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Jun. 12, 2013

South Carolina's Department of Probation, Pardon and Parole Services told lawmakers it would spend \$3.8 million to hire 47 new agents, but instead used the money to boost the agency's cash reserves, according to a new report from the Legislative Audit Council.

For the last two fiscal years, state lawmakers gave the agency \$3.8 million to help the agency cope with a sweeping sentencing reform law that was putting more people on probation instead of behind bars. The agency told lawmakers it would use \$2 million of that money to hire 47 agents. But a review by the Legislative Audit Council found the agency's employees increased by six during those years, spending \$366,361.

"The funds have been used to increase the agency's cash reserves and pay employer contribution costs previously paid by other and federal funds," the report stated. "This at a time when the agency indicated it had high caseload ratios and revised its supervision standards resulting in less supervision time with offenders."

In a written response to the report, the agency said it did spend \$2 million to hire 47 people over two years. The agency said it hired 92 people during those two fiscal years, but also lost 86 people.

"The period of time reviewed encompassed one of the most severe extended budget reduction cycles in decades for the State of South Carolina and the Nation," the agency said in a written statement. "The Department, like most Cabinet Agencies at the time, did not seek new FTEs during much of the period reviewed (FY 2008 —

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In addition to the \$3.8 million, the report found that the agency:

— Missed a \$325,000 fraud because it was not reconciling a bank account properly

— Violated state procurement law when it loaned 20 agency computers to a church

— Included a photo of prospective candidates "so the hiring authority sees every final candidate's race and gender before making a final hiring decision."

— Has non law enforcement employees enrolled in the Police Officers Retirement System, even though they would not qualify for the retirement benefits.

In a letter to the Legislative Audit Council, the agency director — Kela E. Thomas, an appointee of Republican Gov. Nikki Haley — said the agency no longer requires a photo for hiring packets and will retrieve the computers it loaned to a church by July.

"I am especially encouraged and pleased that the audit revealed nothing illegal occurring under my tenure as director," Thomas wrote. "Audits like this allow us to identify areas in which we may improve, and again thank the LAC for its study."

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