



The State of South Carolina
OFFICE OF THE ATTORNEY GENERAL

HENRY McMASTER
ATTORNEY GENERAL

August 18, 2003

Sammy G. Diamaduros, Esquire
P. O. Drawer 643
Union, South Carolina 29379

Dear Mr. Diamaduros:

In a letter to this office you questioned whether agencies funded in part by the county need an audit performed by a certified public accountant or just a financial report. You provided a letter setting forth your opinion that an audit is not necessary as to agencies funded in part by a county. Instead, it would be sufficient for those agencies to provide a full, detailed fiscal report to county council. You also commented that it would be cost prohibitive for agencies that are funded only in part by the county in that agencies which may only receive a certain percentage of their funds from a county would incur a large cost to perform an audit.

S.C. Code Ann. Section 4-9-140 (1986) provides that "(a)ll county offices, departments, boards, commissions or institutions receiving county funds shall make a full, detailed annual fiscal report to the county council at the end of the fiscal year." S.C. Code Ann. Section 4-9-150 (Supp. 2002) provides that

The council shall provide for an independent annual audit of all financial records and transactions of the county and any agency funded in whole by county funds and may provide for more frequent audits as it considers necessary. Special audits may be provided for any agency receiving county funds as the county governing body considers necessary.

(Emphasis added).

Language that is clear and unambiguous must be interpreted literally. Green v. Zimmerman, 269 S.C. 535, 238 S.E.2d 323 (1977). Consistent with Section 4-9-140, any agency receiving county funds must make a full annual report to the county each year. There must also be an audit of any agencies funded in whole by the county. I am in agreement with your conclusion that if an agency is funded only in part by the county, no audit is necessary. However, as further provided by Section

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4-9-150, special audits may be provided for any agency receiving county funds as considered necessary by a county.

With kind regards, I am,

Very truly yours,

A handwritten signature in cursive script, appearing to read "Charles H. Richardson".

Charles H. Richardson
Senior Assistant Attorney General

CHR/an