



# State safeguards our tax dollars on multiple levels

**Richard Eckstrom**

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Accusations of embezzlement make headlines all too often these days. And while stealing money is not limited to the public sector – even some church administrators and little league coaches have been accused of stealing – it seems to strike a deeper nerve when it involves taxpayer dollars.

Yet, from small town governments to large state agencies, the alleged theft of public funds never seems to be absent from the news for very long.

Yet it's actually a positive sign that we hear about it, because that shows that safeguards are in place to detect, investigate and prosecute insiders who would steal public funds.

In fact, multiple agencies work together to provide important oversight at the state level.

Each one, including the agency I direct, the S.C. Comptroller General's Office, plays a different role. But we all work together to achieve the same goal – making state government more efficient, accountable, and ethical.

As the state's chief accountant, one of my most important responsibilities is to ensure that proper internal controls exist over public money flowing through the state's coffers. We're talking about lots of money, too. For example, this year's state budget is almost \$23 billion. A key part of having effective controls in place is maintaining a reasonable amount of overlapping safeguards. The state's accounting system operated by my office requires multiple layers of verification so that each state government payment we process is properly vetted and authorized.

When it comes to making sure tax dollars are used correctly, this is one area in government where you should desire some duplication.

This desire helps us understand the other agencies involved with financial oversight in state government.

The newest addition to this oversight team is the S.C. Inspector General's Office, which was initially established in July 2012 with just two investigators.

Since then it has been expanded to six investigators, all highly trained professionals with years of experience in financial auditing or in federal law enforcement focusing on financial crimes. State Inspector General Patrick Maley is a CPA and a retired 30-year FBI agent. A key role of his office is to provide a place for state employees to confidentially report waste, fraud and corruption in state government. Members of the public can use the office, too.

People can report a suspected problem to the Inspector General's Office through its hotline (855-723-7283); email ([oig@oig.sc.gov](mailto:oig@oig.sc.gov)); online (<http://oig.sc.gov/ComplaintForm.aspx>); and by mail or in person (111 Executive Center Drive, Enoree Building, Suite 204, Columbia, S.C. 29210).

There are additional parts of the financial oversight network in state government, including internal auditors within large state agencies, the State Auditor's Office, the Legislative Audit Council, and the State Law Enforcement Division.

At the agency level, internal auditors represent the first line of defense against misuse of

public funds. Their job is to monitor transactions and catch problems early, before they grow or affect other agencies.

The State Auditor's Office audits state agencies, the state's annual financial statements, and its federal expenditures. The Auditor's Office also audits Medicaid spending in South Carolina, including contracts and financial reports filed by outside service providers that collectively do more than \$200 million of business per year with state government.

Functioning as the General Assembly's auditing arm, the Legislative Audit Council evaluates agencies and programs for ways to save money, operate more efficiently, and better adhere to state law.

The Audit Council is required to review certain operations on a recurring basis, such as the S.C. Education Lottery, but most of its work is in response to specific audit requests from members of the Legislature.

Finally, there's the State Law Enforcement Division. You might picture helicopters and bloodhounds when you think of SLED, but a lot of its efforts go into rooting out public embezzlement. Local authorities often seek SLED's help in such cases.

With these layers of financial oversight and protection in state government, South Carolina taxpayers should feel confident that their tax dollars are being watched closely.

Richard Eckstrom is comptroller general for South Carolina.