

SOUTH DAKOTA COSMETOLOGY COMMISSION

AGREED UPON PROCEDURES

FOR THE YEAR ENDED JUNE 30, 2014

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INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES

To the Commissioners of the South Dakota Cosmetology Commission
and to the South Dakota Department of Labor and Regulation
Pierre, South Dakota

We have performed the procedures enumerated below, which were agreed to by the South Dakota Cosmetology Commission and the South Dakota Department of Labor and Regulation (the specified parties) solely to assist you with respect to the internal controls over the revenue function of the South Dakota Cosmetology Commission (the responsible party) for the year ended June 30, 2014. The South Dakota Cosmetology Commission's management is responsible for the Commission's internal controls over the revenue function. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures are as follows for which we had no findings:

We inquired of management regarding the internal control processes as they relate to cash receipts for the revenue process.

We selected a sample of 30 licensed individuals from the licensee list on the Commission's database. For the individuals selected, we agreed the renewal fee charged with the South Dakota Codified Laws and Administrative Rules in effect for fiscal year June 30, 2014 and with the fees published on the Commission's website. We traced the payment received to the transmittal deposit report. We agreed the total of this report to the cash account with the State of South Dakota.

We selected a sample of 15 salon licensed businesses from the licensee list on the Commission's database. We agreed the fee charged with the South Dakota Codified Laws and Administrative Rules in effect for fiscal year June 30, 2014 and with the fees published on the Commission's website. We traced the payment received to the transmittal deposit report. We agreed the total of this report to the cash account with the State of South Dakota.

We selected a sample of 10 examinees from the exam rosters. We agreed the fee charged based on our review of the exam fee schedule included in the South Dakota Codified Laws and Administrative Rules in effect for fiscal year June 30, 2014 and with the fees published on the Commission's website. We traced the payment received to the transmittal deposit report. We agreed the total of this report to the cash account with the State of South Dakota.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the internal controls over the revenue function. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the South Dakota Cosmetology Commission and the South Dakota Department of Labor and Regulation and is not intended to be and should not be used by anyone other than these specified parties.

East, Vander Woude, Grant & Co, PC

East, Vander Woude, Grant & Co. P.C.
Sioux Falls, South Dakota
October 7, 2014