000-009-2009	177,014
Marion County Airport	20.106	3-45-4500-008-2005	338,579
Update State System Plan Study	20.106	3-45-4500-010-2010	0
Marion County Airport - Apron Taxiway Concrete Overlay	20.106	3-45-4500-012-2009	187,788
Aeronautics	20.106	3-45-4500-11-2009	0
Total Direct Assistance			**1,349,831**
Total Division of Aeronautics			**1,349,831**
Total Federal Expenditures, Gross			**7,576,814,196**
Less Passed Through State Agencies Included in Reporting Entity			**40,710,962**
Total Federal Expenditures			**$ 7,536,103,234**

NOTE 1 - BASIS OF PRESENTATION

Entity

For purposes of complying with the Single Audit Act Amendments of 1996, the State of South Carolina (the State) is defined in a manner consistent with the entity defined in the basic financial statements as of and for the year ended June 30, 2010, except that certain agencies and component units included in the basic financial statements are excluded in the accompanying schedules of expenditures of federal awards because these agencies and component units engaged other auditors to perform an audit in accordance with the Single Audit Act, as applicable. The excluded agencies and component units and their federal expenditures for the year ended June 30, 2010 are as follows:

Agency	Federal Expenditures
Governor's Office	$ 111,761,472
Department of Employment and Workforce (formerly, (Employment Security Commission)	1,880,172,808
Department of Transportation	689,757,393
Educational Television Commission	703,859
South Carolina State Education Assistance Authority	10,597,892
State Housing Finance and Development Authority	163,001,994
The Citadel	26,989,175
Clemson University	162,347,915
Coastal Carolina University	66,102,748
College of Charleston	77,680,572
Francis Marion University	40,084,251
Lander University	25,341,092
Medical University of South Carolina	238,708,864
South Carolina State University	77,860,799
University of South Carolina	488,171,320
Winthrop University	52,502,037
Aiken Technical College	8,482,416
Central Carolina Technical College	21,472,628
Denmark Technical College	9,567,712
Florence-Darlington Technical College	30,131,146
Greenville Technical College	88,671,124
Horry-Georgetown Technical College	45,348,465
Midlands Technical College	30,314,334
Northeastern Technical College	4,386,478
Orangeburg-Calhoun Technical College	17,966,979
Piedmont Technical College	19,222,206
Spartanburg Community College	19,147,276
Technical College of the Lowcountry	10,380,068
Tri-County Technical College	28,298,903
Trident Technical College	36,391,272
Williamsburg Technical College	4,037,659
York Technical College	21,618,761
Total Federal Expenditures for Excluded Agencies	$4,507,221,618

NOTE 1 - BASIS OF PRESENTATION (CONTINUED)

Entity (Continued)
Accordingly, the accompanying schedules of expenditures of federal awards present the federal financial assistance programs administered by the State, as defined on the previous page, for the year ended June 30, 2010.

Non-Cash Federal Programs
The State is the recipient of federal financial assistance programs that do not result in cash receipts or disbursements, termed "non-cash programs". The distributions under these programs are included in the accompanying schedules of expenditures of federal awards.

Loan Programs
The amounts reported in the accompanying schedules of expenditures of federal awards for the loan programs listed below represent federal capital contributions and administrative costs incurred during the year ended June 30, 2010. All programs/clusters that had either loans outstanding or total expenditures (including administrative expenses) in excess of $22,608,310 were determined to be Type A programs and were subjected to a risk assessment process for the selection of major programs to be tested.

Clean Water State Revolving Fund (CFDA 66.458) - The Clean Water State Revolving Fund (CWSRF) was established to provide low interest loans to local governments for the purpose of constructing municipal wastewater treatment facilities, nonpoint source pollution facilities and estuary management plans.

Safe Drinking Water State Revolving Fund (CFDA 66.468) – The Safe Drinking Water State Revolving Fund (DWSRF) was established to provide communities with affordable financing in the form of long-term, low-interest loans for the construction of public drinking water facilities.

ConserFund Revolving Loan Fund – This fund was set up using Petroleum Violation Escrow (PVE) funds (CFDA 81.502) by the South Carolina Budget and Control Board – State Energy Office. The fund was established to provide loans to State agencies, school districts, local governments and nonprofit corporations for energy efficiency improvements.

Diamond Shamrock Revolving Loan Fund – This fund was set up using Petroleum Violation Escrow (PVE) funds (CFDA 81.502) by the South Carolina Budget and Control Board – State Energy Office. The fund was established to provide loans to State agencies, school districts, local governments and nonprofit corporations for energy efficiency improvements.

NOTE 1 - BASIS OF PRESENTATION (CONTINUED)

Loan Programs (Continued)

	Loans Awarded Fiscal Year 2010	Loan Balance at June 30, 2010
Clean Water State Revolving Fund (66.458)	$55,688,855	$406,101,387
Safe Drinking Water State Revolving Fund (66.468)	$31,615,227	$103,899,617
ConserFund Revolving Loan Fund (81.502)	$ 1,924,614	$ 4,809,545
Diamond Shamrock Revolving Loan Fund (81.502)	$ -	$ 136,464

Pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), the State shall use at least 50% of its ARRA CWSRF and DWSRF funds for additional subsidization in the form of principal forgiveness. During fiscal year 2009-10 the State awarded principal forgiveness subsidizations totaling $4,475,316 (CFDA No. 66.458) and $5,131,794 (CFDA No. 66.468). The principal forgiveness subsidizations are not included in the “loans awarded” amounts presented above.

Other Federal Assistance
The "Other Federal Assistance" presented in the accompanying schedules of expenditures of federal awards consists of federal financial assistance programs that have not been assigned CFDA numbers. The detail of grants without CFDA numbers is presented in Schedule 2 by State agency.

Pass-Through Expenditures
Federal funds received by one State grantee agency and redistributed (expended) to another State grantee agency (i.e., a pass-through of funds by the primary recipient State grantee agency to a subrecipient State grantee agency), are reported in Schedule 1 as federal expenditures of the primary receiving/expending State grantee agency. This is to avoid duplication and the overstatement of the aggregate level of federal financial assistance expended by the State.

The pass-through funds are included in both the primary recipient and subrecipient State grantee agencies in Schedule 2, the Schedule of Expenditures of Federal Awards by State Agency. The pass-through funds are separately identified in Schedule 2 to provide a complete schedule of all federal funds administered by State agencies within the single audit entity during the year ended June 30, 2010.

When a State agency receives funds as a subrecipient from outside the single audit entity, these funds are included in both Schedules 1 and 2. These funds are included as a part of "Total Passed Through Entities Not Included in Reporting Entity" in Schedule 2.

NOTE 2 - BASIS OF ACCOUNTING

The expenditures presented in the accompanying schedules of expenditures of federal awards were developed from agency records which reconcile to the Statewide Accounting and Reporting System (STARS). STARS is the State's budgetary basis accounting system which serves as a primary source of information in the preparation of the State's financial statements. The STARS basis of accounting for the expenditures presented is the cash basis with the following exceptions:

(1) Departments and agencies charge certain vendor and interfund payments against the preceding fiscal year’s appropriations through July 16.

(2) Certain non-cash activity, such as food stamp benefits is recorded as an expenditure in the fiscal year in which the resources are distributed to the beneficiaries.

Federal revenues and expenditures are included primarily in the governmental funds in the State's financial statements.

NOTE 3 - MATCHING COST

Matching costs, i.e. the non-federal share of certain program costs, are included in the accompanying schedules of expenditures of federal awards when the federal and state portions of costs are combined and the state portion cannot be separately identified.

NOTE 4 - PETROLEUM OVERCHARGE RECOVERIES

In the current and prior years the State received monies relating to recoveries from petroleum companies which had overcharged customers when price controls were in effect. These monies are expended under specific federal programs in accordance with the federal laws and regulations pertaining to such programs. Accordingly, these amounts are included in the accompanying schedules of expenditures of federal awards under the specific federal program to which they relate.

NOTE 5 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying schedules of expenditures of federal awards which are prepared on the basis explained in Notes 1 and 2. The federal financial reports have been reconciled to amounts included in the schedules of expenditures for all major programs.

NOTE 6 - WIC REBATES

During the fiscal year ended June 30, 2010 the South Carolina Department of Health and Environmental Control received cash rebates from infant formula manufacturers in the amount of $29,068,502 on sales of formula to participants in the WIC program (CFDA 10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Applying the rebates received to such costs enabled the South Carolina Department of Health and Environmental Control to serve 462,659 people.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
Material weaknesses identified?	x yes	___no
Significant deficiencies identified that are not considered to be material weaknesses?	X yes	___none reported
Noncompliance material to financial statements noted?	___yes	X no

Federal Awards

Internal control over major programs:		
Material weaknesses identified?	X yes	___no
Significant deficiencies identified that are not considered to be material weaknesses?	X yes	___none reported
Type of auditor's report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	X yes	___no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

SECTION I – SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster (Continued)
12.401	National Guard Military Operations and Maintenance (O&M) Projects
16.803	Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories
66.458	Capitalization Grants for Clean Water State Revolving Funds
66.468	Capitalization Grants for Drinking Water State Revolving Funds
84.367	Improving Teacher Quality State Grants
93.563	Child Support Enforcement
93.658	Foster Care Title IV-E
93.667	Social Service Block Grant
93.917	HIV Care Formula Grants
Various	CCDF Cluster
Various	CDBG – State-Administered Small Cities Program Cluster
Various	Child Nutrition Cluster
Various	Disability Insurance/SSI Cluster
Various	Medicaid Cluster
Various	SNAP Cluster
Various	Special Education Cluster (IDEA)
Various	State Fiscal Stabilization Fund Cluster
Various	TANF Cluster
Various	Title I, Part A Cluster
Various	Vocational Rehabilitation Cluster
Various	WIA Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $22,608,310

Auditee qualified as low-risk auditee? ___yes _X_no

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Questioned Costs

OFFICE OF THE ADJUTANT GENERAL (E24)

10E24-1. Davis-Bacon Act

This is a material weakness.

National Guard Military Operations and Maintenance (O&M) Projects
CFDA No: 12.401
Grant No.: W912QG-09-2-9047

Provisions of the American Recovery Reinvestment Act (ARRA) of 2009 stipulate that projects funded by ARRA are subject to the requirements of the Davis-Bacon Act. When reviewing Agency project files we noted that the construction contracts and delivery orders did not include reference to the Davis-Bacon Act requirements. We also noted that the agency did not obtain weekly certified payrolls from contractors and subcontractors to verify compliance with the Davis-Bacon Act.

Article VIII, Section 815 of the ARRA of 2009 Sustainment, Restoration, and Modernization Projects, Special Military Cooperative Agreement addresses the requirements pertaining to section 1606 of ARRA. Section 1606 of ARRA states, in part, that "...all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code."

The June 2010 A-133 Compliance Supplement states, in part, "Non-federal entities shall include...a requirement for the contractor or subcontractor to submit to the non-Federal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6)."

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Questioned Costs

OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

10E24-1. Davis-Bacon Act (Continued)

We recommend that the Agency develop and implement procedures to ensure that ARRA construction contracts and delivery orders include clauses addressing the applicability of the Davis-Bacon Act. In addition, the Agency should develop and implement procedures to ensure that it receives weekly payroll certifications from ARRA contractors and subcontractors to verify compliance with the Davis-Bacon Act.

None

See Agency's Corrective Action Plan at page 221.

Agency Contact: Frank Garrick (803) 806-2031.

10E24-2. Reporting

This is a material weakness.

National Guard Military Operations and Maintenance (O&M) Projects
CFDA No: 12.401
Grant No.: W912QG-09-2-9047

We reviewed the American Recovery and Reinvestment Act (ARRA) of 2009 Section 1512 Report for the quarter ending March 31, 2010 and were unable to agree amounts reported in the "Total Federal Amount ARRA Funds Received/Invoiced" and "Total Federal Amount of ARRA Expenditure" data fields to the Agency's accounting records.

Agency personnel indicated that the complexity of and frequent changes in Office of Management and Budget (OMB) guidance contributed to the errors noted on the report.

The Recipient Reporting Data Model defines the receipts data field as "the amount of Recovery Act funds received through draw-down, reimbursement, or invoice." The Data Model defines the expenditures data field as the "amount of Recovery Act funds received that were expended for projects or activities."

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Questioned Costs

OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

10E24-2. Reporting (Continued)

We recommend that the Agency strengthen its procedures to ensure that future Section 1512 reports are prepared in accordance with OMB guidelines.

None

See Agency's Corrective Action Plan at page 221.

Agency Contact: Frank Garrick (803) 806-2031.

10E24-3. Suspension and Debarment

This is a material weakness.

National Guard Military Operations and Maintenance (O&M) Projects
CFDA No: 12.401
Grant Nos.: Various

During our test of expenditures, we determined that the Agency's indefinite delivery construction (IDC) contracts did not include suspension/debarment certifications. In addition, we determined that the Agency did not review the Excluded Parties List System (EPLS) to ensure that contractors are not suspended or debarred.

2 CFR Section 180.300 states:

When you enter into a covered transaction at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

(a) Checking the EPLS; or

(b) Collecting a certification from that person if allowed by the Federal agency responsible for the transaction; or

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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Questioned Costs

OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

10E24-3. Suspension and Debarment (Continued)

(c) Adding a clause or condition to the covered transaction with that person.

We recommend that the Agency develop and implement procedures to ensure compliance with Federal suspension and debarment requirements. The agency should verify that potential contractors are not suspended or debarred by either adding a certification clause to contract documents, collecting a certification from the contractor, or performing a check of the Excluded Parties List System at epls.gov.

None

See Agency's Corrective Action Plan at page 221.

Agency Contact: Frank Garrick (803) 806-2031.

10E24-4. Schedule of Federal Financial Assistance

This is a material weakness.

This is a repeat finding.

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

Agencies are required to submit a Schedule of Federal Financial Assistance (SFFA) to the Office of the State Auditor. The SFFA is used to prepare the Schedule of Expenditures of Federal Awards. We noted several errors and omissions while testing the agency prepared SFFA:

1. The SFFA contained incorrect grant titles and grant numbers.

2. Several grants were reported under incorrect CFDA numbers.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Questioned Costs

OFFICE OF THE ADJUTANT GENERAL (E24) (CONTINUED)

10E24-4. Schedule of Federal Financial Assistance (Continued)

3. Negative expenditures were incorrectly reported for several grants.

4. Beginning fund balances for several grants did not agree to the prior year ending fund balance.

5. Incorrect identification of fund sources were reported for some grants.

6. Expenditures for CFDA No. 12.401 were overstated because centralized personnel plan costs were incorrectly reported.

7. The Agency did not separately identify all American Recovery Reinvestment Act (ARRA) expenditures for CFDA 12.401.

8. A schedule of federal funds passed to subrecipients was incorrectly prepared.

Several of the deficiencies noted above were also reported in the prior year Schedule of Findings and Questioned Costs and continued identification of these issues demonstrates a lack of effective internal controls.

We again recommend that the Agency develop and implement procedures to ensure that the SFFA is prepared and independently reviewed for accuracy and completeness by personnel that are knowledgeable of the requirements of the Office of the State Auditor Letter of Instruction.

None

See Agency's Corrective Action Plan at page 221.

Agency Contact: Frank Garrick (803) 806-2031.

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STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59)

10H59-1. 1512 Report

This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund)
CFDA No.: 84.394
Grant No.: S394A090052A

We tested the June 30, 2010 1512 report and determined that the data submitted in the 1512 report did not agree with the Board's accounting records. The following summarizes the discrepancies noted:

1. We determined that the amount of ARRA funds received/invoiced did not agree to the Board's general ledger. Revenues reported were understated by $2,023,982.

2. We determined that the total expenditures did not agree with the general ledger.

   a. Total Federal amount of ARRA expenditures was understated by $254,988. Subaward expenditures for the System-Wide Education Initiatives were also understated by this amount.

   b. The 1512 report included $102,829 of expenditures which were not recorded in the general ledger. The expenditure was initially recorded in the general ledger then reversed in fiscal year 2010. An entry to record the expenditures was recorded in fiscal year 2011. As a result, expenditures were understated in fiscal year 2010 and overstated in fiscal year 2011.

Pursuant to The American Recovery and Reinvestment Act of 2009, Section 1512 subsection (c) and M-09-21, *Recipient Data Reporting Model v3.0 (June 22, 2009 as updated for the quarter ending December 31, 2009),* each recipient that received recovery funds from a Federal agency shall submit

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STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59) (CONTINUED)

10H59-1. 1512 Report (Continued)

a report to that agency that contains: (1) the amount of recovery funds received that were expended or obligated to projects or activities and (2) detailed information on subgrants awarded by the recipient.

We recommend the Board develop and implement procedures to ensure compliance with the Federal reporting requirements. The procedures should ensure that the information reported on the quarterly 1512 report is accurate and independently verified prior to submission.

None

See Board's Corrective Action Plan at page 224.

Agency Contact: Vanessa Gill (803) 896-5374.

10H59-2. Cash Management

This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund)
CFDA No.: 84.394
Grant No.: S394A090052A

State Fiscal Stabilization Funds drawn were not disbursed within three days of receipt. The Board was not monitoring their actual cash balance prior to or subsequent to drawing funds to ensure that funds received were disbursed (to vendors, subrecipients, etc.) within three days. In addition, the Board submitted a request for payment which was processed twice by the State Treasurer's Office in error. Since the actual cash balance was not monitored two additional reimbursement requests were submitted and processed subsequent to the error. The Board did not return the funds to the U. S. Department of Education.

Title 31 of the Code of Federal Regulations, Part 205.33(a) states in part: "A State must minimize the time between the drawdown of Federal funds from the Federal

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STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59) (CONTINUED)

10H59-2. Cash Management (Continued)

government and their disbursement for Federal program purposes. A Federal Program Agency must limit a funds transfer to a State to the minimum amounts needed by the State and must time the disbursement to be in accord with the actual, immediate cash requirements of the State in carrying out a Federal assistance program or project. The timing and amount of funds transfers must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. States should exercise sound cash management in funds transfers to subgrantees in accordance with OMB Circular A–102."

Title 2 of the Code of Federal Regulations, Part 215.22(b) states, "Recipients are to be paid in advance, provided they maintain or demonstrate the willingness to maintain: (1) Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient..."

Title 31 of the Code of Federal Regulations, Part 205.12(b)(4) defines cash advances as meaning, "...A Federal Program Agency transfers the actual amount of Federal Funds to a State that will be paid out by the State, in a lump sum, not more than three business days prior to the day the State issues checks or initiate EFT payments."

We recommend the Board establish procedures to minimize the time elapsing between the receipt of Federal funds and their disbursement, and only the amounts needed to meet its actual, immediate cash requirements are drawn. We also recommend the Board monitor the cash more closely to ensure that any errors that occur are detected and corrected in a timely manner.

None

See Board's corrective Action Plan at page 224.

Agency Contact: Vanessa Gill (803) 896-5374.

STATE OF SOUTH CAROLINA
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STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59) (CONTINUED)

10H59-3. Level of Effort – Maintenance of Effort

State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund)
CFDA No.: 84.394
Grant No.: S394A090052

Title XIV, Section 14005 (d)(1)(A), the American Recovery and Reinvestment Act of 2009, states, "The State will, in each of fiscal years 2009, 2010, and 2011, maintain State support for public institutions of higher education (not including support of capital projects or for research and development or tuition and fees paid by students) at least at the level of such support in fiscal year 2006."

We determined that the State did not maintain State support for public institutions of higher education in fiscal year 2010 at a level equal to or greater than the level support in fiscal year 2006. The State is in the process of requesting a waiver of this requirement.

The South Carolina Department of Education (the "Department") has been designated the state agency responsible for program administration requirements. As a result, the Department would be responsible for submitting a request to waive the Maintenance of Effort requirement.

We recommend the Board consult with the Department to determine the proper course of action to take to obtain a waiver of the Maintenance of Effort requirement.

None

See Board's corrective Action Plan at page 224.

Agency Contact: Vanessa Gill (803) 896-5374.

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STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION (H59) (CONTINUED)

10H59-4. Subrecipient Monitoring – CCR Registration

This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund)
CFDA No.: 84.394
Grant No.: S394A090052

According to the American Recovery and Reinvestment Act of 2009, Section 1512 (h) and 2 CFR section 176.50 (c), recipients and their first-tier recipients must maintain current registrations in the Central Contractor Registration (http://www.ccr.gov) at all times during which they have active federal awards funded with Recovery Act funds.

We determined that the Board does not verify whether the Technical Colleges maintain current registrations in the Central Contractor Registration (CCR). The status of one of the sixteen Technical Colleges was listed as inactive.

We recommend the Board develop and implement procedures to verify that all subrecipients have a current registration in the Central Contractor Registration.

None

See Board's corrective Action Plan at page 224.

Agency Contact: Vanessa Gill (803) 896-5374.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63)

10H63-1. Cash Management

This is a significant deficiency.

Improving Teacher Quality State Grants
CFDA No.: 84.367
Grant Nos.: S367A070038 and S367A080038

Special Education – Preschool Grants (IDEA Preschool)
CFDA No.: 84.173
Grant No.: H173A080085

Federal regulation specifies that grant recipients are to minimize the time elapsing between the drawdown and expenditure of federal funds. We determined that the Department did not comply with this federal cash management regulation. When testing the Improving Teacher Quality and Special Education Cluster Programs we determined that the Department did not expend the funds within three business days of receipt as required by CFR 31, Chapter 2, Part 205.12 (4).

Based on our discussions with Department personnel we learned that the program staff provides the information used to calculate the federal draws, however the validity of the information is not independently reviewed and the calculation does not take into consideration cash on hand.

CFR Title 31, Chapter 2, Part 205.12 (4),...a Federal program agency transfers the actual amount of Federal funds to a State that will be paid out by the State, in a lump sum, not more than three business days prior to the day the State issues checks or initiates EFT payments.

We recommend the Department establish, develop and implement procedures for calculating federal cash draws. The calculation should be documented and supported by the

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-1. Cash Management (Continued)

Department's accounting records. The calculation should be independently reviewed and the independent review documented.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-2. Level of Effort – Maintenance of Effort

State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund)
CFDA No.: 84.394
Grant No.: S394A090052

Title XIV, Section 14005 (d)(1)(A),the American Recovery and Reinvestment Act of 2009, states, "The State will, in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary and secondary education at least at the level of such support in fiscal year 2006."

We determined that the State did not maintain State support for elementary and secondary education in fiscal year 2010 at a level equal to or greater than the level support in fiscal year 2006. The Department is in the process of requesting a waiver of this requirement.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-2. Level of Effort – Maintenance of Effort (Continued)

We recommend the Department request a waiver from the US Department of Education regarding the Maintenance of Effort requirement. We also recommend the Department follow up with the US Department of Education subsequent to filing the waiver request to ensure the proper information was submitted and to also make inquiries regarding the status of the waiver being granted.

None

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-3. Eligibility

This is a significant deficiency.

National School Lunch Program (NSLP)
CFDA No.: 10.555
Grant No.: 5SC300328

Two seamless summer program eligibility deficiencies were noted during a review of the Youth Academy.

1. The Department approved the seamless summer sites on the "Seamless Summer Program Sites, Location and Description" schedule without verifying that complete and accurate information was listed for each site including: contact numbers, identifiable addresses, documentation of the free/reduced price percentage for the school attendance area, days of the week that meals are provided, and the hours for when all meals are served. Fourteen of the fifty-six Youth Academy seamless summer sites could not be located using the information provided; therefore, site eligibility could not be determined. One site, when located, was described as an elderly community which could indicate that meals were

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-3. Eligibility (Continued)

served to ineligible individuals. To operate the seamless summer program, a seamless summer application must contain the minimum data specified by the USDA. A question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) addresses the minimum information requirements for each site under question six.

2. Meals were served at ineligible sites. The Department allowed daycare centers (profit-making entities) to serve as seamless summer meal sites. Eleven of the fifty-six seamless summer meals sites listed for the Youth Academy were daycare centers. The question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) states that profit making entities cannot be seamless summer sites under question eleven.

The Department receives the total meal counts for all the Youth Academy seamless summer sites together. The Department does not have data showing how many meals were served at each site; therefore, we cannot determine questioned costs.

We recommend the Department establish and implement procedures to review seamless summer site application data to ensure that the minimum data specified by the United States Department of Agriculture is collected, verified, and maintained; and we recommend the Department document its review and approval of the seamless summer sites. We recommend the Department establish and implement policies which exclude profit-making entities from serving as seamless summer sites, and we recommend the Department determine the number of meals served at ineligible sites

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Questioned Costs

SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-3. Eligibility (Continued)

and consult with the Child Nutrition Division of the Food and Nutrition Service of the United States Department of Agriculture regarding the use of ineligible sites and any action that may be required.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-4. Allowable Costs/Costs Principles

This is a significant deficiency.

Improving Teacher Quality State Grants
Special Education – Grants to States (IDEA, Part B)
CFDA Nos.: 84.367 and 84.027
Grant Nos.: Various

The Department recorded expenditures under the wrong federal grant. The Department recorded expenditures totaling $17,486 which were applicable to the English Language Acquisition Grants (CFDA 84.365) as Improving Teacher Quality grant (CFDA 84.367) expenditures. The Department also recorded expenditures totaling $159 which were applicable to the Teacher Incentive Funds grant (CFDA 84.374) as Special Education grant (CFDA 84.027) expenditures. We determined that the errors occurred because the Department did not perform an adequate review of the expenditures during the workflow approval process.

2 CFR Part 225 Appendix A C.1.a, states that allowable costs should..."be necessary and reasonable for proper and efficient performance and administration of Federal awards."

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-4. Allowable Costs/Costs Principles (Continued)

OMB Circular A-133 Compliance Supplement, Part 1, Page 1-6, state in part: "As a condition of receiving Federal awards, non-Federal entities agree to comply with applicable laws, regulations, and the provisions of contract and grant agreements, and to maintain internal control to provide reasonable assurance of compliance with these requirements."

We recommend the Department develop and implement written procedures outlining the information that needs to be reviewed during the Department's approval process in SCEIS.

These procedures should require personnel responsible for approving the expenditure in the SCEIS workflow to review the attached documentation.

$17,645

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-5. Subrecipient Monitoring

This is a material weakness.

This is a repeat finding.

Improving Teacher Quality State Grants
CFDA No.: 84.367
Grant Nos.: S367A080038, S367A080038 and S367A090038

The Department did not adequately monitor the Improving Teacher Quality program subrecipients' financial expenditures throughout the year with respect to reporting, site visits, and/or regular contact.

The lack of compliance over subrecipient monitoring occurred because the Department lacks a properly designed system.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-5. Subrecipient Monitoring (Continued)

According to 31 U.S. Code, Subtitle V Chapter 75, Section 7502(f)(2)(B), each pass-through entity shall "monitor the subrecipient's use of Federal awards through site visits, limited scope audits, or other means. OMB Circular A-133 Section 400(d)(3) states that the pass through entity must monitor the activities of the subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. 34 Code of Federal Regulations Part 80.40 (a) states that grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements.

We recommend that the Department develop and implement a system for monitoring its subrecipients. The system should be designed to ensure compliance with federal regulations.

Not Determinable

See Department's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-6. 1512 Reports

This is a significant deficiency.

Title I Grants to Local Educational Agencies, Recovery Act
Special Education Cluster (IDEA)
State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Funds)
CFDA Nos.: 84.389, 84.391, 84.392 and 84.394
Grant Nos.: Various

We tested the Department's 1512 reports dated June 30,2010 and determined that the report did not accurately reflect receipts, expenditures and subawards. The following summarizes the discrepancies noted:

1. The amount of ARRA funds received/invoiced which was reported by the Department on its 1512 Report did not agree with the Federal G5 payment history (drawdowns).

CFDA No.	1512 Report Over (Under) Stated
84.389	$(1,392,475)
84.391	1,873,736
84.394	(3,742,441)

2. The amount of ARRA fund expenditures reported by the Department on its 1512 Report did not agree with Department accounting records.

CFDA No.	1512 Report Over (Under) Stated
84.389	$ (786,113)
84.391	1,873,736

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-6. 1512 Reports (Continued)

3. We randomly selected the supporting documentation of subawards (districts) to ensure that the subaward information was properly reported on the 1512 Report. Based on the tests performed we determined that the amounts reported as subaward expenditures did not agree with Department's accounting records and/or other support documentation. We found that the Department's 1512 Report overstated subaward expenditures for CFDA 84.391. The Department obtained subaward fund information for CFDA 84.394 pertaining to South Carolina higher education entities from the Commission on Higher Education. We determined that subaward expenditures for higher education reported by the Department on its 1512 Report were overstated.

4. We determined that the Department did not accurately report the Subaward (district award) amount for CFDA 84.389, CFDA 84.391 and CFDA 84.392 on the 1512 Reports.

   a. CFDA 84.394 - The amount reported as the subaward (district award) for York County District 2, subaward Number 10SF090, does not agree to the Department's subaward document. The amount reported as the subaward for USC-Lancaster and MUSC-SC Area Health Education Consortium (SCAHEC) does not agree to the Department's records.

5. We determined that the total grant award amount reported by the Department on its 1512 Report for CFDA 84.394 does not agree to the grant award document.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-6. 1512 Reports (Continued)

Pursuant to The American Recovery and Reinvestment Act of 2009, Section 1512 subsection (c) and M-09-21, Recipient Data Reporting Model v3.0 (June 22, 2009 as updated for the quarter ending 12/31/09), each recipient that received recovery funds from a Federal agency shall submit a report to that agency that contains: (1) the total amount of recovery funds received from that agency, (2) the amount of recovery funds received that were expended or obligated to projects or activities and (3) detailed information on subgrants awarded by the recipient.

We recommend the Department develop and implement procedures to ensure compliance with the federal reporting requirement. The procedures should ensure that the information reported on the quarterly 1512 Reports is accurate and independently verified prior to submission.

None

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-7. Level of Effort – Maintenance of Effort

This is a significant deficiency.

This is a repeat finding.

Special Education Cluster (IDEA)
CFDA Nos.: 84.027, 84.173, 84.391 and 84.392
Grant Nos.: H027A070081, H027A080081, H027A090081, H173A080085 and H173A090085

The Department did not meet the Level of Effort requirement for the Special Education Cluster. Department state funded expenditures in fiscal year 2010 were approximately $2,000,000 less than the amounts expended in fiscal year 2009. Budget cuts to State appropriated funds were a contributing factor to this noncompliance. Also, the Department spent $529,475 less in State funds in fiscal year 2009 than were spent in fiscal year 2008.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-7. Level of Effort – Maintenance of Effort (Continued)

Program personnel did not monitor the Level of Effort requirement during the fiscal year to ensure the requirement was being met. Also, program personnel could not clearly identify the costs used to calculate level of effort amounts.

According to 20 U.S. Code, Section 1412 (a) (18) and 34 Code of Federal Regulations section 300.163, A State may not reduce the amount of State financial support for special education and related services for children with disabilities (or State financial support otherwise made available because of the excess costs of educating those children) below the amount of State financial support provided for the preceding fiscal year... If, for any fiscal year, a State fails to meet the State-level maintenance of effort requirement (or is granted a waiver from this requirement), the financial support required of the State in future years for maintenance of effort must be the amount that would have been required in the absence of that failure (or waiver) and not the reduced level of the State's support.

We recommend that the Department establish written procedures outlining steps to monitor the level of effort requirement. These procedures need to be detailed in nature to ensure adequate monitoring by program personnel. The procedures should also include the specific expenditure groupings used to satisfy the level of effort requirement. We also recommend the Department request a waiver from the U.S. Department of Education. The Department should also follow up with the Federal agency, regarding the status of the waiver application, throughout the year until the matter is resolved.

None

See Department’s Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-8. Schedule of Federal Financial Assistance – Overstatement of Revenues and Expenditures

This is a significant deficiency.

Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)
CFDA No.: 84.010
Grant No.: S010A090040

We determined that Title I revenues and expenditures were overstated on the Schedule of Federal Financial Assistance and the general ledger. Kershaw County School District was reimbursed for Lancaster County School District expenditures. The Department discovered the error, and the check was voided by the State Treasurer's Office. SCEIS personnel then entered an adjusting entry which increased revenue rather than decreasing expenditures causing the overstatement. The Department's internal controls did not detect the error.

The Department failed to prepare the Schedule of Federal Financial Assistance in accordance with the Office of the State Auditor's letter of instruction and generally accepted accounting principles. The letter of instruction explains that refunds of current year expenditures should be reported as a reduction in the current year expenditures. Department personnel should also have performed a more detailed review of the SFFA to ensure accuracy and completeness.

We recommend the Department develop and implement policies and procedures requiring the reconciliation of district reimbursements and district expenditures to ensure that the amounts in the SCEIS system accurately reflect the amounts that the districts expended and were reimbursed.

$226,275

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-9. Special Test of Private School Inclusion

Title I, Part A Cluster and Improving Teacher Quality State Grants
CFDA Nos.: 84.010, 84.389 and 84.367
Grant Nos.: Various

School Districts are required to notify all private schools within the district of their eligibility to participate in programs funded by No Child Left Behind (NCLB). Twenty private schools were selected for review. The schools were located within fourteen different school districts. Four districts failed to notify the private schools. One district failed to maintain the certified mail "Domestic Return Receipt" to document that the private school received the letter of invitation or the unclaimed letter notice indicating the school chose not to accept the letter. One district does not send Title II letters.

34 CFR 299.6 and 299.7 states, in summary, "...the SEA or LEA must provide notification to private school officials of their eligibility to participate in programs funded by NCLB, i.e. Title I and Title II."

We recommend that the Department develop and implement procedures to ensure that school districts are complying with the requirements of 34 CFR 299.6 and 299.7. The procedures should ensure that all private schools have received timely notification and that appropriate supporting documentation of notifications and declinations is maintained.

None

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-10. Eligibility

This is a significant deficiency.

National School Lunch Program (NSLP)
CFDA No.: 10.555
Grant No.: 5SC300328

The Department could not provide evidence to document that school food authorities (SFAs) claiming after-school snack reimbursements were operating or sponsoring after-school care programs with an educational or enrichment purpose at the sites receiving the after-school snack reimbursements.

42 USC 1766a allows reimbursement for after-school snacks to be made available to those school districts which (1) operate the National School Lunch Program in one or more of their schools and (2) sponsor or operate after-school care programs with an educational or enrichment purpose.

We recommend that the Department implement afterschool snack program procedures which include documenting the educational or enrichment purpose of the participating schools' afterschool programs. We also recommend that the Department ensure that schools are operating eligible afterschool programs during the scheduled reviews.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-11. Subrecipient Monitoring/Special Tests

This is a significant deficiency.

National School Lunch Program (NSLP)
CFDA No.: 10.555
Grant No.: 5SC300328

A school food authority (SFA) is required to account for all revenues and expenditures of its non-profit school food service in accordance with State requirements. The South

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-11. Subrecipient Monitoring/Special Tests (Continued)

Carolina School Food Service Program Reference Manual for Child Nutrition Programs states that the School Nutrition Automated Claim System (SNACS) was designed to allow the submission of monthly revenue and expense data which is used by the Department to ensure that the program remains non-profit. The Department could not document whether four of the six SFAs tested were reviewed to ensure that the SFA operated its food service on a non-profit basis and that the SFA accounted for all revenues and expenditures of its non-profit school food service in accordance with State requirements. The Department indicated that they do not require the private/parochial schools and residential child care institutions to enter the revenue and expenditure data into SNACS.

7 CFR Section 210.14(a) states, “School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service ...”

7 CFR Section 210.14(b) states, “The school food authority shall limits its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a).”

7 CFR Section 220.13(j) states, “During audits, supervisory assistance reviews, or by other means, State agencies, or Food Nutrition Services Regional Offices (FNSROs) where applicable, shall be responsible for monitoring the net cash resources of the nonprofit school food service of each School Food Authority participating in the Program. In the event that such resources exceed three months average expenditures for the School Food Authority’s non-profit school food service, or such amount as may be approved by the State agency or FNSRO where applicable, the State agency or FNSRO where applicable, may require the School Food Authority to reduce children’s prices, improve food quality or take other actions designed to improve the nonprofit school food service. In the absence of any such action, adjustments in the rates of reimbursement under the Program shall be made.”

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-11. Subrecipient Monitoring/Special Tests (Continued)

We also recommend that the Department implement procedures to document that the Department is monitoring all SFAs to ensure the requirements of 7 CFR Section 210.14(a) and (b) and 7 CFR Section 220.13(j) are met.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-12. Allowable Costs

This is a significant deficiency.

National School Lunch Program (NSLP)
CFDA No.: 10.555
Grant No.: 5SC300328

The Department had a significant increase in the number of meals submitted for reimbursement by the Youth Academy in June and July. The Department does not have controls in place to monitor significant changes in the seamless summer program meal claims. The June 2010 claim was questioned by the Department and a review was initiated when the Youth Academy inquired about a delay in the receipt of payment. The Department posted an adjustment to reduce the June meal reimbursement to the Youth Academy in September 2010. The Department determined that the Youth Academy did not purchase enough milk to support the number of meals claimed. The Department did not adequately document how the June and July milk purchases were determined, and the Department included April and May Coburg purchases as June and July purchases when calculating the servings of milk purchased from Coburg in June and July. The records to support the Department's adjustment did not adequately explain why only the June breakfast claims were adjusted when the reviewer compared the June and July milk purchases to the June and July meal claims for breakfast and lunch. Finally, the documentation did not explain why the Youth

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-12. Allowable Costs (Continued)

Academy Group Home claims were not included with the Youth Academy seamless summer claims when comparing the milk purchased to the meals claimed since the milk purchases were for the seamless summer program and the Group Home.

7 CFR Section 220.14 states "...the state agency is required to maintain all records pertaining to action taken for a period of three years after the end of the fiscal year to which they pertain." A good system of internal controls should include procedures which require the maintenance of sufficient/ verifiable documentation to support adjustment calculations.

We recommend the Department implement controls to detect significant changes in the seamless summer program meal claims and maintain sufficient/verifiable records which support actions taken for a period of three years after the end of the fiscal year for which they pertain. We also recommend that the Department consult with the Child Nutrition Division of the Food and Nutrition Service of the United States Department of Agriculture to determine the adequacy and sufficiency of the adjustment.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

10H63-13. Subrecipient Monitoring

This is a significant deficiency.

National School Lunch Program (NSLP)
CFDA No.: 10.555
Grant No.: 5SC300328

Three subrecipient monitoring deficiencies were noted during a review of the Youth Academy.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-13. Subrecipient Monitoring (Continued)

1. The Department did not review the Youth Academy meal claims for the summer of 2009 after reviewing and significantly adjusting the meal claims for the summer of 2010. The Department had a significant increase in the number of meals submitted for reimbursement by the Youth Academy in June 2010. As a result of a review of the June and July 2010 meal claims, the Department reduced the June meal claims by 44.6 percent or 324,534 meals. The June and July 2009 meal claims were significantly greater than the June and July 2008 meal claims, but the 2009 claims were not reviewed. Per 7 CFR, Section 210.19 (c)(ii), the state agency may extend fiscal action back to previous school years based on the severity and longevity of a problem.

2. The Department did not perform a coordinated review effort (CRE) review of at least one seamless summer site during the summer prior to or subsequent to the scheduled CRE review of the Youth Academy. A question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) indicates under question forty that state agencies are required to review at least one seamless summer site in operation at all school food authorities scheduled for a coordinated review effort (CRE) review. The review may be conducted in the summer prior to or following the scheduled CRE.

3. The Department does not have written procedures establishing follow-up guidelines and/or sanctions for sub-recipients who do not submit A-133 reports in a timely manner. The Department did not receive the required A-133 report for the Youth Academy in a timely manner and no follow-up was performed and no sanctions were imposed until the report was requested.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

10H63-13. Subrecipient Monitoring (Continued)

We recommend the Department develop and implement written procedures documenting when it will extend fiscal action back to previous school years. We also recommend the Department develop and implement procedures to ensure that seamless summer sites are reviewed in accordance with USDA guidelines for all school food authorities scheduled for CRE review. Finally, we recommend the Department develop and implement written procedures establishing follow-up guidelines and/or sanctions for subrecipients who do not submit A-133 reports in a timely manner.

Not Determinable

See Agency's Corrective Action Plan at page 227.

Agency Contact: Felicia Poston (803) 734-8488.

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SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73)

10H73-1. Maintenance of Effort

Rehabilitation Services – Vocational Rehabilitation Grants to States
CFDA No.: 84.126
Grant Nos.: H126A090060 and H126A010061

The South Carolina Vocational Rehabilitation Department (the Department) did not meet the maintenance of effort requirement.

The Department's maintenance of effort requirement was $14,323,956. The amount the Department contributed was $12,582,382. This results in the maintenance of effort shortage of $1,741,574. The cause of the shortfall was due to state budget reductions.

Title 34 CFR section 361.62, The amount otherwise payable to a State for a fiscal year under this section shall be reduced by the amount by which expenditures from non-federal sources under the State Plan for the previous fiscal year are less than the total of such expenditures for the fiscal year two years prior to the previous fiscal year.

We recommend the Department ensure that resources are available to meet the maintenance of effort requirement.

None

See Agency's Corrective Action Plan at page 243.

Agency Contact: Richard G. Elam (803) 896-6506.

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SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73) (CONTINUED)

10H73-2. Cash Drawdowns

This is a significant deficiency.

Rehabilitation Services – Vocational Rehabilitation Grants to States
CFDA No.: 84.126
Grant Nos.: All Grants

During our testing of federal cash drawdowns, we noted the Department's reimbursement requests were not done timely. The Department only made six federal cash drawdowns after the implementation of SAP in November 2009.

Proper grant management and sound business practices require timely reimbursement of expenditures by grantor when allowable grant costs are incurred.

We recommend the Department implement proper procedures for federal drawdowns on a cash need basis.

None

See Agency's Corrective Action Plan at page 243.

Agency Contact: Richard G. Elam (803) 896-6506.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)

10J02-1. Schedule of Federal Financial Assistance

Children's Health Insurance Program
CFDA No.: 93.767
Grant Nos.: 05-0705SC5021, 05-0805SC5021 and 05-0905SC5021

We determined that the beginning balances, receipts, expenditures and ending balances by grant for the Children's Health Insurance Program (CFDA No. 93.767) reported on the South Carolina Department of Health and Human Service's (the "Department") Schedule of Federal Financial Assistance (SFFA) did not agree with the agency's accounting records.

During fiscal 2009-10 the Department implemented a new accounting system. During the system implementation the Department did not establish separate grant accounts for each open grant. The Department prepared several journal entries to reclassify program activity by grant but were unable to process all adjustments before year-end.

Because the Department did not record program activity by individual grant the Department was unable to properly report activity by grant number on the SFFA as required by the Office of the State Auditor Letter of Instruction.

We recommend that the Department staff develop and implement procedures to ensure that individual grant activity is separately accounted for in the Department financial records and is properly reported on the SFFA in accordance with the Office of the State Auditor Letter of Instruction.

None

See Agency's Corrective Action Plan at page 244.

Agency Contact: Milton German (803) 898-1051.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

10J02-2. Federal Share of Recoveries and Collections

This is a material weakness.

This is a repeat finding.

Medicaid Assistance Program (Medicaid)
CFDA No.: 93.778
Grant Nos.: Various

When testing Medicaid recoveries and collections, we noted that the Department was using the current Federal Matching Assistance Percentage (FMAP) to calculate the Federal share of Medicaid recoveries.

The State Medicaid Manual, CMS 45 Section 2500.6 B states, in part, "...Upon receipt of such funds, determine the date or period of the expenditure for which the refund is made to establish the FMAP at which the original expenditure was matched by the Federal government. Make refunds of the Federal share at the FMAP for which you were reimbursed. When recoveries cannot be related to a specific period, compute the Federal share at the FMAP rate in effect at the time the refund was received."

The Department has the ability to identify the specific period and related FMAP rate in effect at the time most refunds are received, but it has elected to reimburse the Federal grantor using the current FMAP. The current FMAP has been supplemented by ARRA funds. Most, if not all, of the current recoveries are based on a pre-ARRA FMAP. As a result the Department is reimbursing the grantor at a rate in excess of the amount due.

The FMAP is expected to return to its pre-ARRA rate in fiscal year 2012. If the Department does not change its current practice it will expose itself to questioned cost because it will not be reimbursing the grantor at the appropriate rate.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

10J02-2. Federal Share of Recoveries and Collections (Continued)

We recommend the Department develop and implement procedures to ensure that recoveries and collections that can be related to a specific period are returned to the grantor based on the FMAP rate in effect at the date of the original expenditure. We also recommend that the Department perform a review of all recoveries that were returned using the enhanced FMAP, in order to identify and recover the excess amounts that were returned to the grantor.

None

See Agency's Corrective Action Plan at page 244.

Agency Contact: Milton German (803) 898-1051.

10J02-3. Return of Medicaid Refunds and Overpayments

Medicaid Assistance Program (Medicaid)
CFDA No.: 93.778
Grant Nos.: 05-1005SCMAP and 05-1005SCARRA

When testing Medicaid recoveries and collections, we noted that twenty-two refund and overpayment receivables established by the Department between January 1, 2010 and March 22, 2010 were not returned to the federal grantor after sixty days as required by 42 CFR 433.312.

According to the Centers for Medicare & Medicaid Services State Medicaid Director Letter (SMDL) number 10-014, extension of the sixty day period required by 42 CFR 433.312 to 365 days was incorporated into Section 6506 of the Affordable Care Act. The letter states, in part, "This section was effective March 23, 2010, the date of enactment ...For overpayments identified prior to the effective date, the previous rules on discovery of overpayments will be in effect."

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02) (CONTINUED)

10J02-3. Return of Medicaid Refunds and Overpayments (Continued)

By not fully complying with 42 CFR 433.312 and SMDL number 10-014, we determined that the Department has overstated federal expenditures for CFDA 93.778 by $6,875,167 for fiscal year ended June 30, 2010.

We recommend that the Department perform a review of its accounts receivables established between January 1, 2010 and March 22, 2010 to identify current amounts due to the federal grantor. These funds should be returned on the Department's next quarterly CMS-64.

$6,875,167

See Agency's Corrective Action Plan at page 244.

Agency Contact: Milton German (803) 898-1051.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)

10J04-1. Cash Management - Rebates

This is a material weakness.

This is a repeat finding.

HIV Care Formula Grants
CFDA No.: 93.917
Grant Nos.: Various

45 CFR Section 92.21(f)(2) states that grantees must disburse rebates, and any earned interest on them, prior to requesting additional payments under their grant award.

The Department drew down federal funds before using available HIV drug rebate funds. The HIV drug rebate account balance averaged over two million dollars throughout the year.

We recommend that the Department establish procedures to ensure compliance with the cash management regulations regarding the disbursement of rebate funds prior to the drawdown of Federal funds.

None

See Agency's Corrective Action Plan at page 246.

Agency Contact: Mary Fuhrman (803) 898-3380.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

10J04-2. Maintenance of Effort

This is a material weakness.

This is a repeat finding.

HIV Care Formula Grants
CFDA No.: 93.917
Grant Nos.: Various

The Department did not meet its maintenance of effort (MOE) requirement. The Department uses Medicaid HIV/AIDS expenditures incurred by the South Carolina Department of Health and Human Services (SCDHHS) to meet the grant's MOE requirement. The Department did not use current Federal Matching Assistance Percentage (FMAP) when calculating the MOE requirement. As a result the Department's current year expenditures were $4.3 million less than the amount necessary to meet the MOE requirement.

OMB Circular A-133 states, "The State will maintain HIV-related activities at a level that is equal to not less than the level of such expenditures by the State for the 1-year period preceding the fiscal year for which the State is applying for Title II/Part B funds (42 USC 300ff-27(b)(6)(E); Pub. L. No. 109-415, section 2616(b)(7)(E))."

We recommend that the Department develop and implement procedures to monitor maintenance of effort expenditures to ensure that it is in compliance with the grant requirement. Additionally, we recommend the Department revise the MOE report to properly reflect that the MOE was not met.

None

See Agency's Corrective Action Plan at page 246.

Agency Contact: Mary Fuhrman (803) 898-3380.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

10J04-3. Subrecipient Monitoring

This is a repeat finding.

HIV Care Formula Grants
CFDA No.: 93.917
Grant Nos.: Various

The Department did not perform financial monitoring visits in accordance with the fiscal and program monitoring activities described in the grant application. The Office of Internal Audits completed six of the eleven Ryan White service providers financial monitoring site visits in fiscal year 2010.

The Department stated in the grant application document that financial monitoring visits would begin in early 2009 and all eleven Part B service providers would have a financial review by the completion of the grant year.

We recommend that the Department perform the financial monitoring visits in accordance with the policy included in the grant application document and ensure that the financial monitoring visits comply with OMB circular A-133.

None

See Agency's Corrective Action Plan at page 246.

Agency Contact: Mary Fuhrman (803) 898-3380.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

10J04-4. Client Eligibility

This is a repeat finding.

HIV Care Formula Grants
CFDA No.: 93.917
Grant No.: 6 X07HA00038-19-01

The Ryan White Program staff does not recertify each client every six months as required in Federal program regulations. Department policy requires recertifications be completed every 12 months for the Insurance Assistance Program and that recertifications for the Drug Dispensing Program be completed in the birth month of the client each year.

The Department's eligibility recertifications are not consistently being completed at least once each year in accordance with Department policy. We found twenty-three of the forty clients tested took more than twelve months to recertify.

The Notice of Grant Award states that the Health Resources and Services Administration (HRSA) expects all Part B grantees to implement an ADAP recertification process, at a minimum, every six months to ensure that the program only serves eligible clients.

We recommend the Department implement policies and procedures to ensure clients are being recertified in a timely manner in order to ensure compliance with stated regulations.

None

See Agency's Corrective Action Plan at page 246.

Agency Contact: Mary Fuhrman (803) 898-3380.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

10J04-5. High Risk Vendors

This is a significant deficiency.

This is a repeat finding.

Supplemental Nutrition Program for Women, Infants, and Children
CFDA No.: 10.557
Grant Nos.: 5SC700715, 5SC700706 and 5SC700749

The Department is not identifying high risk vendors in accordance with Department and Food Nutrition Service (FNS) guidelines. In accordance with FNS guidelines the Department is required to identify high risk vendors at least once a year. FNS guidance requires the Department to follow the FNS criteria and/or develop a statistically based criteria which is approved by FNS to identify high risk vendors. The Department is currently developing written policies to identify high-risk vendors.

7 CFR section 246.12(j)(3) states, "The State agency must identify high-risk vendors at least once a year using criteria developed by the FNS and/or other statistically-based criteria developed by the State agency. FNS will not change its criteria more frequently than once every two years and will provide adequate advance notification of changes prior to implementation. The State agency may develop and implement additional criteria. All State agency-developed criteria must be approved by FNS."

We recommend that the Department complete its written procedures outlining its criteria for identifying high-risk vendors and obtain FNS approval before implementing its plan.

None

See Agency's Corrective Action Plan at page 246.

Agency Contact: Mary Fuhrman (803) 898-3380.

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05)

10K05-1. Unallowable Costs/Period Of Availability

This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF) – Government Services, Recovery Act
CFDA No.: 84.397
Grant No.: S397A090052

State Fiscal Stabilization Funds (SFSF) were used to pay salary and fringe benefit expenditures. We determined that not all reimbursed costs were incurred within the period of availability. The Department requested reimbursement for salary and holiday pay incurred during March 16, 2008 through March 8, 2009. Total unallowable costs reimbursed by the grantor were $29,953.

According to the OMB Circular A-133 June 2010 Compliance Supplement, Part 4 – Agency Program Requirements for CFDA No. 84.397, "Funds from both SFSF programs remain available for obligation by recipients and subrecipients through September 30, 2011. With specific approval from ED, funds from both SFSF programs may be used to pay for pre-award costs prior to a specific date, but no earlier than February 17, 2009."

We recommend the Department establish written procedures to ensure the proper recording of expenditures in the correct period of availability. We also recommend the Department review expenditures to ensure that expenditures reported are during the period of availability.

$29,953

See Agency's Corrective Action Plan at page 252.

Agency Contact: Stephen Fulmer (803) 896-5457.

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05) (CONTINUED)

10K05-2. Schedule of Federal Financial Assistance

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

The Department failed to prepare the Schedule of Federal Financial Assistance (SFFA) in accordance with the Letter of Instruction. The following omissions or errors were noted:

1. The CFDA Title and Federal Grantor were not listed on the SFFA for all grants.

2. The Beginning Fund Balance for all grants listed on the SFFA was incorrectly posted to the SFFA as Fund Balance Adjustment. The FY 2010 Beginning Fund Balance reported on the SFFA did not agree to the FY 2009 Ending Fund Balance for CFDA No. 16.550, Grant 2007BJCXK017; CFDA No.16.575, Grant 2008VAGX0011; CFDA No. 20.601, Grant 2007NHTSA410; and CFDA No. 20.601, Grant 2008NHTSA410. In addition, several grants which had ending fund balances on the FY 2009 SFFA were not reported on the FY 2010 SFFA.

3. The SFFA incorrectly reported a grant under CFDA No. 81.502 instead of CFDA No. 81.106. The grant title and fund source code reported on the SFFA were also incorrect for the grant.

4. Expenditures reported on the SFFA did not agree to the agency's general ledger, for CFDA No. 20.600 Grant 2009NHTSA402 and Grant 2010NHTSA402; CFDA No. 20.601 Grant 2008NHTSA410 and Grant 2009NHTSA410; and CFDA No.84.397 Grant S397A090052.

5. The Beginning Fund Balance reported on the SFFA did not agree to the agency's general ledger, for CFDA No. 16.550, Grant 2007BJCXK017; CFDA No. 16.540, Grant 2007JFFX0033, CFDA No.16.734, Grant 2007RUBXK003 and CFDA No. 16.588, Grant 2007WFAX0061.

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05) (CONTINUED)

10K05-2. Schedule of Federal Financial Assistance (Continued)

6. The ending fund balances for several grants under various CFDA numbers were incorrectly calculated.

7. For CFDA No. 84.397, Grant S397A090052 the incorrect fund source code was reported on the SFFA.

8. The grant number reported on the SFFA was incorrect for CFDA No. 20.218.

9. The grant award title reported on the SFFA for various grants was incorrect.

The Department failed to prepare the Schedule of Federal Financial Assistance in accordance with the Office of the State Auditor's letter of instruction. The letter of instruction specifies the following:

1. The SFFA should reconcile to the agency's accounting records and include all transactions recorded therein.

2. The SFFA should not include transactions that have been recorded in the Agency's accounting system subsequent to the State Fiscal Year being presented.

3. Beginning fund balance for each grant should be the same as the ending fund balance on the schedule prepared for the previous fiscal year.

We recommend the Department implement procedures to ensure that all grant information included in the SFFA has been reviewed for accuracy and that the SFFA is prepared and presented in accordance with the Office of the State Auditor Letter of Instruction. We also recommend that the Department implement procedures to reconcile the SFFA to the SCEIS system.

None

See Agency's Corrective Action Plan at page 252.

Agency Contact: Stephen Fulmer (803) 896-5457.

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05) (CONTINUED)

10K05-3. Subrecipient Monitoring

This is a significant deficiency.

Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories
CFDA No.: 16.803
Grant No.: 2009-SU-B9-0024

The Department did not ensure that subrecipients expending $500,000 or more in federal awards during the subrecipient's fiscal year submitted the required audits within nine months.

OMB Circular A-133 describes the pass-through agency's responsibilities with respect to subrecipient monitoring. The federal guidance states that the pass-through agency is responsible for: (1) Ensuring that subrecipients expending $500,000 or more in Federal awards during the subrecipient's fiscal year for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the end of the subrecipient's audit period; (2) issuing a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

We recommend the Department set up written procedures and guidelines to ensure that the subrecipient list is completed and reviewed by management on a regular basis. The management review should be documented and procedures need to be in place for contacting subrecipients to

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05) (CONTINUED)

10K05-3. Subrecipient Monitoring (Continued)

ensure reports are received in a timely manner. For all reports not received within 9 months, the department needs to document reason given by the subrecipient and what steps were taken to ensure compliance. The reports received by the department need to be reviewed by management in a timely manner. This review needs to be documented and include management's decisions on the audit findings and document how the agency will ensure that the subrecipient is taking timely and appropriate corrective action on the audit findings.

None

See Agency's Corrective Action Plan at page 252.

Agency Contact: Stephen Fulmer (803) 896-5457.

10K05-4. Cash Management

State Fiscal Stabilization Fund (SFSF) – Government Services, Recovery Act
CFDA No.: 84.397
Grant No.: S397A090052

State Fiscal Stabilization expenditures were not recorded in a timely manner. The Office of State Treasurer drew down fifteen million dollars on October 5, 2009 based on information reported to the State Stimulus Oversight Task Force. The information provided to the Office of the State Treasurer documented that the applicable expenditures were incurred from July 2009 to September 2009. The Department did not submit a reimbursement request to the Office of State Treasurer until October 19, 2009. The Office of the State Treasurer did not transfer the money to the Department until October 30, 2009, and the Department did not record receipt of the funds until November 6, 2009. The journal entry to record the expenditure of the $15 million was not posted until June 30, 2010.

Proper grant management and sound business practices require timely reimbursement of expenditures when allowable grant costs are incurred.

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SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY (K05) (CONTINUED)

10K05-4. Cash Management (Continued)

We recommend the Department establish procedures to record expenditures of Federal funds in a timely manner in compliance with applicable regulations.

None

See Agency's Corrective Action Plan at page 252.

Agency Contact: Stephen Fulmer (803) 896-5457.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04)

10L04-1. Schedule of Federal Financial Assistance

This is a significant deficiency.

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

Our review of the Department's Schedule of Federal Financial Assistance (SFFA) identified the following:

- Child and Adult Care Feeding Program - CFDA 10.558 – Total program expenditures did not agree with Department accounting records. Total program expenditures reported on the SFFA were understated approximately $20,000.

- Supplemental Nutrition Assistance Program (SNAP)– CFDA No. 10.561 – Program expenditures were understated approximately $9.7 million because program expenditures were recorded in the wrong general ledger account. (See 10L04-3 for further explanation)

- Supplemental Nutrition Assistance Program (SNAP)– CFDA No. 10.551 – Program expenditures were overstated approximately $107.0 million because of an error made when incorporating the expenditures on the SFFA that were omitted from the general ledger during accounting system conversion. (See 10L04-3 for further explanation)

- Social Services Block Grant – CFDA No. 93.667 – Program expenditures were overstated approximately $9.7 million because program expenditures were recorded in the wrong general ledger account. (See 10L04-3 for further explanation)

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-1. Schedule of Federal Financial Assistance (Continued)

In addition to the errors described above the Department did not provide explanations for negative expenditures reported on its SFFA or provide a separate list of subrecipients. The Office of the State Auditor's letter of instruction requires agencies to explain negative expenditures and provide of list of subrecipients.

Finally the SFFA presented the Recovery Act activity for the Child Care and Development Block Grant (CFDA No. 93.713) as two separate grants instead of one grant.

Adjustments were made to correct the Department's SFFA.

We recommend that the Department develop and implement procedures to ensure that it completes the SFFA in accordance with the Office of State Auditor Letter of instruction. In addition, we recommend that the Department develop and implement procedures to ensure that the SFFA is independently reviewed to ensure that the amounts reported on the schedule agree and/or reconcile to the Department's accounting records.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-2. Child Support Automated System and OCSE 34A Report

This is a repeat finding.

Child Support Enforcement
CFDA No.: 93.563
Grant Nos.: 0904SC4004 and 1004SC4002

Section 454 (24) (B) of the Social Security Act (the Act), as amended, by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), requires states to have an operational automated data processing and information retrieval system for child and spousal support. The system must be in place by October 1, 1997, and meet all the requirements of paragraph (16) of the Act. The Secretary of the U.S. Department of Health and Human Services (USDHHS) must approve the system.

The Department did not implement the automated data processing and information retrieval system as required by Section 454 (24) (B). As a result, the Department received a letter from the USDHHS Division of Administration for Children and Families (ACF), dated January 27, 1998, providing formal notice that ACF intends to "disapprove South Carolina's State IV-D Plan." The letter states that the basis for this decision is "South Carolina's failure to submit a State plan amendment by December 31, 1997, certifying that it is operating an automated child support enforcement system that meets all the requirements enacted on or before the date of enactment of the Family Support Act in accordance with Section 454 (24) (A) of the Act, as amended by the PRWORA.

The Department and USDHHS have reached an agreement in which the Department pays penalties to USDHHS for their noncompliance.

As noted in our prior year finding, the Department has contracted with an outside vendor and they have continued to make significant progress in the development and implementation of a statewide system. The Department estimates that the system will be operational by September 2012.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-2. Child Support Automated System and OCSE 34A Report (Continued)

Because the automated information and retrieval system has not yet been implemented, certain data necessary for proper completion of the OCSE 34A financial report is not available. The Department used the best available data and estimates in completing the report but we could not attest to the accuracy of that data.

We recommend that the Department continue its progress in implementing a data processing and retrieval system that complies with Section 454 (24) (B) of the Act.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-3. Conversion Journal Entries

This is a significant deficiency.

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

The Department implemented the South Carolina Enterprise Information System (SCEIS) in May 2010. To ensure that balances associated with the Department's major federal programs were properly carried forward at the time of conversion we reviewed documentation of the conversion process and tested adjusting entries which recorded the ending balances from the legacy system to the new system.

Our test of the conversion adjustments revealed the following:

- State Administrative Matching Grant for the Supplemental Nutrition Assistance Program - CFDA No. 10.561 - Expenditures totaling approximately $9.7 million were recorded to the Social Services Block Grant - CFDA No.93.667 program.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-3. Conversion Journal Entries (Continued)

- Supplemental Nutrition Assistance Program (SNAP) - CFDA No. 10.551 – The Department did not transfer food stamp electronic benefits expenditures of approximately $800.0 million from its legacy system to the new accounting system.

We determined that the errors noted above did not affect the amounts reported by the Department to the federal grantors. However, the errors did impact the amounts reported on the Department's Schedule of Federal Financial Assistance. (See **10L04-1.**)

The Department could not explain why the errors occurred or why the Department's internal controls did not detect the errors. The supporting documentation for all the conversion entries was limited to the Department's legacy accounting system activity report. None of the conversion entries documented the name of the preparer and approver. Additional supporting documentation was requested from both the Department and from the SCEIS implementation team who were responsible for imputing ending balances from the Department's legacy system to the new accounting system.

The new accounting system strengthens internal controls over the approval of transactions because of system's "workflow process", i.e., the system requires the document preparer to submit the document to an individual who approves the document. However this process was not followed when documents were initiated by the SCIES team. We determined that adjustments initiated by SCEIS team members generally were not supported by source documentation, adjustments did not document an independent review by the SCEIS team, or a review and approval by Department personnel.

We recommend that the Department development and implement procedures to ensure that accounting transactions are adequately supported by source documentation. Documentation supporting accounting transactions should identify the person initiating the transaction and the person approving the transaction. Journal entries should

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-3. Conversion Journal Entries (Continued)

also explain the purpose of the adjustment and include documentation supporting the adjustment. Accounting transactions initiated by the SCEIS team should be subjected to the same level of internal controls as a transactions processed by Department personnel.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-4. Subrecipient Monitoring

Child and Adult Care Food Program
CFDA No.: 10.558
Grant No.: 5SC300329

Office of Management of Budget (OMB) Circular A-133, Subpart D defines the responsibilities of pass-through entities with respect to subrecipients. Subpart D explains that the pass through entity shall perform the following:

- Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency.

- Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.

- Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-4. Subrecipient Monitoring (Continued)

- Ensure that subrecipients expending $500,000 or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.

- Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.

- Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.

- Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part.

- Pass-through entity responsibility for subrecipient monitoring is described in the Office of Management and Budget (OMB) Circular A-133 and includes ensuring that subrecipients expending $500,000 or more in Federal awards have met the audit requirements of OMB Circular A-133.

We reviewed the Department’s procedures for monitoring subrecipients and reviewed six subrecipient files to ensure that the subrecipient had submitted its A-133 audit report to the Department. Based on our review we determined that two of the six subrecipients had not submitted the A-133 audit to the Department.

We determined that the Department’s procedures for identifying subrecipients that met the audit requirement threshold and needed to submit an A-133 audit was limited to amounts passed through by the Department, not taking into consideration potential other federal funding sources of the subrecipient. As a result the Department did not

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-4. Subrecipient Monitoring (Continued)

notify all subrecipients that they needed to submit an A-133 audit. Therefore the Department may not have identified and tracked all subrecipients meeting the audit requirement threshold.

We recommend that the Department review subrecipient monitoring procedures to ensure that the procedures meet the requirements of Subpart D. We also recommend the Department develop a system to track subrecipients audit submissions.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-5. Eligibility

This is a significant deficiency.

This is a repeat finding.

CCDF Cluster
CFDA Nos.: 93.575, 93.596 and 93.713
Grant Nos.: Various

We selected forty payments to child care providers to test the Department's internal controls and compliance with program requirements. Based on the procedures performed we noted the following:

- Two case files provided by the Department did not contain sufficient supporting documentation to determine recipient eligibility. The federal cost associated with the two payments totaled $125.

- The Department overpaid one childcare provider $42 because a case was not closed in a timely manner.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-5. Eligibility (Continued)

- Fourteen case files did not include all eligibility documentation as required by Department policy. Even though all required documents were not present we were able to determine client eligibility from the available documentation.

We recommend that the Department periodically review its ABC Child Care Program Policy Manual to ensure that it complies with federal program revisions. The Department should also ensure that program revisions are communicated to program staff, as needed.

$167

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-6. Cash Management

This is a significant deficiency.

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

We tested ten federal draws to ensure that the Department was in compliance with federal cash management requirements. The Department could not provide sufficient documentation to support compliance with federal requirements for five of the transactions.

In addition, during the process of ensuring the completeness of the federal cash draw population we determined that the Department had improperly recorded $1.7 million. The Department made a cash draw applicable to the Child Care and Development Block Grant (CFDA No. 93.575) program but recorded it in their accounting records as revenue to Adoption Assistance (CFDA No. 93.659).

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-6. Cash Management (Continued)

Department cash draw procedures and sound internal controls require that documentation be maintained to support federal cash draws and to demonstrate its compliance with Federal cash management requirements. Internal control procedures should also include controls to ensure that transactions are properly recorded in the entity's accounting records.

We recommend the Department develop and implement accounting controls to ensure that accounting transactions are properly recorded. The Department should also ensure that documentation supporting cash draws adequately supports amounts requested and documents an independent review and approval of the request.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-7. Cost Allocation

This is a significant deficiency.

Various Programs
CFDA Nos.: Various
Grant Nos.: Various

We tested the Department's indirect costs applicable to its major programs. While the analytical review procedures did not result in any findings related to the major programs we did note exceptions pertaining to adjusting journal entries and with the cost allocation plan base percentages.

When the Department implemented its new statewide accounting system (SCEIS) indirect costs were initially allocated at the transaction level. During the year the Department recorded adjustments to its cost allocation plan to reflect revisions to the plan's cost bases.

We were unable to agree the supporting documentation for one of the adjusting entries to agency accounting records.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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Questioned Costs

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-7. Cost Allocation (Continued)

A review of the approved cost allocation plan statistics disclosed that the Department had not updated the allocation statistics for one base, county legal representation, since the plan's inception in 2007 and the square footage statistics for the allocation of rent did not reflect the actual space utilization.

We recommend the Department develop and implement procedures to periodically review its cost allocation plan to ensure that it is current and that costs are being allocated in accordance with applicable federal regulations. We also recommend that the Department ensure that adjusting journal entries are supported by documentation which agrees to the Department's accounting records. Finally the Department should implement procedures that require review of plan modifications by another employee, independent of the preparer, to ensure that the changes are appropriate, comply with the approved cost allocation plan and federal regulations and are adequately documented.

Not Determinable

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

10L04-8. Capitalization – Child Support Automated System

This is a significant deficiency.

Child Support Enforcement
CFDA No.: 93.563
Grant Nos.: 0904SC4004 and 1004SC4002

We determined that the Department is not properly accounting for the cost of its Child Support Automated System. The cost of implementing the system is estimated to be $132.9 million.

STATE OF SOUTH CAROLINA
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Questioned Costs

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

10L04-8. Capitalization – Child Support Automated System (Continued)

The State's policy requires State agencies to capitalize intangible assets with an initial useful life extending beyond a single reporting period and a cost of more than $100,000. OMB Circular A-133 specifies that States use, manage, and dispose of equipment purchased with Federal grant funds in accordance with State laws and procedures in order to demonstrate Federal compliance.

We recommend that the Department develop and implement procedures to ensure that it accounts for capital assets in accordance with the State's capitalization policy and OMB Circular A-133.

None

See Agency's Corrective Action Plan at page 254.

Agency Contact: Scott Ludlam (803) 898-3987.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24)

10L24-1. Unallowed Activity

This is a significant deficiency.

This is a repeat finding.

Vocational Rehabilitation Cluster
CFDA No.: 84.126
Grant Nos.: L24010363008 and L24010363009

During our testing of non-payroll expenditures, we noted two expenditures were not allocated proportionally between federal and non-federal funds. These transactions were for various expenditures charged entirely to the Basic Support grant when the nature of the transaction did not directly benefit the Basic Support grant. The Commission should have uniformly allocated charges to the benefitting programs.

Per Circular A-87 Attachment A Paragraph C.3, "A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assigned to such cost objective in accordance with relative benefits received."

We recommend the Commission follow the requirements per Circular A-87.

$2,315

See Agency's Corrective Action Plan at page 260.

Agency Contact: Juan Sims (803) 898-7701.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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Questioned Costs

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

10L24-2. Cash Drawdowns

This is a significant deficiency.

This is a repeat finding.

Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126
Grant Nos.: All Grants

During our testing of federal cash drawdowns, we noted the Commission's reimbursement requests were not submitted timely. The Commission only made four federal cash drawdowns during FY10.

Proper grant management and sound business practices require timely reimbursement of expenditures by grantor when allowable grant costs are incurred.

We recommend the Commission develop and implement procedures to ensure that federal drawdowns are made to coincide with the expenditure of funds.

None

See Agency's Corrective Action Plan at page 260.

Agency Contact: Juan Sims (803) 898-7701.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

10L24-3. Reporting

This is a significant deficiency.

This is a repeat finding.

Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126
Grant Nos.: All Grants

During our review of the Federal Reports submitted in fiscal year 2009-10 we noted the following:

1. The federal report submitted by the Commission documented an indirect cost rate of thirty-one percent. However the Commission approved indirect cost rate for the program was one percent.

2. The Commission did not record indirect costs expenditures in its accounting system.

3. The RSA-2 Annual Vocational Rehabilitation Program/Cost Report was submitted on March 1, two months after the report due date.

Regulations and RSA-2 – Annual Vocational Rehabilitation Program/Cost Report state the following:

OMB A-87 states, "1. Submission of indirect cost rate proposals.

(a) All departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule."

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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Questioned Costs

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

10L24-3. Reporting (Continued)

RSA-2 – Annual Vocational Rehabilitation Program/Cost Report instructions states, "RSA-2 report must be submitted by December 31 following the close of the Federal fiscal year."

We recommend the Commission follow the guidelines set forth in OMB A-87 and RSA-2 – Annual Vocational Rehabilitation Program/Cost Report instructions to ensure proper reporting to the US Department of Education.

None

See Agency's Corrective Action Plan at page 260.

Agency Contact: Juan Sims (803) 898-7701.

10L24-4. Capital Assets

This is a significant deficiency.

Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.390
Grant No.: L24010ARBS09

We determined the Department did not capitalize the purchase of certain data processing equipment. As a result capital assets were understated $16,209.

The State's capital assets policy specifies that assets with an estimated useful life of at least two years and a historical cost of $5,000 (vehicles, machinery, and equipment) to be capitalized. Also, effective internal controls require transactions to be properly classified in the accounting system to ensure its accuracy and reliability.

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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

10L24-4. Capital Assets (Continued)

We recommend the Commission ensure that all transactions are properly classified in the accounting system. Also, we recommend that the Commission follow State policy regarding the capitalization of capital assets.

None

See Agency's Corrective Action Plan at page 260.

Agency Contact: Juan Sims (803) 898-7701.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF CORRECTIONS (N04)

10N04-1. Allowable Costs/Period of Availability of Federal Funds

This is a significant deficiency.

Program: State Fiscal Stabilization Fund (SFSF) – Government Services, Recovery Act

CFDA No.: 84.397
Grant No.: S397A090052

The Department of Corrections (the "Department") was reimbursed expenditures that were incurred prior to the grant period of availability. We determined that the Department included eight invoices related to costs incurred from December 2, 2008 through January 21, 2009. The unallowable costs totaled $8,287.40.

Federal guidance for Grantees and Auditors, State Fiscal Stabilization Fund Program, dated December 24, 2009 states the (United States) Department (of Education) has authorized States to use SFSF funds to support allowable obligations that were incurred as of February 17, 2009, the date of enactment of ARRA.

We recommend the Department develop and implement procedures regarding the proper reporting of expenditures within the correct period of availability of Federal funds. We also recommend the Department ensure expenditures are reported in the proper period of availability of Federal funds.

$8,287

See Department's Corrective Action Plan at page 261.

Agency Contact: Martha Roof (803) 896-1916.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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Questioned Costs

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS (N04) (CONTINUED)

10N04-2. Schedule of Federal Financial Assistance Discrepancies

This is a material weakness.

Programs: Various
CFDA Nos.: Various
Grant Nos.: Various

The Department failed to prepare the Schedule of Federal Financial Assistance (SFFA) in accordance with the Office of the State Auditor's letter of instructions. Various errors were noted with beginning fund balances, receipts, expenditures, ending fund balances, and grant numbers. Beginning fund balances were posted incorrectly in the Department's general ledger (SCEIS). Receipts and expenditures reported on the SFFA did not agree to amounts recorded in the general ledger. Two grant numbers noted on the SFFA were also incorrect.

In accordance with the Office of the State Auditor's (OSA) letter of instruction for preparation of the SFFA: 1) The SFFA should reconcile to the Department's accounting records (general ledger) and include all transactions recorded therein. 2) The SFFA should not include transactions that have been recorded in the Department's accounting system subsequent to the State Fiscal Year being presented. 3) Beginning fund balance for each grant should be the same as the ending fund balance on the schedule prepared for the previous fiscal year. 4) Grant numbers must agree with the numbers shown on the grant award documents from the grantor or pass-through entity.

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SOUTH CAROLINA DEPARTMENT OF CORRECTIONS (N04) (CONTINUED)

10N04-2. Schedule of Federal Financial Assistance Discrepancies (Continued)

We recommend the Department develop and implement procedures to ensure that all grant information included in the SFFA has been reviewed for accuracy and that the SFFA is prepared in accordance with the OSA letter of instructions. We also recommend that the Department implement procedures to reconcile the SFFA to the general ledger.

None

See Department's Corrective Action Plan at page 261.

Agency Contact: Martha Roof (803) 896-1916.

10N04-3. General Ledger Discrepancies

This is a material weakness.

Programs: Various
CFDA Nos.: Various
Grant Nos.: Various

The Department implemented a new accounting system, SCEIS, in May 2010. During this engagement, we tested information reported on the Schedule of Federal Financial Assistance (SFFA). Based on the procedures performed we determined that the Department did not correctly carry forward balances from its legacy system to SCEIS. In addition, grant revenues and expenditures were understated because indirect costs were recorded as a contra-revenue rather than expenditure. We also noted that cumulative expenditure balances were not transferred into SCEIS at the correct amount for numerous grants. The Department input incorrect Federal grant number in SCEIS. Finally, we noted that the SCEIS system reported activity for several grants in fiscal year 2010, but the Department could not provide grant award documentation to support the grants.

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SOUTH CAROLINA DEPARTMENT OF CORRECTIONS (N04) (CONTINUED)

10N04-3. General Ledger Discrepancies (Continued)

In accordance with generally accepted accounting principles, the general ledger should be a true and accurate reflection of the activity that has occurred during the period. Information should be posted in a timely manner and at the cost incurred.

We recommend the Department develop and implement procedures to ensure the general ledger is reviewed to ensure the accuracy of the data. We also recommend that the Department ensures that the data reported on the SFFA agrees and/or reconciles to the Department accounting system.

None

See Department's Corrective Action Plan at page 261.

Agency Contact: Martha Roof (803) 896-1916.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32)

10P32-1. Lack of Adequate Documentation

This is a significant deficiency.

WIA Cluster
CFDA Nos.: 17.259 and 17.260
Grant No.: AA-17147-08-55-A-45

During our test of WIA expenditures, we determined that the data reported on the subrecipient requests for payment (RFP) form did not agree to the supporting documentation for two of the transactions tested. One of the transactions had no corresponding support and the other did not agree to general ledger detail included in the grant file.

OMB Circular A-87, Attachment A, Section C (1) states in part, "...To be allowable under Federal awards, costs must be adequately documented...".

Part 5 of the Department's "WIA Financial Management Agency Procedures" manual, related to RFP reviews, states in part, "...Grantee's actual expenditure documentation includes either detailed receipts/invoices, an accounting system printout, or a spreadsheet that ties back to the grantee's accounting system and reflects the amount requested...".

We recommend that the Department develop and implement procedures to ensure that appropriate documentation is maintained to support all expenditures charged to Federal programs.

$30,049

See Agency's Corrective Action Plan at page 264.

Agency Contact: Chris Huffman (803) 737-0462.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32) (CONTINUED)

10P32-2. Reporting

This is a significant deficiency.

WIA Cluster
CFDA No.: 17.259
Grant No.: AA-17147-08-55-A-45

We reviewed the Department's monthly ETA-9149 WIA Youth Recovery Act reports for the months ended 10/31/09 and 1/31/10, and were unable to agree reported amounts to the Department's Virtual One-Stop (VOS) case management system that is used to generate the report.

Department personnel could not explain the reason for the differences between the detailed data files and the reports that were submitted to the U.S. Department of Labor (USDOL), but indicated that subsequent to the time the reports were submitted, the VOS vendor made changes to the system code because of changes in USDOL specifications, and the modifications may have impacted the Department's ability to retrieve the appropriate data from the VOS system.

Good internal controls require the existence of adequate source documentation to support amounts and items included in financial and performance reports submitted to the Federal government.

We recommend that the Department develop and implement procedures to maintain detailed VOS data files that support amounts reported to the USDOL on the monthly ETA-9149 WIA Youth Recovery Act reports.

None

See Agency's Corrective Action Plan at page 264.

Agency Contact: Chris Huffman (803) 737-0462.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32) (CONTINUED)

10P32-3. Reporting

This is a significant deficiency.

Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA No.: 14.228
Grant No.: B09DC450001

The Department is required to submit HUD Form 60002, to the U.S. Department of Housing and Urban Development (HUD) on an annual basis. Information collected from the form involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3 of the Housing and Urban Development Act, and is used to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the Housing and Community Development Act of 1992.

We selected the Section 3 Summary Report (HUD Form 60002) for the 2009 program year to test. The Department provided two different versions of the report for the same coverage period. Department personnel were not sure which version of the report was submitted to HUD and were unable to provide any documentation that would confirm that a report had actually been submitted.

24 CFR Section 135.90 states in part, "Each recipient which receives directly from HUD, financial assistance that is subject to the requirements of this part shall submit to the Assistant Secretary an annual report in such form and with such information as the Assistant Secretary may request, for the purpose of determining the effectiveness of section 3. Where the program providing the section 3 covered assistance requires submission of an annual performance report, the section 3 report will be submitted with that annual performance report...".

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SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32) (CONTINUED)

10P32-3. Reporting (Continued)

We recommend that the Department develop and implement procedures to ensure that all detailed supporting documentation and proof of submissions, are maintained for all reports required by Federal Grantors.

None

See Agency's Corrective Action Plan at page 264.

Agency Contact: Chris Huffman (803) 737-0462.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

OFFICE OF THE ADJUTANT GENERAL (E24)

09E24-1. Schedule of Federal Financial Assistance

CFDA Nos.: All CFDAs

Condition: The Agency's Schedule of Federal Financial Assistance (SFFA) submitted to the Office of the State Auditor contained several errors and omissions and was not prepared in accordance with the Office of the State Auditor Letter of Instruction.

Recommendation: We again recommend that the Adjutant General's staff develop and implement procedures to ensure that the SFFA is prepared and independently reviewed for accuracy and completeness by personnel that are knowledgeable of the requirements of the Office of the State Auditor Letter of Instruction.

Current Status: Based on review and testing of the current year SFFA corrective action related to the finding was not implemented. This finding is repeated on Schedule 3 at **10E24-4. Schedule of Federal Financial Assistance.**

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA BUDGET AND CONTROL BOARD (F03)

09F03-1. Schedule of Federal Financial Assistance

CFDA Nos.: Various

Condition: The Agency failed to prepare the Schedule of Federal Financial Assistance in accordance with the Office of the State Auditor's letter of instruction. Agency personnel should also have performed a more detailed review of the SFFA to ensure accuracy and completeness prior to submission. The Agency failed to promptly correct the Agency's and/or the Comptroller General's accounting records for discrepancies noted during the reconciliation process.

Recommendation: We recommend that the Agency's staff develop and implement procedures to ensure that the SFFA is prepared and independently reviewed for accuracy and completeness by personnel that are knowledgeable of the requirements of the Office of the State Auditor Letter of Instruction. We also recommend that the Agency implement procedures to ensure that discrepancies discovered during the reconciliation process are corrected in the Agency's and/or Comptroller General's accounting records in a timely manner.

Current Status: Based on review and testing of the current year SFFA, the Agency has implemented appropriate corrective action related to the finding. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63)

09H63-1. Cash Advances

CFDA Nos.: 84.010, 84.389, 84.027 and 84.173

Condition: Cash advances to subrecipient school districts are not expended in a timely manner. Seventeen of the nineteen advances tested were not recouped within three business days. The total for the Title I advances not timely recouped was $7,342,833. The total for the Title I ARRA advances not timely recouped was $585,526. The Special Education Cluster advance not timely recouped was $17,063. The interest earned on these advances, held longer than three days, could not be determined.

Recommendation: We recommend the Department monitor LEA school districts to ensure compliance with advances being recouped within three business days.

Current Status: The Department ceased giving cash advances. This finding will not be repeated.

09H63-2. Subrecipient Monitoring

CFDA Nos.: 84.027, 84.173 and 84.367

Condition: The Improving Teacher Quality program does not adequately monitor its subrecipients' financial expenditures throughout the year via reporting, site visits, or regular contact. The subrecipients include school districts which account for over 90 percent of program expenditures. The program does not have procedures designed to assist in monitoring financial expenditures of the subrecipients. The program has informal procedures designed to assist in monitoring performance reports of the subrecipients. These performance reports indicate the number of teachers in the district not considered to be highly qualified as well as the percentage of teachers that are highly qualified. However, there are no formal written procedures in place to monitor subrecipients.

The Special Education cluster program does not actively monitor its subrecipients. The subrecipients include school districts which account for over 90 percent of program expenditures. The program has a checklist in place to assist in monitoring. However, the program has not implemented these procedures in actual monitoring of subrecipients.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

09H63-2. Subrecipient Monitoring (Continued)

Recommendation: We recommend the Department and/or program personnel monitor the subrecipients' use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipients administer Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. We also recommend that each program have formal written procedures in place to assist in monitoring the subrecipients' financial expenditures and performance reports.

Current Status: The Special Education Cluster program is adequately monitoring its subrecipients. This finding will not be repeated. The Improving Teacher Quality program is not adequately monitoring it subrecipients. This finding is repeated on Schedule 3 at **10H63-5**. **Subrecipient Monitoring**.

09H63-3. Lack of Support for Allocations

CFDA Nos.: 84.027 and 84.173

Condition: The Special Education cluster program could not provide sufficient documentation to support the $147,807 allocation of Federal funds from the S.C. Public Charter School District to the individual charter schools within the district. The school district received an allocation of the program's Federal grant award which included two grant sub-awards for the school district. A portion of this grant was allocated to the schools within the district. The district personnel could not provide the basis to support the individual allocation amounts to each school. Due to the lack of supporting documentation, a determination of the equitability of funding to each school within the district could not be made.

Recommendation: We recommend the Department should establish procedures for school districts to maintain supporting documentation related to the allocation of funding for all grants. The Department should also ensure that the school districts are following these procedures.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

09H63-3. Lack of Support for Allocations (Continued)

Current Status: The Department has established procedures for school districts to maintain supporting documentation and ensure that the school districts are following these procedures.
This finding will not be repeated.

09H63-4. Level of Effort

CFDA Nos.: 84.027 and 84.173

Condition: The Special Education cluster program did not meet its level of effort requirement as defined by the U.S. Code reference below. State budget cuts were a contributing factor to the non-compliance. The Department spent $529,475 less in State funds in FY09 than were spent in FY08.

Recommendation: We recommend the Department apply for a waiver of the level of effort requirements with the U.S. Department of Education for FY09.

Current Status: The Department has requested a waiver for FY 2009, but has yet to receive a waiver. The Special Education cluster program did not meet its level of effort requirement for FY 2010. This finding is repeated on Schedule 3 at **10H63-7. Level of Effort - Maintenance of Effort.**

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF VOCATIONAL REHABILITION (H73)

09H73-1. Davis-Bacon Act

CFDA Nos.: 84.126 and 84.390

Condition: The Department could not provide documentation of compliance with the Davis-Bacon Act requirement, which requires that all laborers and mechanics be paid wages not less than those established for the locality of the project (prevailing wage rates) by the United States Department of Labor. The Department noted that they rely on their architect to meet this requirement although they have not monitored this process to ensure compliance.

Recommendation: We recommend the Department research applicable federal grant rules and regulations and implement policies and procedures to ensure compliance with grant requirements prior to expending federal funds. The Department should also ensure that contracts include any clauses required by federal statutes or regulations.

Current Status: The Department has implemented proper procedures for this requirement. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)

09J02-1. Federal Share of Recoveries and Collections

CFDA No.: 93.778

Condition: The Department did not remit the federal share of recoveries and collections in accordance with the State Medicaid Manual, CMS 45 Section 2500.6 B.

Recommendation: We recommended that the Department develop and implement procedures to ensure that recoveries and collections that can be related to a specific period are returned to the Grantor based on the FMAP rate in effect when the original expenditure was reimbursed. We also recommended that the Department perform a review of all recoveries that were returned using the enhanced FMAP, in order to identify and recover the excess amounts that were returned to the Grantor.

Current Status: The Department has not implemented the corrective actions recommended in the prior year finding. This finding will be repeated on Schedule 3 at **10J02-2. Federal Share of Recoveries and Collections**.

09J02-2. Provider Eligibility

CFDA No.: 93.778

Condition: The Department did not implement procedures to collect criminal conviction information from individual providers in accordance with a corrective action plan presented to the CMS Medicaid Integrity Group.

Recommendation: We recommend that the Department implement the corrective action plan it presented to the CMS Medicaid Integrity Group.

Current Status: The Department has updated its provider enrollment policies and procedures and is collecting the required disclosures from individual providers. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)

09J04-1. Client Eligibility

CFDA No.: 93.917

Condition: Our review of client eligibility disclosed the following:

1. Recertifications of clients were not performed timely. We determined that client recertifications were not performed every six months as required by federal directives. In addition, thirty-two of the forty clients tested took more than 12 months to recertify.

2. Income reported on one client's application was less than the documented income.

3. The Department of Health and Environmental Control (the Department) does not have controls in place to prevent or detect fraudulent client certifications. We found that the Department does not have controls in place to prevent eligibility workers from certifying themselves or relatives for program services.

Recommendation: We recommend that the Department develop and implement controls to timely detect fraudulent client certifications. In addition, the Department should establish procedures to ensure that the State client recertification policy is consistent with Federal guidance and that it is consistently followed.

Current Status: During the fiscal year 2010 audit, we determined that the Department has implemented controls to prevent staff members from certifying eligibility for family members of the client being served. We also found no income documentation issues during our review of client eligibility. Therefore, no further corrective action is required regarding these two issues.

However, we noted that client eligibility recertifications are still not being performed in a timely manner. We found that the Department took more than twelve months to recertify twenty-three of the forty clients tested. This finding will be repeated on Schedule 3 at **10J04-4. Client Eligibility**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-2. Maintenance of Effort Earmarking - Women, Infants, Children, and Youth

CFDA No.: 93.917

Condition: The Department could not provide adequate documentation to support the South Carolina Department of Health and Human Services (SCDHHS) HIV/AIDS state effort component of the maintenance of effort (MOE) reports submitted as part of the grant application for the grant periods ended March 31, 2009 (CY2006 and CY2005 data) and March 31, 2010 (CY2007 and CY2006 data).

Recommendation: We recommend that the Department develop and implement policies and procedures to ensure that the documentation used to support maintenance of effort and WICY waiver requests is adequate and supports the reported amounts. Documentation should reconcile to agency accounting records. If documentation is derived from external state agencies, the Department should ensure that the documentation is sufficient and documents the source of the information so it can be verified by independent parties.

Current Status: The Department did maintain documentation to support the South Carolina Department of Health and Human Services (SCDHHS) HIV/AIDS state effort component of the maintenance of effort (MOE) reports, and Department provided evidence of Government approval. This finding will not be repeated.

09J04-3. Maintenance of Effort

CFDA No.: 93.917

Condition: The Department did not meet the grant maintenance of effort requirements. The Department uses Medicaid HIV/AIDS expenditures incurred by the South Carolina Department of Health and Human Services (SCDHHS) to meet the grant's maintenance of effort requirements. The Department noted on the Maintenance of Effort report submitted as part of the April 1, 2008 through March 31, 2009 grant application, that SCDHHS calendar year 2006 expenditures decreased in comparison to calendar year 2005 expenditures.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-3. Maintenance of Effort (Continued)

Recommendation: Although the Department has reported the spending deficiency to the grantor in the grant application for the April 1, 2008 through March 31, 2009 grant period, we recommend that the Department notify the grantor of the deficiency in a separate letter and request specific guidance to resolve this deficiency. In addition, the Department should develop and implement procedures to monitor maintenance of effort expenditures so it can address deficiencies in a timely manner.

Current Status: The Department notified the grantor as recommended and reported that they met the maintenance of effort (MOE) requirement for fiscal year 2010. However our audit procedures determined that the Department did not use the correct FMAP rate when calculating the MOE and therefore did not meet the grant MOE requirement. This finding will be repeated on Schedule 3 at **10J04-2. Maintenance of Effort**.

09J04-4. Earmarking – Women, Infants, Children and Youth

CFDA No.: 93.917

Condition: The Women, Infants, and Children (WICY) waiver submitted by the Department was deficient. The Department could not provide documentation demonstrating that it met the WICY earmarking requirement. We determined that the waiver reported budgeted expenditures instead of actual expenditures; the Department reported total Medicaid HIV/AIDS service costs instead of outpatient service costs; and the waiver was not submitted timely. The Department also could not provide evidence that the grantor had approved or disapproved the waiver request. Finally, the Department could not provide “HIPPA de-identified client lists” from the service providers to support the WICY and total clients served statistics.

Recommendation: We recommend that the Department develop policies and procedures that will ensure that the report is submitted in a timely manner and that the reported data complies with the waiver requirements and is adequately supported.

Current Status: The Department has taken corrective action. The Department submitted the report timely and reported data complied with requirements and was adequately supported. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-5. Reporting

CFDA No.: 93.917

Condition: The Department's final financial status reports (FSRs) for the HIV Care Formula Grants do not contain all required information. We determined that Section 5 and Section 13 of the Ryan White Title II grant and the Minority AIDS Initiative grant FSRs were incomplete.

Recommendation: We recommend that the Department develop policies and procedures that will ensure that reports are complete and that the reports include items specifically requested in the Notice of Grant Award.

Current Status: The Department has taken corrective action. Reports were complete and included items specifically requested in the Notice of Grant Award. This finding will not be repeated.

09J04-6. Subrecipient Monitoring

CFDA No.: 93.917

Condition: The Department did not perform financial monitoring visits in accordance with the fiscal and program monitoring activities described in the grant application. The Department indicated that their financial auditor left in October 2007. The position was filled in August 2008, but the replacement was terminated April 1, 2009 for not completing the expected job duties.

Recommendation: We recommend that the Department perform the financial monitoring visits in accordance with the policy included in the grant application document and ensure that the financial monitoring visits comply with OMB circular A-133.

Current Status: During the fiscal year 2010 audit, we determined that the Department did not perform financial monitoring visits in accordance with the fiscal and program monitoring activities described in the grant application. The Department did six of the eleven Ryan White service providers fiscal monitoring site visits. According to the grant agreement fiscal site visits are to be performed on at least an annual basis. This finding is repeated on Schedule 3 at **10J04-3. Subrecipient Monitoring**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-7. Cash Management – Draws and Advances

CFDA Nos.: 10.557, 84.181, 84.393, and 93.917

Condition: The Department did not expend WIC funds in a timely manner. We determined that the Department made a draw down of $300,000 on September 19, 2008. The funds remained on hand for approximately two weeks. We also found that the Department did not recoup advances made to subrecipients until the end of the grant period. Finally, we noted that the department reported $200,000 advanced to a Babynet subrecipient and $2,778 to an HIV subrecipient as expended. The Department could not provide documentation that they incurred allowable expenditures with the two transactions.

Recommendation: We recommend that the Department establish procedures to ensure compliance with the cash management regulations and minimize the time between the drawdown of federal funds and the disbursement of federal funds.

Current Status: The Department has taken corrective action. This finding will not be repeated.

09J04-8. Cash Management - Rebates

CFDA No.: 93.917

Condition: The Department drew down federal funds before using available HIV drug rebate funds in violation of 45 CFR Section 92.21 (f) (2) which states that grantees must disburse rebates, and any earned interest on them, prior to requesting additional payments under their grant award.

Recommendation: We recommend that the Department establish procedures to ensure compliance with the cash management regulations regarding the disbursement of rebate funds prior to the draw down of Federal funds.

Current Status: The Department did not disburse rebates for HIV Care Formula Grants prior to requesting additional payments under the grant award. This finding is repeated on Schedule 3 at **10J04-1. Cash Management - Rebates**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-9. Reporting

CFDA No.: 66.458

Condition: The Department included non-federal expenditures on the June 30, 2009 Standard Form 272 Federal Cash Transaction Report. As a result, expenditures exceeded the federal award amount and cash on hand at the end of the period was understated.

Recommendation: We recommend that the Department develop policies and procedures to ensure that the gross disbursements reported on Standard Form 272 represent Federal cash disbursements in accordance with Standard Form 272 instructions.

Current Status: Based on review of the revised Standard Form 272 submitted on May 12, 2010, the deficiency noted in the original report filing has been corrected and appropriate corrective actions have been implemented related to the finding. This finding will not be repeated.

09J04-10. Monitoring

CFDA Nos.: 84.181 and 84.393

Condition: The Department did not perform and/or document "during-the award" monitoring activities. The Department has not developed and implemented a program monitoring system that is designed to identify noncompliance or ensure the correction of identified noncompliance in a timely manner.

Recommendation: We recommend that the Department develop and implement monitoring system over programs and activities used to carry out Part C services.

Current Status: During fiscal year 2009-10 responsibility for these programs was transferred to the South Carolina First Steps to School Readiness. The agency has developed and implemented new policies and procedures for General Supervision, Focused Monitoring, Incentives, Sanctions, and Corrective Action Plans related to Part C services. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-11. Subrecipient Monitoring

CFDA Nos.: 84.181 and 84.393

Condition: Congress intends to maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (ARRA). Part of this transparency includes the identification of ARRA award amounts to sub-recipients. The Department failed to separately identify ARRA award amounts to the Jasper County Board of Disabilities and Special Needs.

Recommendation: We recommend that the Department strengthen its policies and procedures and review process to ensure that subaward documents separately identify Recovery Act funds.

Current Status: Jasper County Board of Disabilities and Special Needs was notified of the ARRA award amount. This finding will not be repeated.

09J04-12. Subrecipient Monitoring

CFDA No.: 10.557

Condition: The Department performs on-site reviews of each of its local agencies at least once every two years as part of its "during-the-award" monitoring activities and in accordance with federal program regulations. The Department did not perform the on-site reviews of one of the three local agencies tested.

Recommendation: We recommend that the Department ensure that on-site reviews are conducted on each of the local agencies at least once every two years.

Current Status: During the fiscal year 2010 audit, we determined that the Department performed on-site reviews of each of its local agencies at least once every two years as part of its "during-the-award" monitoring activities and in accordance with federal program regulations. The Department did perform the on-site reviews on the local agencies tested. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-13. Special Tests and Provisions – Food Instrument Disposition

CFDA No.: 10.557

Condition: The Department is required to account for the disposition of food instruments. The Department does not have written procedures describing how it accounts for the disposition of all food instruments and there are no written procedures describing how the Department accounts for food instruments which were voided but still cashed. We reviewed the March 2009 unmatched vouchers report and determined that the Department did not match all redeemed food instruments against valid issuance records and that no follow-up was performed to investigate food instruments which were voided but still cashed. The Department also did not adjust its records for cashed food instruments that were determined to be invalid.

Recommendation: We recommend that the Department develop and implement written procedures to account for the disposition of all food instruments. We also recommend that the Department's internal audit department perform an audit of all food instruments and that the Department take appropriate follow-up action on all redeemed food instruments that cannot be matched against valid issuance records and voided food instruments which have been improperly cashed.

Current Status: The Department has taken adequate corrective action. The Department has updated their procedures regarding disposition of food instruments and reconciliations of the unmatched voucher report. Finally, the Department makes appropriate adjustments to the accounting system. This finding will not be repeated.

09J04-14. Special Test and Provisions – High Risk Vendors

CFDA No.: 10.557

Condition: The Department is required to identify high risk vendors at least once a year. The Department is not following the criteria developed by the Food and Nutrition Service (FNS) and/or other statistically based criteria developed by the State agency and approved by FNS to identify high risk vendors. The Department does not have written policies describing the process used to identify high-risk vendors.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04) (CONTINUED)

09J04-14. Special Test and Provisions – High Risk Vendors (Continued)

Recommendation: We recommend that the Department develop written procedures outlining its criteria for identifying high-risk vendors. The Department must also document whether it is using the criteria developed by FNS or that the agency-developed criteria has been approved by FNS.

Current Status: The Department is updating procedures and will request approval from FNS when the procedures are completed. This finding is repeated on Schedule 3 at **10J04-5. High Risk Vendor**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH (J12)

09J12-1. Schedule of Federal Financial Assistance

CFDA Nos.: Various

Condition: Based on our testing of the Department's Schedule of Federal Financial Assistance (SFFA), we noted the following discrepancies:

1. The Department incorrectly reported total revenues and expenditures on the SFFA due to mathematical errors.

2. The Department incorrectly reported thirteen (13) inactive federal grants on the SFFA. The preparer carried forward amounts each fiscal year instead of closing the grants out and/or rolling up amounts into current federal grants.

Sound business practices require proper reviews and checks for accuracy and that inactive accounts be closed timely in the general ledger.

Recommendation: We recommend the Department follow procedures and only maintain active accounts in the accounting system, and close all grants at the end of the grant period. Also, the Department should ensure that the SFFA is prepared and independently reviewed by staff that is knowledgeable of the requirements of the Office of the State Auditor Letter of Instruction and federal reporting requirements.

Current Status: Based on testing it has been determined that the issues addressed within the finding have been resolved. This finding will not be repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04)

09L04-1. Schedule of Federal Financial Assistance

CFDA Nos.: Various

Condition: The Department submitted a schedule of federal financial assistance (SFFA) for fiscal year 2009 with all grant awards with multiple years rolled into the current year phase code for each federal program rather than shown separately.

Recommendation: We recommend the Department implement changes to its accounting system and procedures to include phase code information representing each federal grant award to which expenditures should be charged.

Current Status: The agency's implementation of the new statewide accounting system in 2010 has eliminated the condition cited in this finding. Therefore, while the agency has a fiscal year 2010 finding associated with the completion of the Schedule of Federal Financial Assistance, this specific finding will not be repeated due to the corrective action taken in fiscal year 2010.

09L04-2. Child Support Automated System and OCSE 34A Report

CFDA No.: 93.563

Condition: The Department did not implement the automated data processing and information retrieval system as required by Section 454 (24) (B) of the Social Security Act (the Act), as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

Recommendation: We recommend the Department continue its progress in obtaining a data processing and information retrieval system.

Current Status: While the required system was not yet in place during fiscal year 2010, the Department continues to proceed with the implementation of this system. The current estimated completion date for the implementation of this system is September 2012. This finding is repeated on Schedule 3 at **10L04-2. Child Support Automated System.**

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

09L04-3. Certification of Contracts

CFDA Nos.: Various

Condition: Three of ten contracts tested did not contain a clause requiring the vendor or grantee to certify that it is not suspended or debarred. The contract clause is the Department's procedure for compliance with OMB Circular A-133 suspension and debarment requirements.

Recommendation: We recommend that the Department establish procedures to ensure that its contracts with vendors and grantees include the suspension and debarment clause as required by OMB Circular A-133.

Current Status: Our testing of fiscal year 2010 contracts did not result in any similar exception and we concluded that the Department is in compliance with this compliance requirement based on our testwork results. Therefore this finding is not repeated.

09L04-4. Improper Charge

CFDA No.: 93.658

Condition: A Title IV-E administrative expenditure was charged and reported as a training expenditure which has a higher Federal matching rate.

Recommendation: We recommend that the Department ensure procedures for processing Title IV-E expenditures include verification that coding between training and other types of expenditures are verified and that questioned costs be resolved.

Current Status: Testing of fiscal year 2010 Title IV-E expenditures and reporting resulted in no similar exceptions. Based on our review adequate corrective action has been taken to address this finding. This finding is not repeated.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

09L04-5. Eligibility

CFDA Nos.: 93.575, 93.596, and 93.713

Condition: Of forty disbursement transactions selected for testing Child Care and Development Block Grant eligibility controls and compliance, six case files did not contain documentation to adequately support eligibility, one payment was on behalf of a client determined to be ineligible, and one payment made to a provider was in excess of the allowable charge.

Recommendation: We recommend that the Department review and update its ABC Child Care Program Policy Manual as necessary, evaluate records maintenance policies, and provide training to staff as needed.

Current Status: We tested forty fiscal year 2010 Child Care and Development Block Grant transactions for controls and compliance and found similar exceptions. Therefore this finding is repeated on Schedule 3 at **10L04-5. Eligibility.**

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24)

09L24-1. Unallowed Activity

CFDA No.: 84.126
Grant No.: H120A080061

Condition: During our testing of non-payroll expenditures, we noted eleven expenditures were not allocated proportionally to federal and non-federal funds. These transactions were for various expenditures charged entirely to the Basic Support grant when the nature of the transaction did not directly benefit the Basic Support grant. The Commission should have uniformly allocated charges to applicable funds which the expenditures benefitted towards.

Recommendation: We recommend the Commission have full understanding and follow the requirements per Circular A-87.

Current Status: The agency did not properly allocate cost during fiscal year 2010. This finding is repeated on Schedule 3 at **10L24-1. Unallowed Activity**.

09L24-2. Cash Drawdowns

CFDA No.: 84.126
Grant Nos.: All Grants

Condition: During our testing of federal cash drawdowns, we noted the Commission's reimbursement requests were not done timely. The Commission only made two federal cash drawdowns during FY09.

Recommendation: We recommend the Commission implement proper procedures for federal drawdowns on a cash need basis.

Current Status: The agency did not request reimbursements in a timely manner in fiscal year 2010. This finding is repeated on Schedule 3 at **10L24-2. Cash Drawdowns**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

09L24-3. Reporting

CFDA No.: 84.126
Grant Nos.: All Grants

Condition: During our review of the Federal Reports submitted in FY 09 we noted the following:

1. Program income was not reported properly. We noted the Commission had program income from the Social Security Administration for rehabilitating Social Security beneficiaries totaling $218,060.35 that were not reported properly on their federal reports which included: Financial Status 269A Report, and RSA2 - Annual Vocational Rehabilitation, Program/Cost Report.

2. Also, we noted the Commission was using a 31% indirect cost rate instead of the 1% approved by the US Department of Education. We noted, the Commission reported the indirect costs on their Federal Reports using the 31% rate, however, according to their accounting records (SAP) no indirect costs were recorded.

3. The information reported on the RSA-2 Annual Vocational Rehabilitation Program/Cost Report on Schedule III was incorrect. The Commission brought forward 2005 information extracted from a payroll voucher instead of requesting the information for FY 09 from Human Resources. In addition, the report was submitted on January 14, which was two weeks after the deadline of December 31.

Recommendation: We recommend the Commission follow the guidelines set forth in OMB A-110, A-87 and RSA-2 – Annual Vocational Rehabilitation Program/Cost Report instructions to ensure proper reporting to the US Department of Education.

Current Status: The agency did not properly report program income in fiscal year 2010. Also, the agency continued to use the incorrect indirect cost rate. The agency properly reported amounts on the RSA-2 Annual Vocational Rehabilitation Program/Cost Report Schedule III but did not submit the report timely. This finding is repeated on Schedule 3 at **10L24-3. Reporting**.

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

SOUTH CAROLINA DEPARTMENT OF AGRICULTURE (P16)

09P16-1.Payroll Documentation

CFDA No.: 10.162

Condition: The Department does not prepare the required certifications for employees that work solely on a single Federal award or cost objective.

Recommendation: We recommend the Department develop and implement procedures to comply with OMB Circular A-87 requirements.

Current Status: The Department is currently preparing semi-annual payroll certifications. These certifications properly specify the pay periods that were covered and include temporary employees.

The procedures developed and implemented by Department fully comply with OMB A-87 requirements. This finding will not be repeated

APPENDIX A

INDEX OF STATE AGENCIES INCLUDED IN SCHEDULES 1 AND 2

STATE OF SOUTH CAROLINA

Index of State Agencies Included in Schedules 1 and 2
For the Year Ended June 30, 2010

Agency Code	Agency Name
B04	Judicial Department
D10	Governor's Office - State Law Enforcement Division
E04	Lieutenant Governor’s Office
E20	Attorney General's Office
E21	Commission on Prosecution Coordination
E24	Adjutant General's Office
E28	State Election Commission
F03	Budget and Control Board
H03	State Commission on Higher Education
H06	Higher Education Tuition Grants Commission
H59	State Board for Technical and Comprehensive Education
H63	Department of Education
H71	Wil Lou Gray Opportunity School
H73	State Agency of Vocational Rehabilitation
H75	School for the Deaf and the Blind
H79	Department of Archives and History
H87	State Library
H91	Arts Commission
J02	Department of Health and Human Services
J04	Department of Health and Environmental Control
J12	State Department of Mental Health
J16	Department of Disabilities and Special Needs
J20	Department of Alcohol and Other Drug Abuse Services
K05	Department of Public Safety
L04	Department of Social Services
L12	John de la Howe School
L24	Commission for the Blind
L36	State Human Affairs Commission
N04	Department of Corrections
N08	Department of Probation, Parole and Pardon Services
N12	Department of Juvenile Justice
N20	Law Enforcement Training Council (Criminal Justice Academy)
P12	State Forestry Commission
P16	Department of Agriculture
P24	Department of Natural Resources
P26	Sea Grant Consortium
P28	Department of Parks, Recreation, and Tourism
P32	Department of Commerce
R04	Public Service Commission
R06	Office of Regulatory Staff
R28	Department of Consumer Affairs
R36	Department of Labor, Licensing, and Regulation
R40	Department of Motor Vehicles
U30	Division of Aeronautics

APPENDIX B

AGENCY CORRECTIVE ACTION PLANS TO FINDINGS AND RECOMMENDATIONS - FEDERAL AWARD PROGRAMS AUDIT

The State of South Carolina
Military Department

Office of the Adjutant General

ROBERT E. LIVINGSTON, JR.
MAJOR GENERAL
THE ADJUTANT GENERAL

1 NATIONAL GUARD ROAD
COLUMBIA, S.C. 29201-4752

June 17, 2011

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

The Office of the Adjutant General appreciates the opportunity to submit the attached corrective action plan for the findings noted in the Statewide Single Audit for the year ended June 30, 2010. We will review your recommendations and implement the needed changes.

I would also like to commend your auditors for the good working relationship they had with my staff. If you need other information, please contact my staff or me.

Sincerely,

Lester D. Eisner
Major General, SCARNG
Deputy Adjutant General

10E24-1. Davis-Bacon Act

Procedures have been reviewed with all personnel to review all new grants to ensure any variance of requirements are noted and complied with including, but not limited to the Davis-Bacon Act

Any additional contracts with regard to American Recovery Reinvestment Act (ARRA) will comply with the Davis-Bacon Act

10E24-2. Reporting

Due to the timing of the ARRA requirements for expenditures, recording of expenditures were not always made to the correct fund. Journal Entries have been made to correct these discrepancies. Future expenditures and revenues will be posted in correct accounts providing accounting software backup for the Section 1512 reports rather than manually adjusted reports.

10E24-3. Suspension and Debarment

Procedures have been reviewed with all personnel to review all new grants and projects comply with CFR Section 180.300. A check of the Excluded Parties List will be complied with.

10E24-4. Schedule of Federal Financial Assistance

An revised internal procedures package which contains instructions regarding the SCEIS accounting system for preparing the Schedule of Federal Financial Assistance (SFFA) that relate directly to the Office of the Adjutant General will be updated to include instructions to ensure a thorough and detailed review of the SFFA prior to submission to the Office of the State Auditor. This internal procedures package will be updated annually using the GAAP Closing Procedures Manual and references to SCEIS. As part of the procedures package, we will include a checklist to ensure that all schedules required in the Letter of Instruction are submitted to the Office of the State Auditor. Copies of this year's errors from the audit staff have been received and verified against the SFFA. The update will include procedures correcting the following:

1. A working copy of the SFFA will be prepared with cross references to the backup documentation. This data will be reviewed and initialed by both the preparer and reviewer to ensure that all data has been properly prepared, entered, and reviewed.

2. All grant titles and numbers have been verified with the grant award document and updates on the CFDA website. All CFDA numbers have been corrected and verified with the grant award document and changes made on the CFDA website.

3. All amounts reported have been verified against supporting documentation with any negative amounts created by a return of a prior year expenditure are being reclassified as a Beginning Balance adjustment.

4. Explanations for any and all amounts reported as "Other Additions" and "Other Deductions" are included with the SFFA package submitted to the Office of the State Auditor.

5. The correction has been made with an addition to the checklist to ensure that a schedule of federal funds passed through to subrecipients be verified and submitted.

6. The SFFA numbers will be verified against the CFDA website to ensure the correct number and titles used

7. Corrections to the CPP will be made and reported in a separate line item

Point of Contact for All Findings:
Frank L. Garrick, CPA
Chief Financial Officer
garrickfl@tag.scmd.state.sc.us
(803) 806-2031

SC TECHNICAL COLLEGE SYSTEM

July 25, 2011

Darrel W. Staat
System President

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Guerry E. Green
At-Large

James H. Rex
Ex Officio

Joe E. Taylor, Jr.
Ex Officio

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

We have reviewed the findings reported for the recently concluded Single Audit of the State Board for Technical and Comprehensive Education for the period ending June 30, 2010.

There were four reportable conditions and each one is addressed below as presented to us.

10H59-1. 1512 Report
This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF)
CFDA No.: 84.394
Grant No.: S394A090052A

We recommend the Board develop and implement procedures to ensure compliance with the Federal reporting requirements. The procedures should ensure that the information reported on the quarterly 1512 report is accurate and independently verified prior to submission.

Response:
As administrator of the State Fiscal Stabilization Funds, the SC Department of Education (SCDOE) provided the guidance for 1512 Reporting. According to this guidance, the revenue/invoiced and expenditures should match. Consequently, the revenue and expenditure amounts reported on the 1512 were the same.

In our current 1512 Reporting process, we report the actual revenue received as recorded in the South Carolina Enterprise Information System (SCEIS). We also use SCEIS to report expenditures for Systemwide initiative and our Transparency Reporting System (TRS) system for college expenditures.

South Carolina State Board for Technical and Comprehensive Education
111 Executive Center Drive Columbia, SC 29210 (803) 896-5320 Fax (803) 896-5281 www.sctechsystem.edu

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10H59-2. Cash Management

This is a significant deficiency.

State Fiscal Stabilization Fund (SFSF)
CFDA No.: 84.394
Grant No.: S394A090052A

We recommend the Board establish procedures to minimize the time elapsing between the receipt of Federal funds and their disbursement, and only the amounts needed to meet its actual, immediate cash requirements are drawn. We also recommend the Board monitor the cash more closely to ensure that any errors that occur are detected and corrected in a timely manner.

Response:
In our current process, we run SCEIS reports that provide actual revenue received and expenditures charged against the grant. Draws are done only when the amount of expenditures exceed the revenue received.

10H59-3. Level of Effort – Maintenance of Effort

State Fiscal Stabilization Funds
CFDA No.: 84.394
Grant No.: S394A090052

We recommend the Board consult with the Department to determine the proper course of action to take to obtain a waiver of the Maintenance of Effort requirement.

Response:

As administrator of the State Fiscal Stabilization Funds, the South Carolina Department of Education is responsible for working with the South Carolina Governor's Office to obtain a waiver of the Maintenance of Effort requirement. Our Agency is not required to complete the waiver request.

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10H59-4, Subrecipient Monitoring – CCR Registration

This is a significant deficiency.

State Fiscal Stabilization Funds
CFDA No.: 84.394
Grant No.: S394A090052

We recommend the Board develop and implement procedures to verify that all subrecipients have a current registration in the Central Contractor Registration.

Response:

The Colleges will be advised to update their CCR registration.

Mandy M Kibler

Mandy M. Kibler, Vice President for Finance

South Carolina State Board for Technical and Comprehensive Education
111 Executive Center Drive Columbia, SC 29210 (803) 896-5320 Fax (803) 896-5281 www.sctechsystem.edu

STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

Mick Zais
Superintendent

1429 Senate Street
Columbia, South Carolina 29201

June 27, 2011

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
Office of the State Auditor
1401 Main Street, Suite 1200
Columbia, SC 29201

Dear Mr. Gilbert:

We have reviewed the findings reported for the recently concluded Single Audit of the South Carolina Department of Education (SCDE) for the period ending June 30, 2010. We sincerely appreciate the professional manner in which your audit team conducted this audit and believe that our operations will be improved as a result of your findings.

As the current Superintendent, it is my responsibility to respond to this audit and address the deficiencies noted here. Let me be clear, your findings are based on activities that occurred under my predecessor and not after I assumed office in January. My administration will work with you and others to correct these issues and implement strategies to prevent such significant failures in the future.

There were thirteen reportable conditions, and we will address each one as they were presented to us.

10H63-1. Cash Management

Improving Teacher Quality
CFDA No.: 84.367
Grant Nos.: S367A070038 and S367A080038

Special Education Cluster
CFDA No.: 84.173
Grant No.: H173A080085

Federal regulation specifies that grant recipients are to minimize the time elapsing between the drawdown and expenditure of federal funds. We determined that the Department did not comply with this federal cash management regulation. When testing the Improving Teacher

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Quality and Special Education Cluster Programs, we determined that the Department did not expend the funds within three business days of receipt as required by CFR 31, Chapter 2, Part 205.12 (4).

Based on our discussions with Department personnel we learned that the program staff provides the information used to calculate the federal draws, however the validity of the information is not independently reviewed and the calculation does not take into consideration cash on hand.

CFR Title 31, Chapter 2, Part 205.12 (4), ...a Federal program agency transfers the actual amount of Federal funds to a State that will be paid out by the State, in a lump sum, not more than three business days prior to the day the State issues checks or initiates EFT payments.

We recommend the Department establish, develop and implement procedures for calculating federal cash draws. The calculation should be documented and supported by the Department's accounting records. The calculation should be independently reviewed and the independent review documented.

Response:

The project accounting staff is solely responsible for determining the amounts to be drawn down each week. A process was implemented on May 26, 2011, to ensure that we are drawing down cash based on actual cash balances in addition to the cash needed to cover payments that will be disbursed on Friday of each week. The backup for the amount submitted to be drawn down will be retained by each project accountant for a period of at least three years.

10H63-2. Level of Effort – Maintenance of Effort

State Fiscal Stabilization Funds
CFDA No.: 84.394
Grant No.: S394A090052

Title XIV, Section 14005 (d)(1)(A), the American Recovery and Reinvestment Act of 2009, states, "The State will, in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary and secondary education at least at the level of such support in fiscal year 2006."

We determined that the State did not maintain State support for elementary and secondary education in fiscal year 2010 at a level equal to or greater than the level support in fiscal year 2006. The Department is in the process of requesting a waiver of this requirement.

We recommend the Department request a waiver from the US Department of Education regarding the Maintenance of Effort requirement. We also recommend the Department follow up with the US Department of Education subsequent to filing the waiver request to ensure the proper information was submitted and to also make inquiries regarding the status of the waiver being granted.

Response:

The SCDE requested a maintenance of effort waiver for State Fiscal Stabilization Funds (SFSF) for fiscal year 2009, which was granted. With regard to fiscal year 2010, the SCDE requested a waiver in its March 10, 2011, SFSF Amended Application. To date, the SCDE has not received a response to this request but has engaged in subsequent discussions with U.S. Department of Education staff regarding its amended application.

10H63-3. Eligibility

Child Nutrition Cluster
CFDA No.: 10.555
Grant No.: 5SC300328

Two seamless summer program eligibility deficiencies were noted during a review of the Youth Academy.

1. The Department approved the seamless summer sites on the "Seamless Summer Program Sites, Location and Description" schedule without verifying that complete and accurate information was listed for each site including: contact numbers, identifiable addresses, documentation of the free/reduced price percentage for the school attendance area, days of the week that meals are provided, and the hours for when all meals are served. Fourteen of the fifty-six Youth Academy seamless summer sites could not be located using the information provided; therefore, site eligibility could not be determined. One site, when located, was described as an elderly community which could indicate that meals were served to ineligible individuals. To operate the seamless summer program, a seamless summer application must contain the minimum data specified by the USDA. A question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) addresses the minimum information requirements for each site under question six.

2. Meals were served at ineligible sites. The Department allowed daycare centers (profit-making entities) to serve as seamless summer meal sites. Eleven of the fifty-six seamless summer meals sites listed for the Youth Academy were daycare centers. The question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) states that profit making entities cannot be seamless summer sites under question eleven.

The Department receives the total meal counts for all the Youth Academy seamless summer sites together. The Department does not have data showing how many meals were served at each site; therefore, we cannot determine questioned costs.

We recommend the Department establish and implement procedures to review seamless summer site application data to ensure that the minimum data specified by the United States

Department of Agriculture is collected, verified, and maintained; and we recommend the Department document its review and approval of the seamless summer sites. We recommend the Department establish and implement policies which exclude profit-making entities from serving as seamless summer sites, and we recommend the Department determine the number of meals served at ineligible sites and consult with the Child Nutrition Division of the Food and Nutrition Service of the United States Department of Agriculture regarding the use of ineligible sites and any action that may be required.

Response:

The Department of Education, Office of Health and Nutrition, conducted an extensive mandatory training on March 3, 2011, for all SFAs participating in the Seamless and Summer Feeding Programs. The training included reviewing all required forms and procedures required for participation in the programs. Also, additional training and updates were presented at the State Directors' Meeting held on May 12, 2011, to discuss current updates pertaining to the Seamless Summer and Summer Feeding Programs. All approval forms for SFAs participating in the Seamless Summer and Summer Feeding Programs contain the minimum data specified by the United States Department of Agriculture (USDA). The forms were developed and approved by the USDA.

The initial approval for each site is made by the coordinator of the Seamless Summer and Summer Feeding Programs in the Office of Health and Nutrition with the final approval by the state director or his designee. At least one approved seamless summer food site per SFA is reviewed by trained state reviewers during the months of operation. This revised procedure along with the implementation of the checks and balances system should exclude the for-profit-making entities from serving as seamless summer sites.

The review and subsequent investigation of the Youth Academy Program resulted in $564,689.16 being reimbursed to the Office of Health and Nutrition for meals served at sites where it was determined program requirements were not being met. Tighter internal controls outlined in our response will prohibit this situation from occurring again in the future.

10H63-4. Allowable Costs/Costs Principles

Improving Teacher Quality
Special Education Cluster
CFDA Nos.: 84.367 and 84.027
Grant No.: Various

The Department recorded expenditures under the wrong federal grant. The Department recorded expenditures totaling $17,486 which were applicable to the English Language Acquisition grants (CFDA 84.365) as Improving Teacher Quality grant (CFDA 84.367) expenditures. The Department also recorded expenditures totaling $159 which were applicable to the Teacher Incentive Funds grant (CFDA 84.374) as Special Education grant (CFDA 84.027)

expenditures. We determined that the errors occurred because the Department did not perform an adequate review of the expenditures during the workflow approval process.

2 CFR Part 225 Appendix A C.1.a, states that allowable costs should... "be necessary and reasonable for proper and efficient performance and administration of Federal awards."

OMB Circular A-133 Compliance Supplement, Part 1, Page 1-6, state in part: "As a condition of receiving Federal awards, non-Federal entities agree to comply with applicable laws, regulations, and the provisions of contract and grant agreements, and to maintain internal control to provide reasonable assurance of compliance with these requirements."

We recommend the Department develop and implement written procedures outlining the information that needs to be reviewed during the Department's approval process in SCEIS. These procedures should require personnel responsible for approving the expenditure in the SCEIS workflow to review the attached documentation.

Response:

The SCDE agrees with the finding and will strengthen its internal control procedures to ensure that the supporting documentation used to complete the grants receivables closing package reflects accurate data. To strengthen the internal control procedures, the SCDE will add a level of review to ensure that the figures have been verified. With this additional review, we will have the added assurance that all figures submitted on the grants receivable closing package have been verified and tie back to the supporting documentation provided by the preparer of the package.

In the grants module, there are many available controls now in place that had not been implemented at the time of these errors. The grants module allows for the status of a grant to be closed, and validity dates limit postings outside of the active period of the grant. In addition to these controls, there are budget controls in the module. All of these added controls will assist in preventing payments to subrecipients from being processed out of the wrong "primary" grant. In addition to these controls, each project accountant will review the project accounting system after the payments made in SCEIS have been uploaded back to project accounting to ensure that the expenditures in project accounting equal the total of the payments posted in SCEIS by subgrant.

10H63-5. Subrecipient Monitoring

Improving Teacher Quality
CFDA No.: 84.367
Grant Nos.: S367A080038, S367A080038 and S367A090038

The department did not adequately monitor the Improving Teacher Quality program subrecipients' financial expenditures throughout the year with respect to reporting, site visits, and/or regular contact.

The lack of compliance over subrecipient monitoring occurred because the Department lacks a properly designed system.

According to 31 U.S. Code, Subtitle V Chapter 75, Section 7502(f)(2)(B), each pass-through entity shall "monitor the subrecipient's use of Federal awards through site visits, limited scope audits, or other means. OMB Circular A-133 Section 400(d)(3) states that the pass through entity must monitor the activities of the subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. 34 Code of Federal Regulations Part 80.40 (a) states that grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements.

We recommend that the Department develop and implement a system for monitoring its subrecipients. The system should be designed to ensure compliance with federal regulations.

Response:

The Improving Teacher Quality program personnel monitor subrecipients' use of federal funds, activities, and performance goals through site visits, limited scope audits, generation of data reports, and other means. During our second successful audit by the United States Department of Education (USDE) in May of 2010, the program personnel were commended on their focus on outcomes and on the districts with the least number of highly qualified teachers. We generate data reports three times each year and provide feedback to districts on their progress toward their performance goals. A table that reflects the percentage of classes taught by non-highly qualified teachers and AYP for all districts and special schools is posted on the Web site at http://www.scteachers.org through the "HQ Teachers" link. This published tracking of progress is evidence of our monitoring. While we argue that program subrecipient monitoring complies with federal regulations, nevertheless, we will validate the adequacy of the monitoring process during the year by implementing a more rigorous system designed to include oversight for each subrecipient's expenditures, activities, and outcomes to leave no room for doubt that there is full compliance with federal regulations. Implementation will include monitoring subrecipients' financial expenditures throughout the year to verify that federal awards are expended for approved activities that comply with federal guidance. Based on reports of expenditure claims generated by the Title II, Part A project accountant quarterly, we will require detailed financial reports from districts. We will request documentation for randomly-selected items from the detailed reports to ensure compliance. Our goal is to complete the process for all subrecipients biannually, beginning July 1, 2011, and ending June 30, 2013.

10H63-6. 1512 Reports

Title I Cluster
Special Education Cluster
State Fiscal Stabilization Fund (SFSF)
CFDA Nos.: 84.389, 84.391, 84.392 and 84.394
Grant No.: Various

We tested the Department's 1512 reports dated June 30, 2010 and determined that the report did not accurately reflect receipts, expenditures and subawards. The following summarizes the discrepancies noted:

1. The amount of ARRA funds received/invoiced which was reported by the Department on its 1512 Report did not agree with the Federal G5 payment history (drawdowns).

CFDA No.	1512 Report Over (Under) Stated
84.389	$ (1,392,475)
84.391	1,873,736
84.394	(3,742,441)

2. The amount of ARRA fund expenditures reported by the Department on its 1512 Report did not agree with Department accounting records.

CFDA No.	1512 Report Over (Under) Stated
84.389	$ (786,113)
84.391	1,873,736

3. We randomly selected the supporting documentation of subawards (districts) to ensure that the subaward information was properly reported on the 1512 Report. Based on the tests performed we determined that the amounts reported as subaward expenditures did not agree with Department's accounting records and/or other support documentation. We found that the Department's 1512 Report overstated subaward expenditures for CFDA 84.391. The Department obtained subaward fund information for CFDA 84.394 pertaining to South Carolina higher education entities from the Commission on Higher Education. We determined that subaward expenditures for higher education reported by the Department on its 1512 Report were overstated.

4. We determined that the Department did not accurately report the Subaward (district award) amount for CFDA 84.389, CFDA 84.391 and CFDA 84.392 on the 1512 Reports.

   a. CFDA 84.394 - The amount reported as the subaward (district award) for York County District 2, subaward Number 10SF090, does not agree to the Department's

subaward document. The amount reported as the subaward for USC-Lancaster and MUSC-SC Area Health Education Consortium (SCAHEC) does not agree to the Department's records.

5. We determined that the total grant award amount reported by the Department on its 1512 Report for CFDA 84.394 does not agree to the grant award document.

Pursuant to The American Recovery and Reinvestment Act of 2009, Section 1512 subsection (c) and M-09-21, Recipient Data Reporting Model v3.0 (June 22, 2009 as updated for the quarter ending 12/31/09), each recipient that received recovery funds from a Federal agency shall submit a report to that agency that contains: (1) the total amount of recovery funds received from that agency, (2) the amount of recovery funds received that were expended or obligated to projects or activities and (3) detailed information on subgrants awarded by the recipient.

We recommend the Department develop and implement procedures to ensure compliance with the federal reporting requirement. The procedures should ensure that the information reported on the quarterly 1512 Reports is accurate and independently verified prior to submission.

Response:

1 & 2) These issues appear to be related to the timing of when reports were generated out of the project accounting system, which may not have coincided with the cut-off date of the 1512 reporting. We will ensure that we are running these reports immediately following the date that the 1512 report will run through. This should prevent the figures from having any discrepancies. However, we will also perform a reconciliation back to the G-5 system and our project accounting system prior to submission of the report.

3) The SCDE does not submit payments to subrecipients on behalf of the Commission on Higher Education. The data is submitted to the SCDE for the 1512 reporting requirement so it must be assumed that it is accurate.

4 & 5) This portion of the finding is related to grant award and sub-award amounts not matching; these figures have all been corrected. These grants are ending so there shouldn't be any changes in the grant award or sub-award amounts.

10H63-7. Level of Effort – Maintenance of Effort

Special Education Cluster
CFDA Nos.: 84.027, 84.173, 84.391 and 84.392
Grant Nos.: H027A070081, H027A080081, H027A090081, H173A080085 and H173A090085

The Department did not meet the Level of Effort requirement for the Special Education Cluster. Department state funded expenditures in fiscal year 2010 were approximately $2,000,000 less than the amounts expended in fiscal year 2009. Budget cuts to State

appropriated funds were a contributing factor to this noncompliance. Also, the Department spent $529,475 less in State funds in fiscal year 2009 than were spent in fiscal year 2008.

Program personnel did not monitor the Level of Effort requirement during the fiscal year to ensure the requirement was being met. Also, program personnel could not clearly identify the costs used to calculate level of effort amounts.

According to 20 U.S. Code, Section 1412 (a) (18) and 34 Code of Federal Regulations section 300.163, A State may not reduce the amount of State financial support for special education and related services for children with disabilities (or State financial support otherwise made available because of the excess costs of educating those children) below the amount of State financial support provided for the preceding fiscal year. ...If, for any fiscal year, a State fails to meet the State-level maintenance of effort requirement (or is granted a waiver from this requirement), the financial support required of the State in future years for maintenance of effort must be the amount that would have been required in the absence of that failure (or waiver) and not the reduced level of the State's support.

We recommend that the Department establish written procedures outlining steps to monitor the level of effort requirement. These procedures need to be detailed in nature to ensure adequate monitoring by program personnel. The procedures should also include the specific expenditure groupings used to satisfy the level of effort requirement. We also recommend the Department request a waiver from the U.S. Department of Education. The Department should also follow up with the Federal agency, regarding the status of the waiver application, throughout the year until the matter is resolved.

Response:

The Department has been in close communication with the Office of Special Education Program, U.S. Department of Education, regarding the issue of state maintenance of fiscal support. The appropriate waivers have been requested.

The Department will establish written procedures for ongoing monitoring of state fiscal support, which will identify the specific fund sources to be utilized in calculating state fiscal support, timelines for monitoring this support, and individuals responsible by office and title. The anticipated completion date of these written procedures is July 15, 2011.

10H63-8. Schedule of Federal Financial Assistance – Overstatement of Revenues and Expenditures

Title I Cluster
CFDA No.: 84.010
Grant No.: S010A090040

We determined that Title I revenues and expenditures were overstated on the Schedule of Federal Financial Assistance and the general ledger. Kershaw County School District was

reimbursed for Lancaster County School District expenditures. The Department discovered the error, and the check was voided by the State Treasurer's Office. SCEIS personnel then entered an adjusting entry which increased revenue rather than decreasing expenditures causing the overstatement. The Department's internal controls did not detect the error.

The Department failed to prepare the Schedule of Federal Financial Assistance in accordance with the Office of the State Auditor's letter of instruction and generally accepted accounting principles. The letter of instruction explains that refunds of current year expenditures should be reported as a reduction in the current year expenditures. Department personnel should also have performed a more detailed review of the SFFA to ensure accuracy and completeness.

We recommend the Department develop and implement policies and procedures requiring the reconciliation of district reimbursements and district expenditures to ensure that the amounts in the SCEIS system accurately reflect the amounts that the districts expended and were reimbursed.

Response:

This finding was due to Document # 1000028234 being processed incorrectly because the State Treasurer's office incorrectly classified the cancellation of a check for the prior month as a refund of a prior-year expenditure. At that time, we were not aware that the Treasurer's Office could initiate such a posting and, therefore, didn't realize that this type of entry would be something that we needed to look for prior to submitting the Schedule of Federal Financial Assistance (SFFA). In the future, there will be a check done prior to the close of the books at year-end and the subsequent submission of the SFFA to look specifically for refunds of prior year expenditures so that we can reclassify these prior to the close of the books at year-end.

10H63-9. Special Test of Private School Inclusion

Title I Cluster and Improving Teacher Quality
CFDA Nos.: 84.010, 84.389 and 84.367
Grant No.: Various

School Districts are required to notify all private schools within the district of their eligibility to participate in programs funded by No Child Left Behind (NCLB). Twenty private schools were selected for review. The schools were located within fourteen different school districts. Four districts failed to notify the private schools. One district failed to maintain the certified mail "Domestic Return Receipt" to document that the private school received the letter of invitation or the unclaimed letter notice indicating the school chose not to accept the letter. One district does not send Title II letters.

34 CFR 299.6 and 299.7 states, in summary, "...the SEA or LEA must provide notification to private school officials of their eligibility to participate in programs funded by NCLB, i.e. Title I and Title II."

We recommend that the Department develop and implement procedures to ensure that school districts are complying with the requirements of 34 CFR 299.6 and 299.7. The procedures should ensure that all private schools have received timely notification and that appropriate supporting documentation of notifications and declinations is maintained.

Response:

Following the Audit Report for the year ending June 2009, the Office of Federal and State Accountability updated the policy manual for Title I administrators to include specific instructions on contacting private schools. Because of the timing of the changes to this document, districts were not able to implement the revised procedures prior to submitting their plans for the 2010–11 school year. Those procedures were fully implemented this spring in preparation for the 2011–12 Title I plan.

In addition, the agency has recently transferred responsibility of maintaining the private school list to the Office of Federal and State Accountability, which will be the sole owner of this data. This will be the official list of private schools for the state.

The Office of Federal and State Accountability conducts annual on-site monitoring visits to all school districts. As part of this visit, office staff has been checking private school information. Training for staff has been conducted to provide specific guidelines for pulling a random sample of private schools and checking that these schools have been contacted and proper documentation kept on file.

Beginning in the spring of 2012, the Office of Federal and State Accountability will provide each district with a list of private schools that fall within their jurisdiction based on the approved master list.

10H63-10. Eligibility

Child Nutrition Cluster
CFDA No.: 10.555
Grant No.: 5SC300328

The Department could not provide evidence to document that school food authorities (SFAs) claiming after-school snack reimbursements were operating or sponsoring after-school care programs with an educational or enrichment purpose at the sites receiving the after-school snack reimbursements.

42 USC 1766a allows reimbursement for after-school snacks to be made available to those school districts which (1) operate the National School Lunch Program in one or more of their schools and (2) sponsor or operate after-school care programs with an educational or enrichment purpose.

We recommend that the Department implement afterschool snack program procedures which include documenting the educational or enrichment purpose of the participating schools'

afterschool programs. We also recommend that the Department ensure that schools are operating eligible afterschool programs during the scheduled reviews.

Response:

The Department of Education's Office of Health and Nutrition has created and will require school food authorities (SFAs) participating and receiving reimbursement in the After-School Snack Program to document educational and/or enrichment programs as defined in 42 USC 1766a during the 2011–12 school year. A copy of the form is located at the following link: http://ed.sc.gov/agency/Innovation-and-Support/Food-Services-And-Nutrition/old/sfsn/pdffiles/ProgRefManual/manualsec16.pdf.

In addition, SFAs are required to conduct on-site reviews of After-School Snack Programs two times a school year. Desk audits of After-School Snack Programs are also reviewed during the required CRE review.

10H63-11. Subrecipient Monitoring/Special Tests

Child Nutrition Cluster
CFDA No.: 10.555
Grant No.: 5SC300328

A school food authority (SFA) is required to account for all revenues and expenditures of its non-profit school food service in accordance with State requirements. The South Carolina School Food Service Program Reference Manual for Child Nutrition Programs states that the School Nutrition Automated Claim System (SNACS) was designed to allow the submission of monthly revenue and expense data which is used by the Department to ensure that the program remains non-profit. The Department could not document whether four of the six SFAs tested were reviewed to ensure that the SFA operated its food service on a non-profit basis and that the SFA accounted for all revenues and expenditures of its non-profit school food service in accordance with State requirements. The Department indicated that they do not require the private/parochial schools and residential child care institutions to enter the revenue and expenditure data into SNACS.

7 CFR Section 210.14(a) states, "School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service..."

7 CFR Section 210.14(b) states, "The school food authority shall limits its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a)."

7 CFR Section 220.13(j) states, "During audits, supervisory assistance reviews, or by other means, State agencies, or Food Nutrition Services Regional Offices (FNSROs) where

applicable, shall be responsible for monitoring the net cash resources of the nonprofit school food service of each School Food Authority participating in the Program. In the event that such resources exceed three months average expenditures for the School Food Authority's non-profit school food service, or such amount as may be approved by the State agency or FNSRO where applicable, the State agency or FNSRO where applicable, may require the School Food Authority to reduce children's prices, improve food quality or take other actions designed to improve the nonprofit school food service. In the absence of any such action, adjustments in the rates of reimbursement under the Program shall be made."

We also recommend that the Department implement procedures to document that the Department is monitoring all SFAs to ensure the requirements of 7 CFR Section 210.14(a) and (b) and 7 CFR Section 220.13(j) are met.

Response:

All school food authorities (SFAs) are required to submit monthly revenue and expenditures in the School Nutrition Automated Claim System (SNACS) with the exception of private/parochial schools and residential child care institutions (RCCIs). In order to be in compliance with 7 CFR Section 210.14(b), the senior accountant assigned to the Office of Health and Nutrition is required to notify the SFA that operating balances exceed three months average expenditures. An SFA is then required to submit a "Plan for Reducing Excessive Operating Balance" outlining the course of action they will take to spend down the excess funds to improve the quality of the food service program. The plan and timeframe must then be approved by the state director. An education associate from the Office of Health and Nutrition will conduct an on-site review verifying the plan has been fully implemented.

The private/parochial schools and RCCIs are currently not required to input the revenues and expenditures into SNACS for two reasons:

First, the portion of federal reimbursement received by these entities is such a small portion of the overall funding for these food service programs; the majority of funding and food is donated by other organizations. In addition, a majority of these groups feed very small numbers of children. There is little probability these groups would ever exceed three months operating balance. However, education associates assigned to these groups conduct a minimum of two on-site visits and at least one annual area meeting with assigned SFAs, are required to conduct a Coordinated Review Effort (CRE) once every five years, and beginning with 2012–13 will conduct a CRE once every three years which will focus on the cash management and financial aspect of the SFA.

Second, the turnover in these facilities requires continuous training by state staff and frequent documented on-site reviews of the entire food service operation including the financial aspect of the program. The frequency and depth of technical assistance and training afforded these groups meet or exceed the requirements of 7 CFR Section 210.14(a)(b) and 7 CFR Section 220.13(j).

10H63-12. Allowable Costs

Child Nutrition Cluster
CFDA No.: 10.555
Grant No.: 5SC300328

The Department had a significant increase in the number of meals submitted for reimbursement by the Youth Academy in June and July. The Department does not have controls in place to monitor significant changes in the seamless summer program meal claims. The June 2010 claim was questioned by the Department and a review was initiated when the Youth Academy inquired about a delay in the receipt of payment. The Department posted an adjustment to reduce the June meal reimbursement to the Youth Academy in September 2010. The Department determined that the Youth Academy did not purchase enough milk to support the number of meals claimed. The Department did not adequately document how the June and July milk purchases were determined, and the Department included April and May Coburg purchases as June and July purchases when calculating the servings of milk purchased from Coburg in June and July. The records to support the Department's adjustment did not adequately explain why only the June breakfast claims were adjusted when the reviewer compared the June and July milk purchases to the June and July meal claims for breakfast and lunch. Finally, the documentation did not explain why the Youth Academy Group Home claims were not included with the Youth Academy seamless summer claims when comparing the milk purchased to the meals claimed since the milk purchases were for the seamless summer program and the Group Home.

7 CFR Section 220.14 states "...the state agency is required to maintain all records pertaining to action taken for a period of three years after the end of the fiscal year to which they pertain." A good system of internal controls should include procedures which require the maintenance of sufficient/ verifiable documentation to support adjustment calculations.

We recommend the Department implement controls to detect significant changes in the seamless summer program meal claims and maintain sufficient/verifiable records which support actions taken for a period of three years after the end of the fiscal year for which they pertain. We also recommend that the Department consult with the Child Nutrition Division of the Food and Nutrition Service of the United States Department of Agriculture to determine the adequacy and sufficiency of the adjustment.

Response:

The Office of Health and Nutrition has established tighter controls to monitor significant changes in the meal claims for the Seamless Summer Food Program. The senior accountant will notify the summer feeding coordinator, state director, and program manager when the claim amount exceeds $250,000 or the senior accountant becomes aware of a significant increase in meal counts from the previous month. An immediate inquiry and potential investigation will be conducted to validate the claim **prior** to the claim being approved for payment.

10H63-13. Subrecipient Monitoring

Child Nutrition Cluster
CFDA No.: 10.555
Grant No.: 5SC300328

Three subrecipient monitoring deficiencies were noted during a review of the Youth Academy.

1. The Department did not review the Youth Academy meal claims for the summer of 2009 after reviewing and significantly adjusting the meal claims for the summer of 2010. The Department had a significant increase in the number of meals submitted for reimbursement by the Youth Academy in June 2010. As a result of a review of the June and July 2010 meal claims, the Department reduced the June meal claims by 44.6 percent or 324,534 meals. The June and July 2009 meal claims were significantly greater than the June and July 2008 meal claims, but the 2009 claims were not reviewed. Per 7 CFR, Section 210.19 (c)(ii), the state agency may extend fiscal action back to previous school years based on the severity and longevity of a problem.

2. The Department did not perform a coordinated review effort (CRE) review of at least one seamless summer site during the summer prior to or subsequent to the scheduled CRE review of the Youth Academy. A question and answer memo from the United States Department of Agriculture dated June 9, 2009 (memo code SP-27-2009) indicates under question forty that state agencies are required to review at least one seamless summer site in operation at all school food authorities scheduled for a coordinated review effort (CRE) review. The review may be conducted in the summer prior to or following the scheduled CRE.

3. The Department does not have written procedures establishing follow-up guidelines and/or sanctions for sub-recipients who do not submit A-133 reports in a timely manner. The Department did not receive the required A-133 report for the Youth Academy in a timely manner and no follow-up was performed and no sanctions were imposed until the report was requested.

We recommend the Department develop and implement written procedures documenting when it will extend fiscal action back to previous school years. We also recommend the Department develop and implement procedures to ensure that seamless summer sites are reviewed in accordance with USDA guidelines for all school food authorities scheduled for CRE review. Finally, we recommend that the Department develop and implement written procedures establishing follow-up guidelines and/or sanctions for subrecipients who do not submit A-133 reports in a timely manner.

Response:

Seamless summer reviews are conducted as required following the CRE five-year cycle. The scheduled review period for the Youth Academy was SY 2008–09. According to USDA regulations and verified in the audit findings, the review may be conducted in the summer prior to or following the scheduled CRE. In compliance with this requirement, the review was conducted in the following CRE year or 2009–10 which resulted into further investigation in the Youth Academy Seamless Summer Program. The increase in the number of state reviewers for 2010–11 will ensure that all seamless summer programs receive at least one on-site review. In addition, a procedure is in place and the senior accountant has been instructed to notify the state director, summer feeding coordinator, and the program manager when claims for reimbursement for a month exceed $250,000.

The A-133 report originates with outside auditors conducting the single audit. The findings from the single audit are submitted to the Single Audit Section in the SCDE. Findings specific to the child nutrition programs are then forwarded to the education associate responsible for financial matters whose responsibility is to ensure audit findings in the A-133 report are reviewed and corrective action is taken in a timely manner. The Office of Health and Nutrition has in the past and will continue to expedite taking corrective action on findings specific to the child nutrition programs.

As a result of the audit findings, the Office of Health and Nutrition has created the review tools and has started implementing the following new procedures utilizing the forms created for the SFAs to complete: After-School Snack Program and Plan for Reducing Excessive Operating Balance. Last, all education associates will be conducting seamless summer reviews utilizing the Seamless Summer Option Review Form located at the following link: http://ed.sc.gov/agency/Innovation-and-Support/Health-and-Nutrition/Reference-Manual/documents/Ch26-SummerNutritionPrograms.pdf.

Sincerely,

Mick Zais

Mick Zais, Ph.D.
State Superintendent of Education

MZ/km

Attachment: Plan for Reducing Excessive Operating Balance

South Carolina Vocational Rehabilitation Department

Enabling eligible South Carolinians with disabilities to prepare for, achieve and maintain competitive employment.

SCVRD

Barbara G. Hollis, Commissioner

South Carolina Vocational Rehabilitation Department (H730)
July 1, 2009 – June 30, 2010
Single Audit – Response

10H730-1. Maintenance of Effort – We recommend that the Department ensure that resources are available to meet the maintenance of effort requirement.

Response: We concur with the finding. As additional information would like to point out that planning and budgeting forecasts over the last ten years have been hampered by erratic state funding. During this time period there have been six years with mid-year reductions and some of those years there were multiple mid-year reductions in funding. Since 2001 there has been an overall base reduction in state funding of 48% and as a result of this negative trend there will be years it is not possible to ensure that MOE requirements will be met. We will continue to budget and plan in an attempt to meet federal MOE requirements.

10H730-2. Cash Drawdowns – We recommend the Department follow its procedures for cash management.

Response: We concur and understand and will comply with the cash management act. The implementation of SCEIS hindered us from making accurate cash projections in the early stages; we now have a better understanding of how to project cash requirements through SCEIS.

State Office • 1410 Boston Avenue • P.O. Box 15 • West Columbia, South Carolina 29171-0015 • www.scvrd.net
(803) 896-6500 • (803) 896-6525 (Fax) • (800) 832-7526 (Toll free) • (803) 896-6532 (TDD) • info@scvrd.state.sc.us

South Carolina Department of
Health & Human Services

Anthony L. Keck, Director
Nikki R. Haley, Governor

May 16, 2011

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

We have reviewed the audit findings for the Fiscal Year 2010 Statewide Single Audit for the South Carolina Department of Health & Human Services (DHHS), and offer the following response for your consideration.

10J02-2 Federal Share of Recoveries and Collections

Recommendations: We recommend that the Department develop and implement procedures to ensure that recoveries and collections that can be related to a specific period are returned to the grantor based on the FMAP rate in effect at the date of original expenditure. We also recommend that the Department perform a review of all recoveries that were returned using the enhance FMAP, in order to identify and recover the excess amounts that were returned to the grantor.

Response: DHHS is aware that this is a repeat finding and for the most part our previous response still holds true. One procedural change resulted from a recent enhancement to the statewide accounting system, South Carolina Enterprise Information System (SCEIS). This change addressed the ability to record recoveries directly collected through the accounting system at the appropriate rate for which the claim was originally paid. This enhancement began during SFY 2011. Unfortunately, collections received through the Medicaid Management Information System (MMIS) will continue the practice addressed in the finding until the new MITA system is completed.

10J002-1 Schedule of Federal Financial Assistance

Recommendation: We recommend that the Department staff develop and implement procedures to ensure that individual grant activity is separately accounted for in the Departments financial records and is properly reported on the SFFA in accordance with the Office of the State Auditor Letter of Instruction.

Response: During SFY 2010 (November 2009), DHHS transitioned to a new Accounting system, the South Carolina Enterprise Information System (SCEIS). As a part of that transition, the implementation period limited the time frame to appropriately load the grant activities to their respective accounts (grant phases), thus a management decision was made to account for the activities within one identifier, and to subsequently make accounting adjustments. Due to system implementation issues and other time constraints, all of the adjustments did not get completed by SFY 2010 year-end. As a result the

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P.O. Box 8206 • Columbia, South Carolina 29202-8206
(803) 898-2503 • Fax (803) 255-8235

Schedule of Federal Assistance did not reflect the correct information in detail by grant accounts, but in summary. Since this finding, DHHS is working with the SC Comptroller General office to affect Fund Balance entries that will adjust grant activities for correct presentation for SFY 2011.

10J02-3 Return of Medicaid Refund and Overpayments

Recommendation: We recommend that the Department perform a review of its accounts receivables established between January 1, 2010 and March 22, 2010 to identify current amounts due to the federal grantor. These funds should be returned on the Department's next quarter CMS-64.

Response: DHHS agrees with the recommendations and have affected additional reviews to ensure all receivables are analyzed against the required regulations. Since publication of this audit finding the identified overpayment has been returned to the grantor as of the March 2011 CMS-64 report.

If you have any questions or need additional information, please let me know.

Sincerely,

Roy E. Hess
Interim Deputy Director

REH/bgh

D H E C
PROMOTE PROTECT PROSPER
C. Earl Hunter, Commissioner
Promoting and protecting the health of the public and the environment.

August 16, 2011

Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

We have reviewed the audit finding for the FY2010 Statewide Single Audit for the S.C. Department of Health and Environmental Control, and offer the following response for your consideration:

10J04-1. Cash Management – Rebates

HIV Care Formula Grants
CFDA No. 93.917
Grant No. Various

Condition: 45 CFR Section 92.21(f) (2) states that grantees must disburse rebates, and any earned interest on them, prior to requesting additional payments under their grant award.

Recommendation: We recommend that the Department establish procedures to ensure compliance with the cash management regulations regarding the disbursement of rebate funds prior to the drawdown of Federal funds.

Response: Program Management and Fiscal staff will communicate monthly around the use of rebate funds to pay drug wholesaler invoices and other ADAP related expenses. Rebate funds will be used first with careful consideration given to expiring federal funds.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
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10J04-2. Maintenance of Effort

HIV Care Formula Grants
CFDA No. 93.917
Grant No. Various

Condition: The Department did not meet its maintenance of effort (MOE) requirement. The Department uses Medicaid HIV/AIDS expenditures incurred by the South Carolina Department of Health and Human Services (SCDHHS) to meet the grant's MOE requirement. The Department did not use current Federal Matching Assistance Percentage (FMAP) when calculating the MOE requirement. As a result the Department's current year expenditures were $4.3 million less than the amount necessary to meet the MOE requirement.

Recommendation: We recommend that the Department develop and implement procedures to monitor maintenance of effort expenditures to ensure that it is in compliance with the grant requirement. Additionally, we recommend the Department revise the MOE report to properly reflect that the MOE was not met.

Response: The Maintenance of Effort Report for FY08 and FY09 was revised to reflect the actual FMAP rate of 79.36 percent. The document was submitted with an explanation to HRSA on August 3, 2011. Also, as noted in the response to the FY09 audit, the proper FMAP was used for the Maintenance of Effort Report that was submitted in December 2010.

10J04-3. Subrecipient Monitoring

HIV Care Formula Grants
CFDA No. 93.917
Grant No. Various

Condition: The Department did not perform financial monitoring visits in accordance with the fiscal and program monitoring activities described in the grant application. The Office of Internal Audits completed six of the eleven Ryan White service providers financial monitoring site visits in fiscal year 2010.

Recommendation: We recommend that the Department perform the financial monitoring visits in accordance with the policy included in the grant application document and ensure that the financial monitoring visits comply with OMB circular A-133.

Response: On March 17, 2011, the STD/HIV Division hired a Fiscal Consultant to conduct financial site visits at all STD/HIV subrecipient sites. Since that time he has conducted six Ryan White surecipient monitoring visits and has two scheduled. Site visits will be made to all eleven Ryan White subrecipients prior to March 31, 2012. Also, all of the eleven Ryan White Part B subrecipients are subject to A-133 audits.

10J04-4. Client Eligibility

HIV Care Formula Grants
CFDA No. 93.917
Grant No. 6X07HA00038-19-01

Condition: The Ryan White Program staff does not recertify each client every six months as required in Federal program regulations. Department policy requires recertifications be completed every 12 months for the Insurance Assistance Program and that recertifications for the Drug Dispensing Program be completed in the birth month of the client each year. The Department's eligibility recertifications are not consistently being completed at least once each year in accordance with Department policy. We found twenty-three of the forty clients tested took more than twelve months to recertify.

Recommendation: We recommend the Department implement policies and procedures to ensure clients are being recertified in a timely manner in order to ensure compliance with stated regulations.

Response: Client recertifications are performed annually for each client enrolled in the AIDS Drug Assistance Program (ADAP). A client is first notified of the need to recertify during the month of their birth. If a completed recertification is not received by the ADAP, clients receive first, second and final notices, giving a client a total of four months to recertify before being closed to the program.

The annual Ryan White/ADAP grant application includes a section around ADAP patient

eligibility and recertification. Each year DHEC informs the Health Resources and Services Administration (HRSA) that the SC ADAP conducts an annual recertification process. Recertification is not done twice each year because ADAP checks the Medicaid database for Medicaid eligibility at the time of application, time of recertification and point of fill for each medication dispensed.

Also, semi-annual recertifications would present a significant barrier to care for our patient population. Unlike other state ADAPs that accept self-certification, SC ADAP requires documentation proving zero, or no, income. Difficulty in obtaining such documentation has made it very difficult to recertify such zero income clients (who represent a vast majority of the ADAP clientele). HRSA has been made aware of SC ADAP's stringent income documentation requirements, and the difficulty in performing semi-annual recertifications. However, SC ADAP is exploring the possibility of recertifying every six months pending system database modifications and the final HRSA Client-Level-Data reporting guidelines.

10J04-5. High Risk Vendors

Supplemental Nutrition Program for Women, Infants, and Children
CFDA No. 10.557
Grant No. 5SC700715, 5SC700706, and 5SC700749

Condition: The Department is not identifying high-risk vendors in accordance with department and Food Nutrition Service (FNS) guidelines. In accordance with FNS guidelines the Department is required to identify high-risk vendors at least once a year. FNS guidance requires the Department to follow the FNS criteria and/or develop a statistically based criteria which is approved by FNS to identify high-risk vendors. The Department is currently developing written policies to identify high-risk vendors.

Recommendation: We recommend that the Department complete its written procedures outlining its criteria for identifying high-risk vendors and obtain FNS approval before implementing its plan.

Response: The WIC Program is continuing to work with CSC Covansys to develop a contract to modify the existing vendor system reporting that will identify high-risk vendors. The High Risk Report is one of several reports to be revised.

The high risk criteria that are being proposed are:

1. Low Variance – identifies vendors continually redeeming food instruments of the same type with the same purchase price.
2. High Means – identifies vendors continually redeeming food instruments at the highest allowable level/price or slightly below it.
3. Number of Complaints – identifies vendors with an excessive number of complaints.
4. > 10% - identifies vendors continually redeeming food instruments above 10% of the peer group average.
5. Percent Increase – identifies vendors who had an increase in a percent of the value of the food instruments redeemed.
6. Volume Scale – a value used as a weighting factor to consider the volume of food instruments a vendor redeems per month to better target stores that might pose a more serious threat to program integrity. A greater weight will be assigned to high volume vendors.

The scope of the contract as well as the estimate has been approved by the program. The Agency's Health Services Operations Area and Legal Department must also review and approve the contract. The time allowed for this review process is 30 days. CSC will begin Development once the Agency's review process is completed. Full implementation is expected around December 1, 2011.

We appreciate the thorough work of your auditors. If you have any questions, please do not hesitate to contact Nancy Edmunds, Director, Office of Internal Audits at 896-0651.

Sincerely,

R. Douglas Calvert

R. Douglas Calvert
Chief of Staff

cc: C. Earl Hunter, Commissioner
Mary I. Fuhrman, CPA, CIA, Director, Bureau of Financial Management
Ronnie Belleggia, Assistant Director, Bureau of Financial Management
Ron Brock, Contracts Officer, Chief of Staff Office
Nancy D. Edmunds, CIA, Director, Office of Internal Audits
Darbi C. MacPhail, MHA, Director, Health Services Operations
Mark Barnes, Senior Consultant, Health Services Operations

South Carolina Department of Public Safety

July 14, 2011

Richard H. Gilbert, Jr., CPA
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Mr. Gilbert:

Please see our responses to your audit findings below:

10K05-1. Unallowable Costs / Period Of Availability
State Fiscal Stabilization Funds
CFDA No.: 84.397
Grant No.: S397A090052
The 29,953 in questioned costs were part of the 15 million in State Fiscal Stabilization Funds the department received. Although payroll expenses were moved to federal funds from the proper period, there was 1 record in the more than 10,000 used to make the entry that was a payout related to a prior period, which is the source of this finding. SCDPS is now live on SCEIS, so we now have access to detailed payroll reports that indicate what period payroll expenses are for. In the unlikely event the department receives funding such as this in the future, these reports will greatly assist management in reviewing the copious amounts of data necessary to make such an entry, and should help ensure all payroll cost charged to Federal funds are for the proper period. The department is in the process of reviewing and enhancing procedures to cover changes to processes resulting from the transition to SCEIS. During this process, we will incorporate review procedures that will include ensuring compliance with all relevant requirements for Federal funds.

10K05-2. Schedule of Federal Financial Assistance (SFFA)
Various Programs
CFDA No.: Various
Grant No.: Various
Many of the issues identified in this finding are related to errors that occurred during the transfer of data from our legacy system to SCEIS. The SFFA is reviewed for accuracy prior to submission; however, because of some of the errors in the data, the SFFA appeared correct. Subsequent review of our data by department staff did reveal many of the errors listed in the finding, which were promptly corrected prior to this audit. Since many of the errors in the finding have already been corrected and were transition-related, we do not expect them to recur. The department is in the process of reviewing and enhancing procedures to cover changes to processes resulting from the transition to SCEIS. During this process, we will incorporate procedures for review of the SFFA for accuracy and compliance with instructions.

10311 Wilson Blvd. Blythewood, SC - US Mail: P.O. Box 1993 Blythewood, SC 29016

10K05-3. Subrecipient Monitoring
Recovery Act – Edward Byrne Memorial Justice Grant (JAG) Program / Grants to States and Territories
CFDA No.: 16.803
Grant No.: 2009-SU-B9-0024
The department does currently have written procedures in place regarding subrecipient monitoring, and we do follow up with subgrantees on any findings we believe may have a substantial impact on their ability to manage SCDPS grants appropriately. We believe that subrecipient audit reports are generally reviewed in a timely manner within the context of our business environment. The department is in the process of reviewing and enhancing procedures to cover changes to processes resulting from the transition to SCEIS. During this process, we will consider enhancements that could be made to existing procedures that would allow for more consistent turnaround time on audit report reviews, as well as better documentation of the results of those reviews and any follow-up actions taken.

10K05-4. Cash Management
State Fiscal Stabilization Funds
CFDA No.: 84.397
Grant No.: S397A090052
The department processed entries related to the State Fiscal Stabilization Funds per our understanding of the documentation provided to us. When we determined we had not processed the entries correctly, we immediately made corrections to be in compliance with Federal and State requirements. As this was one-time funding, we do not expect a recurrence; however, as part of our review and enhancement of existing procedures, we will incorporate the need to ensure compliance with all relevant requirements for Federal funds.

Sincerely,

Stephen B. Fulmer, CPA
SCDPS Director of Financial Information and Reporting

DSS
Serving Children and Families

LILLIAN B. KOLLER, J.D.
STATE DIRECTOR

NIKKI HALEY
GOVERNOR

June 24, 2011

Mr. Richard H. Gilbert, Jr., CPA
Interim State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

The South Carolina Department of Social Services respectfully submits the following corrective action plan for those findings identified in the Schedule of Findings and Questioned Cost for the year ended June 30, 2010.

10L04-1: Schedule of Federal Financial Assistance

Various Programs
CFDA No. : Various
Grant No. : Various

Recommendation: We recommend that the Department develop and implement procedures to ensure that it completes the SFFA in accordance with the Office of State Auditor Letter of instruction. In addition, we recommend that the Department develop and implement procedures to ensure that the SFFA is independently reviewed to ensure that the amounts reported on the schedule agree and/or reconcile to the Department's accounting records.

Action Taken: The Department concurs with the finding and will implement a process to ensure accurate preparation of the Schedule of Federal Financial Assistance, to include training of current staff and review of internal controls. Additionally, the Department will implement a process, within the Financial Services Division, to perform an independent review of the FFA to ensure compliance with State Auditor's guidelines.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DIRECTOR, P.O. BOX 1520, COLUMBIA, S.C. 29202-1520
TELEPHONE: (803) 898-7360 • FAX: (803) 898-7277
WEB SITE: www.dss.sc.gov

10L04-2 Child Support Automated System and OCSE 34A Report

Child Support Enforcement
CFDA No. : 93.563
Grant No. : 0904SC4004 and 1004SC4002

Recommendation: We recommend that the Department continue its progress in implementing a data processing and retrieval system that complies with Section 454 (24) (B) of the Act.

Action Taken: The Saber Corporation was awarded the contract to develop and implement the system that complies with Section 454 (24) (B) of the Act on July 23, 2007, with an effective date of August 1, 2007. Saber was subsequently bought by EDS which in turn was acquired by Hewlett Packard (HP). The contract schedule is for the system to be completed in September 2012.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

10L04- 3 Conversion Journal Entries

Various Programs
CFDA No.: Various
Grant No.: Various

Recommendation: We recommend that the Department development and implement procedures to ensure that accounting transactions are adequately supported by source documentation. Documentation supporting accounting transactions should identify the person initiating the transaction and the person approving the transaction. Journal entries should also explain the purpose of the adjustment and include documentation supporting the adjustment. Accounting transactions initiated by the SCEIS team should be subjected to the same level of internal controls as a transactions processed by Department personnel.

Action Taken: The State of South Carolina mandated all state agencies to implement a new centralized state accounting system (SCEIS). In May 2010 the Department implemented this new SCEIS accounting system. During the conversion process the SCEIS team processed correcting entries without following the Departments internal controls.

The Department concurs with the finding and implemented a process in May 2010 that ensures all journal entries are processed with supporting documentation. The process requires an initiator, preparer and approver. All journal entries are now processed in our general ledger division. Additionally, the Department has contacted the South Carolina Enterprise Information System (SCEIS) to request notification of journal entries prepared in their office, to ensure entries are subject to the same approval process mentioned above.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

10L04- 4 Subrecipient Monitoring

Child and Adult Care Feeding Program
CFDA No.: 10.558
Grant No.: 5SC300329

Recommendation: We recommend that the Department review subrecipient monitoring procedures to ensure that the procedures meet the requirements of Subpart D. We also recommend the Department develop a system to track subrecipients audit submissions.

Action Taken: The Department is reviewing and updating its subrecipient monitoring procedures to ensure that subrecipients expending $500,000 or more in Federal awards during the subrecipients' fiscal year have met the audit requirements of submitting audit reports to the Department. The Department is also updating its system of tracking subrecipients' audit submissions to ensure all required reports are submitted to the Department.

Contact Person: Michael Reeves

Telephone: (803) 898- 7494

10L04- 5 Eligibility

Child Care Cluster
CFDA No.: 93.575, 93.596, and 93.713
Grant No.: Various

Recommendation: We recommend that the Department periodically review its ABC Child Care Program Policy Manual to ensure that it complies with federal program revisions. The Department should also ensure that program revisions are communicated to program staff, as needed.

Action Taken: Child Care Services program staff conduct monthly policy review meetings to ensure that the ABC Child Care policy is clear and concise. Directive or Informational Memos are used to communicate clarifications in policy or new policy with child care staff throughout the state. The policy manual also contains a "What's New" section to ensure child care workers are aware of the latest policy versions. Additional policy meetings are convened, as needed. Child care policy and procedures training was conducted for child care workers in October 2010 via a statewide video conference. Program and supervisory staff continue to perform quality case reviews to ensure compliance with policy. As of January 2011, child care eligibility for transitional, child protective services and foster care child care was successfully moved from the county DSS offices to state office. Policy in this area can more consistently be applied through the work of this eligibility unit. Plans are being considered to move the remaining Family Independence child care eligibility categories from the counties to state office to further improve consistency in eligibility determinations and documentation.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

10L04- 6 Cash Management

Various Programs
CFDA No.: Various
Grant No.: Various

Recommendation: We recommend the Department develop and implement accounting controls to ensure that accounting transactions are properly recorded. The Department should also ensure that documentation supporting cash draws adequately supports amounts requested and documents an independent review and approval of the request.

Action Taken: The Department concurs with the finding and will implement additional internal controls to fully document federal letter of credit deposits and to insure the proper recording in the

Department's accounting records. The Department will train all staff to ensure compliance with internal controls and federal requirements.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

10L04- 7 Cost Allocation

Various Programs
CFDA No.: Various
Grant No.: Various

Recommendation: We recommend the Department develop and implement procedures to periodically review its cost allocation plan to ensure that it is current and that costs are being allocated in accordance with applicable federal regulations. We also recommend that the Department ensure that adjusting journal entries are supported by documentation which agrees to the Department's accounting records. Finally the Department should implement procedures that require an independent review of plan modifications to ensure that the changes are appropriate, comply with the approved cost allocation plan and federal regulations and are adequately documented.

Action Taken: The Department concurs with the finding and will implement an annual review to ensure that the Cost Allocation Plan (CAP) methodology is current and in compliance with the CAP. In May 2010, the Department implemented procedures to fully document journal entries. The Department is in the process of doing a complete update of the Cost Allocation Plan, effective October 1, 2011 which will be subject to review and approval by the federal Division of Cost Allocation Plan. The Department will implement a process that requires an "independent review" of plan modifications to ensure compliance with federal requirements.

Contact Person: Mike Reeves

Telephone: (803) 898-7494

10L04- 8 Capitalization – Child Support Automated System

Child Support Enforcement

CFDA No.: 93.563
Grant No.: 0904SC4004, 1004SC4002

Recommendation:	We recommend that the Department develop and implement procedures to ensure that it accounts for capital assets in accordance with the State's capitalization policy and OMB Circular A-133.
Action Taken:	The Department concurs with the finding and will capitalize expenditures incurred in the development of the Child Support Automated System. The total estimated implementation cost is $132,883,217. Once applicable expenditures for the current year are identified, the Department will work with the Comptroller General's Office and SCEIS to report the capital asset in the current year's closing package. Staff will be trained to capitalize intangible assets with a useful life extending beyond a single reporting period, with a cost in excess of $100,000.
Contact Person:	Mike Reeves
Telephone:	(803) 898-7494

If you have any questions regarding this plan, please call the contact the person noted for each response or William Bray, Chief of Fiscal and Governmental Affairs at 898-7225.

Sincerely,

Lillian B. Koller, J.D.
State Director

LBK:wb

Commissioner
James M. Kirby

South Carolina Commission for the Blind

1430 CONFEDERATE AVENUE • P.O. BOX 2467 COLUMBIA, SC 29202
PHONE: (803) 898-8822 • FAX: (803) 898-8845

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24)

AGENCY'S CORRECTIVE ACTION PLAN (FY 2010 Single Audit Findings Response)

10L24-1. Unallowed Activity

The entire Finance, Budget and Procurement Departments are receiving training on OMB A-87. Training is being conducted by a former RSA Federal employee whose area of expertise is OMB A-87.

10L24-2. Cash Drawdowns

Procedures for drawdowns are being developed with the assistance of a former RSA/Federal Department of Education monitor. Once fully developed, the drawdowns will be timely and accurate by the Grant Accountant.

10L24-3. Reporting

The agency has applied for an accurate indirect cost rate. Also, additional training is being conducted with the Finance, Budget and Procurement staff by a former RSA Federal Department of Education monitor. The Accounting Department anticipates having an accurate indirect cost rate by September 2011. Future RSA-2-Annual Vocational Rehabilitation Program/Cost Reports will be submitted by the due date as stated in the instructions.

10L24-4. Capital Assets

The Assistant Controller and the Procurement Specialist will work together to ensure that assets are capitalized according to State policy and procedures. The Procurement Specialist will monitor the capital assets transactions to ensure they are properly classified in the accounting system for accuracy and reliability.

South Carolina
Department of
Corrections

NIKKI R. HALEY, Governor
WILLIAM R. BYARS, JR., Director

July 21, 2011

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

The South Carolina Department of Corrections respectfully submits the following corrective action plan for those findings identified in the Schedule of Findings and Questioned Costs for the year ended June 30, 2010.

10N04-1 Allowable Costs/Period of Availability of Federal Funds
Program: State Fiscal Stabilization Funds
CFDA No.: 84.397
Grant No.: S397A090052

Recommendations: We recommend the Department develop and implement procedures regarding the proper reporting of expenditures within the correct period of availability of Federal funds. We also recommend the Department ensure expenditures are reported in the proper period of availability of Federal funds.

Response: We agree with the recommendations. The detailed information of the reimbursed expenses was accumulated in the Department of Corrections legacy accounting system prior to the implementation of the South Carolina Enterprise Information System (SCEIS) May 1, 2010.

We are currently in discussions with the U. S. Department of Education and waiting approval to correct this deficiency. For FY11, detailed SCEIS reports were carefully reviewed before expenses were requested for reimbursement to ensure that Federal guidelines were followed and that expenditures were reported in the proper period of availability of Federal funds.

P.O. Box 21787 - 4444 Broad River Road - Columbia, SC 29221-1787 - Telephone (803) 896-8555
http://www.state.sc.us/scdc E-mail: corrections.info@doc.state.sc.us

10N04-2. Schedule of Federal Financial Assistance Discrepancies
Program: Various
CFDA No.: Various
Grant No.: Various

Recommendation: We recommend the Department develop and implement procedures to ensure that all grant information included in the SFFA has been reviewed for accuracy and that the SFFA is prepared in accordance with the OSA letter of instructions. We also recommend that the Department implement procedures to reconcile the SFFA to the general ledger.

Response: We agree with the recommendations. Per the SCEIS implementation schedule the Department was required to "go live" with the new system 5/1/2010. At the close of FY10, 6/30/2010, the cumulative legacy balances had not all been "pushed down" to the grant level. Therefore there were no SCEIS general ledger balances to tie to at the grant level for FM01-FM09 in FY10. The SFFA was prepared from the legacy balances and the FM11 and FM12 SCEIS activity by grant, reconciled to Comptroller General Reports, and SFFA prepared.

The Department is taking the following corrective actions. The Division of Finance has established an additional level of staff review to verify the information reported on the SFFA and is in the process of creating a checklist based on the letter of instruction to guide our preparation and review of the SFFA information before it is submitted. Vacant positions within the Grants area will be filled as soon as possible with trained personnel and the grant work load allocated with consideration to current requirements and future plans.

10N04-3. General Ledger Discrepancies
Program: Various
CFDA No.: Various
Grant No.: Various

Recommendation: We recommend the Department develop and implement procedures to ensure the general ledger is reviewed to ensure the accuracy of the data. We also recommend that the Department ensures that the data reported on the SFFA agrees and/or reconciles to the Department accounting system.

Response: We agree with the recommendations. As stated above, the Division of Finance has established an additional level of staff review to verify the information reported on the SFFA and is in the process of creating a checklist based on the letter of instruction to guide our preparation and review of the SFFA information before it is submitted. Vacant positions within the Grants area will be filled as soon as possible with trained personnel and the grant work load allocated with consideration to current requirements and future plans.

Thank you for the guidance provided by your auditors and for the professional manner in which they conducted this audit. Should you have any questions or need additional information, the point of contact is Martha L. Roof, CPA, Division Director of Finance, Roof.martha@doc.state.sc.us, (803) 896-1916.

Sincerely,

Robert E. Ward
Acting Director

REW:MR:dbh

Nikki R. Haley
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

May 5, 2011

Mr. Richard H. Gilbert, Jr., CPA
Deputy State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Gilbert:

This letter is in response to the Single Audit Findings for the period ending June 30, 2010 for the South Carolina Department of Commerce (SCDOC).

10P32-1. Lack of Adequate Documentation

The Workforce cluster was transferred to the Department of Employment and Workforce (DEW) in April of 2010. DEW will review these documents as part of their annual on-site monitoring program. In addition, the program has since implemented policies and procedures requiring sub-recipients and contractors to provide line-item expenditure reports for all payment requests. This additional supporting documentation is now being monitored, and the related policies and procedures maintained by the SC Department of Employment and Workforce.

10P32-2. Reporting

The source data used to populate various fields in the ARRA-9149 report is provided via an outside vendor that maintains the program's case management system database. In December 2009, the vendor created new functionality, in response to technical guidance provided by the US Department of Labor, to 'snap-shot' the ARRA-9149 supporting data in response to technical assistance received by other states. However, the data for the report audited for the month of October 2009 was unable to be replicated for audit purposes, as the new functionality had not been implemented by the vendor at that time.

10P32-3. Reporting

SCDOC has submitted a hard copy of the 2009 Section 3 report to HUD which was generated from our new automated report. In addition, the date for submission of the Section 3 report now coincides with submission of our annual report to HUD and we have included it in our internal annual program deadlines calendar as a control to ensure that it is submitted in a timely manner.

The South Carolina Department of Commerce appreciates your willingness to offer advice and assistance to us during the audit process. It is our commitment to continue to be good stewards of the taxpayer's dollars while ensuring that our financial reporting is accurate and timely.

Sincerely,

Chris Huffman
Chief Financial Officer

1201 Main Street, Suite 1600, Columbia, SC 29201
Tel: (803) 737-0400 • Fax: (803) 737-0418 • www.sccommerce.com

APPENDIX C

INDEX OF FINDINGS BY FEDERAL GRANTOR AND PROGRAM NAME

STATE OF SOUTH CAROLINA

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