

**COUNTY OF CHEROKEE
GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA**

**State Auditor's Report
April 30, 2006**

**COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA**

Table of Contents

	<u>PAGE</u>
STATE AUDITOR TRANSMITTAL LETTER	
I. INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	1-3
II. ACCOUNTANT'S COMMENTS	
SECTION A - MATERIAL WEAKNESSES AND/OR VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS	4
<u>TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY</u>	5-7
<i>Recordkeeping</i>	
<i>Improperly Charging Assessments</i>	
<i>Failure to Charge Law Enforcement Surcharge</i>	
<i>Installment Payment Allocation</i>	
<u>PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING</u>	7-8
<i>Correctly Allocating Victims' Assistance Revenues</i>	
<i>Victims' Assistance Expenditure Exclusive Purpose Justification</i>	
<u>TIMELY ACCURATE REPORTING TO THE STATE TREASURER</u>	8-9
<i>Timely Filing</i>	
<i>Schedule of Fines and Assessments</i>	
SECTION B - OTHER WEAKNESSES NOT CONSIDERED MATERIAL	10
<u>PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING</u>	11
APPENDIX	
CORRECTIVE ACTION PLAN	

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

January 12, 2007

The Honorable Mark Sanford, Governor
State of South Carolina
Columbia, South Carolina

The Honorable Brandy McBee, Clerk of Court
Cherokee County
Gaffney, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the Cherokee County General Sessions Court for the period May 1, 2005 through April 30, 2006, was issued by Cline Brandt Kochenower & Co., P.A., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

RHGjr/trb

Independent Accountants' Report on Applying Agreed-Upon Procedures

Richard H. Gilbert, Jr., CPA
Deputy State Auditor
Office of the State Auditor
Columbia, South Carolina

We have performed the procedures described below which were agreed to by the South Carolina Office of the State Auditor solely to assist these users in evaluating the performance of the County of Cherokee General Sessions Court System and to assist the South Carolina Office of the State Auditor in complying with the 2005 - 2006 General Appropriations Act (H. 3716) Section 72.86. Brandy McBee, Clerk of Court for the County of Cherokee is responsible for compliance with the requirements for the General Sessions Court reporting and the South Carolina Office of the State Auditor is responsible for compliance with the requirements of the 2005 - 2006 General Appropriations Act (H. 3716) Section 72.86. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of 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.

The procedures and associated findings are as follows:

1. TIMELY REPORTING BY THE CLERK OF COURT

- We researched South Carolina Code of Laws Section 14-17-750 to determine the definition of timely reporting with respect to the Clerk of Court's responsibility for reporting fines, fees and assessments to the County Treasurer.
- We inquired of the South Carolina Judicial Department to determine their requirements for both the manner in which partial pay fines and fees are to be allocated and the timing of the report and remittance submissions by the Clerk and the County Treasurer.
- We inquired of the Clerk of Court and County Treasurer to gain an understanding of their policy for ensuring timely reporting and to determine how the treasurer specifically documents timeliness.
- We inspected documentation, including the Clerk of Court Remittance Forms or equivalents for the months of May 1, 2005 through April 30, 2006 to determine if the Clerk of Court submitted the reports to the general sessions treasurer in accordance with the law.

Our finding is reported under "TIMELY REPORTING BY THE CLERK OF COURT" in the Accountants' Comments section of this report.

OR

We found no exceptions as a result of the procedures.

2. TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY

- We traced each month's reporting by the Clerk of Court to the County Treasurer's Office and to the County's general ledger accounts for the assessments (Sections 14-1-206(A), (B) and (D)) and victim's assistance surcharge (Section 14-1-211) for the period May 1, 2005 to April 30, 2006.
- We compared the amounts reported on the Clerk of Court Remittance Forms or equivalents to the Clerk of Court's software system-generated report summaries for three judgmentally determined test months. We tested the system-generated reports for compliance with various laws including Section 35.11 of the General Appropriations Act for the fiscal year 2005 – 2006 and with South Carolina Judicial Department training instructions and interpretations.
- We judgmentally selected and compared individual fine and assessment amounts recorded in the Clerk of Court's software system-generated detail reports to the Judicial Department guidelines' range for the offense code to see if the fine and assessment were within the minimum and maximum range.

Our finding is reported under "TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY" in the Accountants' Comments section of this report.

3. PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING

- We inquired as to the format determined by County council and local policy for record keeping as it relates to fines and assessments in accordance with Section 14-1-206(E)(4).
- We compared the fiscal year-ended June 30, 2005 audited Victims' Rights Fund fund balance with all adjustments to the fund balance shown in the Schedule of Fines, Assessments and Surcharges on page 145 of the audited financial statement and to the beginning fund balance as adjusted in that fund for fiscal year 2005.
- We verified the Victims' Rights Fund reimbursable expenditures were in compliance with Section 14-1-206(E) and Section 14-1-211(B). **OR** We judgmentally selected a sample of Victim's Rights Fund reimbursable expenditures and verified that these expenditures were in compliance with Section 14-1-206(E) and Section 14-1-211(B).

Our finding is reported under "PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING" title in the Accountants' Comments section of this report.

4. TIMELY ACCURATE REPORTING TO THE STATE TREASURER

- We vouched the amounts reported in the South Carolina State Treasurer's Revenue Remittance Forms to Clerk of Court Remittance Forms or equivalents for the period May 1, 2005 to April 30, 2006.
- We scanned the South Carolina State Treasurer's Revenue Remittance Forms for timely filing in accordance with Section 14-1-206(B).
- We traced amounts recorded in the County's financial statement Schedule of Fines, Assessments and Surcharges on page 145 of the year ended June 30, 2005 report related to fines and assessments revenues reporting in accordance with Section 14-1-206(E) to supporting schedules used in the audit to comply with Section 14-1-206(E).
- We traced and agreed amounts in the supporting schedules to the Clerk of Court Remittance Forms or South Carolina State Treasurer's Revenue Remittance Forms.

Our finding is reported under "TIMELY ACCURATE REPORTING TO THE STATE TREASURER" in the Accountants' Comments section of this report.

We were not engaged to, and did not conduct an audit the objective of which would be the expression of an opinion on compliance with the collection and distribution of court generated revenue at any level of court for the twelve months ended April 30, 2006 and, furthermore, we were not engaged to express an opinion on the effectiveness of the internal controls over compliance with the laws, rules and regulations described in paragraph one and the procedures of this report. 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 Office of the State Auditor, Chairmen of the House Ways & Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, State Treasurer, Office of Victim Assistance, Chief Justice and the Governor and is not intended to be and should not be used by anyone other than these specified parties.

January 9, 2007

ACCOUNTANTS' COMMENTS

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report
April 30, 2006

**SECTION A - MATERIAL WEAKNESSES AND/OR VIOLATIONS OF STATE LAWS,
RULES OR REGULATIONS**

The procedures agreed to by the agency require that we plan and perform the engagement to obtain reasonable assurance about whether noncompliance with the requirements of State Laws, Rules, or Regulations occurred and whether internal accounting controls over certain transactions were adequate. Management of the entity is responsible for establishing and maintaining internal controls. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Therefore, the presence of a material weakness or violation will preclude management from asserting that the entity has effective internal controls.

The conditions described in this section have been identified as material weaknesses or violations of State Laws, Rules, or Regulations.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY

RECORDKEEPING

CONDITION: The Clerk of Court was unable to provide us with a complete set of records to trace fines, assessments and surcharges from the judge's sentence through final collection and disposition for any given month.

CRITERIA: South Carolina Code of Laws 14-17-510 through 760 require the Clerk of Court to keep accurate records of court proceedings including the assessment and collections of fines and forfeitures.

CAUSE: The Clerk was unfamiliar with the software and how to generate reports for management. The Clerk was unsure how to maintain the fine tables to ensure that the program correctly assessed fines, assessments and surcharges in accordance with the law.

EFFECT: The Clerk was unable to generate certain reports and other reports that were produced were incomplete.

AUDITORS' RECOMMENDATION: The Judge should ensure that the Clerk receives the training necessary to properly operate the software and provide the necessary reports.

IMPROPERLY CHARGING ASSESSMENTS

CONDITION: The Clerk of Court is not properly or consistently charging assessments. Based on the information we were provided, we determined that the fine tables used to assess fines charged 69.5% on some cases and 169.5% (made up of a 69.5%, 38% and 62%) on other cases instead of the required 107.5%.

CRITERIA: Section 35.11 of the Temporary Provisions of the 2005 - 2006 General Appropriations Act requires that "any person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense tried in general sessions, magistrate's, or municipal court pay an assessment equal to 107.5% of the fine imposed."

CAUSE: The fine tables must be periodically updated to reflect changes in the laws. The Clerk of Court has not ensured that the software has been updated to reflect such changes.

EFFECT: The County is improperly charging assessments on fines. We have determined that the assessments cannot be waived. Therefore the County can correct this error by allocating the pullouts, assessments and surcharges to the proper accounts in the proper amounts and percentages. The affect of these adjustments will increase or reduce the amount of money allocated to the local fine and state and victim's assistance assessments depending on the amount of the original assessment. The amount of the adjustments has not yet been determined. The reallocation will result in more or less fine revenue and assessments than was previously reported

AUDITORS' RECOMMENDATION: The County should have the software fine tables updated to reflect charges in accordance with the law. The County should then test and accept the modifications to ensure they are properly set up.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

FAILURE TO CHARGE LAW ENFORCEMENT SURCHARGE

CONDITION: From the information we were provided, it appears the Law Enforcement Surcharge was not charged or collected in some cases.

CRITERIA: Section 73.2 of the Temporary Provisions of the 2005 – 2006 General Appropriations Act requires that, in addition to all other assessments and surcharges, during fiscal year 2005 – 2006, a \$25.00 surcharge is levied on all fines, forfeitures, escheatments, or other monetary penalties imposed in the general sessions court or in magistrates or municipal court for misdemeanor traffic offenses or for non-traffic violations.

CAUSE: The software fine tables have not been setup and coded in a manner that would assess the fines in accordance with the law.

EFFECT: We have determined that the pullouts, assessments and surcharges cannot be waived and that the pullouts and surcharges were assessed to the violators. Therefore the County can correct this error by allocating the pullouts, assessments and surcharges to the proper accounts in the proper amounts and percentages. The affect of these adjustments will reduce the amount of money allocated to the local fine and state and victim's assistance assessments. The amount of the adjustments has not yet been determined. The reallocation will result in less fine revenue and assessments than was previously reported and a liability for the surcharges and pullouts. The Victim's Assistance fund revenue accounts and the County general fund revenue accounts were overstated as well. The surcharges were never reported.

AUDITORS' RECOMMENDATION: The County should ensure they are complying with law by charging, collecting and submitting the correct amount of assessments and surcharges.

INSTALLMENT PAYMENTS ALLOCATION

CONDITION 1: The County is not collecting the Indigent Defense Fee in advance of all other fines and fees when the violator pays the fine on an installment basis.

CRITERIA: Proviso 35.13 of the 2005 – 2006 General Appropriations Act states, "Every person placed on probation on or after July 1, 2005, who was represented by a public defender or appointed counsel, shall be assessed a fee of five hundred dollars. The revenue generated from this fee must be collected by the clerk of court and sent on a monthly basis to the Office of Indigent Defense to be divided between the Conflict Fund and the Defense of Indigents/Per Capita Fund administered by that office. This assessment shall be collected and paid over before any other fees."

CAUSE: The automated system used by the Clerk has tables that must be programmed at the local level to properly allocate payments. These tables have not been properly set up.

EFFECT: Indigent Defense fees are not collected and remitted to the Office of Indigent Defense in accordance with the law. The fee should be collected and paid before any other fine or assessment is paid.

AUDITORS' RECOMMENDATION: The County should develop and implement procedures to ensure compliance with Proviso 35.13.

CONDITION 2: The Clerk of Court's computer system is not allocating fines paid on an installment basis ratably to all fine, assessment and surcharge categories as required.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

CRITERIA: The Judicial Department memo dated June 14, 2005 Section A.10 states "When the fine and assessment are paid in installments, Section 35.11 of the Temporary Provisions of the General Appropriations Act suspends Section 14-1-209(B) for the fiscal year 2005 - 2006 and requires that 51.80722% of each installment be treated as a payment towards the assessment. The remaining 48.192771% is treated as a payment towards the fine. The fine amount must be further divided, with 56% of the amount being retained by the county, and 44% being remitted to the state. The assessment amount must further be divided, with 64.65% being transmitted to the state, and 35.35% being retained by the county for victims' services. Prior to making these computations, you must determine what other assessments may apply (conviction surcharge, DUI assessments, etc.). Those charges must be collected separately and not included in the percentage splits explained above."

CAUSE: The automated system used by the Clerk has tables that must be programmed at the local level to properly allocate payments. These tables have not been properly set up.

EFFECT: The County's installment payment allocations are not in compliance with the Judicial Department's guidance in the memo related to Section 35.11 of the Temporary Provisions of the General Appropriations Act for the fiscal year 2005-2006.

AUDITORS' RECOMMENDATION: We recommend the Clerk of Court meet with the software developer to determine how to set up the tables to allocate installment payments as required by law.

PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING

CORRECTLY ALLOCATING VICTIMS' ASSISTANCE REVENUES

CONDITION: As a result of the findings discussed above in the "Timely and Accurate Reporting by the County" section, the Victim's Assistance revenues have not been correctly allocated. The Victim's Assistance funding is dependent in part on the assessment amounts.

CRITERIA: South Carolina Code of Laws Section 14-1-206(B) and (D) and 211 require monies generated from the assessments to be split between the State and Victim's Assistance and a surcharge is established for Victims' Assistance.

CAUSE: Misunderstandings in the application of the law caused incomplete assessment calculations and resulted in Victim's Assistance funds being misstated.

EFFECT: Inaccurate allocations of funds to Victim's Assistance.

AUDITORS' RECOMMENDATION: The County should determine the extent of the errors and make the necessary adjustments to its accounting system to properly distribute revenue to the Victim's Assistance fund. These changes should occur as soon as possible and in conjunction with the other recommendations.

VICTIMS' ASSISTANCE EXPENDITURE EXCLUSIVE PURPOSE JUSTIFICATION

CONDITION: The County has charged approximately one half of the cost of the Magistrate's Office computer hardware upgrade to the Victims' Assistance Fund. The County could not provide documentation demonstrating how the allocation was determined and how the Victims' Assistance program benefits from such an allocation.

CRITERIA: South Carolina Code of Laws Section 14-1-206(D) states "These funds must be appropriated for the exclusive purpose of providing victim services as required by Article 15 of Title 16; specifically, those service requirements that are imposed on local law enforcement, local detention facilities, prosecutors, and the summary courts."

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

CAUSE: The County's finance office did not submit any justification for the exclusive purpose when the invoice approval was transmitted with the account coding charging the invoice to the Victims' Assistance Fund.

EFFECT: The County expended Victims' Assistance funds without providing adequate justification to support the use of Victims' Assistance funds.

AUDITORS' RECOMMENDATION: We recommend the County design and implement procedures to ensure that the County demonstrates how the Victims' Assistance fund will benefit before charging the expenditure to the fund.

TIMELY ACCURATE REPORTING TO THE STATE TREASURER

TIMELY FILING

CONDITION: Three of the twelve State Treasurer's Remittance Reports for the procedures period May 31, 2005 through April 30, 2006 were not timely filed. Two of the reports were filed 2 days late and one was 13 days late.

CRITERIA: South Carolina Code of Laws Section 14-1-206(B) requires the County Treasurer remit the balance of the assessment money to the State Treasurer by the fifteenth day of the month.

CAUSE: The County Treasurer did not submit the remittance forms on time.

EFFECT: The County did not comply with the timely filing law.

AUDITORS' RECOMMENDATION: The County should develop and implement a policy to ensure they can comply with State law.

SCHEDULE OF FINES AND ASSESSMENTS

CONDITION 1: The County's Schedule in their audited financial statements did not include any Victims' Assistance Funds information.

CRITERIA: South Carolina Code of Laws Section 14-1-206(E)(1) states "the supplementary schedule must include the following elements: (f) the total funds, by source, allocated to victim services activities, how those funds were expended, and any balances carried forward.

CAUSE: The County understood the law to mean only current year fines and assessments.

EFFECT: The Victims' Assistance Funds activity is not disclosed.

AUDITORS' RECOMMENDATION: The schedule should include any funds available for carry forward including balances left over from prior year carry forwards and unspent.

CONDITION 2: The County's Schedule 2 on page 64 of their financial statement for the year ended June 30, 2005, which represents the information on fines and assessments for the Clerk of Court, had incorrectly reported \$32,039 of surcharges retained by the County. This amount is actually County fees retained.

CRITERIA: South Carolina Code of Laws Section 14-1-206(E)(1) requires the County to report the fines and assessments retained and the amounts remitted to the state.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

CAUSE: The County misinterpreted the placement of certain fees they collected and retained and placed them in the schedule as surcharges.

EFFECT: The Schedule of Fines and Assessments and Surcharges contains misclassified financial information.

AUDITORS' RECOMMENDATION: The County should implement procedures to ensure that financial information is properly classified on the Schedule of Fines and Assessments.

CONDITION 3: The amounts reported on the schedule do not accurately reflect the fines and assessment financial activity based on the errors noted above.

CRITERIA: South Carolina Code of Laws Section 14-1-206(E) states "To ensure that fines and assessments imposed pursuant to this section and Section 14-1-209(A) are properly collected and remitted to the State Treasurer, the annual independent external audit required to be performed for each municipality pursuant to Section 5-7-240 must include a review of the accounting controls over the collection, reporting, and distribution of fines and assessments from the point of collection to the point of distribution and a supplementary schedule detailing all fines and assessments collected at the court level, the amount remitted to the municipal treasurer, and the amount remitted to the State Treasurer."

CAUSE: The County had not developed and implemented internal controls to ensure that fines and assessments imposed were properly accounted for and remitted to the State Treasurer.

EFFECT: The County's Schedule for the June 30, 2005 fiscal year financial statement does not accurately reflect all financial activity related to Court fines and assessments.

AUDITORS' RECOMMENDATION: The County should design and implement internal control procedures to ensure that Court fines and assessments are properly recorded in the County's accounting records, and remitted to the State Treasurer. The County should also maintain documentation reconciling the schedule to the books of account.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

SECTION B - OTHER WEAKNESSES NOT CONSIDERED MATERIAL

The conditions described in this section have been identified as weaknesses subject to correction or improvement but they are not considered material weaknesses or violations of State Laws, Rules, or Regulations.

COUNTY OF CHEROKEE GENERAL SESSIONS COURT
GAFFNEY, SOUTH CAROLINA
State Auditor's Report, Continued
April 30, 2006

PROPER VICTIM'S ASSISTANCE FUNDS ACCOUNTING

CONDITION: The Victims' Assistance Revenue for both June 30, 2005 and June 30, 2006 recorded in the Victims' Assistance Special Revenue Fund was incorrect.

CRITERIA: South Carolina Code of Laws Section 14-1-211 (B) states "The revenue collected pursuant to subsection (A)(1) must be retained by the jurisdiction which heard or processed the case and paid to the city or county treasurer, for the purpose of providing services for the victims of crime, including those required by law.

CAUSE: The County Treasurer records the Victims' Assistance Fund revenues with one journal entry annually at year-end. This journal entry is based on the monthly State Treasurer's Office Revenue Remittance Form amounts recorded for Victim's Assistance. These monthly amounts are accumulated and a journal entry is posted to record that total revenue in the Victims' Assistance Special Revenue Fund. The State Treasurer's Office Revenue Remittance Form had been incorrectly prepared for one month in each of those two fiscal years. Amounts that did not represent Victims' Assistance transactions were recorded in the fund.

EFFECT: Victims' Assistance revenues were transferred in excess of the amounts actually collected.

AUDITORS' RECOMMENDATION: The County should adjust the Victims' Assistance Special Revenue fund for the transfer in excess of the amount required.

Office of
CLERK OF COURT
CHEROKEE COUNTY
MS. BRANDY W. MCBEE, CLERK
Post Office Drawer 2289
Gaffney, S.C. 29342
Phone: 864-487-2571 • Fax: 864-487-2754

January 22, 2007

Mr. Richard H. Gilbert, Jr.
Office of the State Auditor
1401 Main Street, Suite 1200
Columbia, SC 29201

RE: Audit of Cherokee County Clerk of Court

Dear Mr. Gilbert:

Pursuant to our telephone conversation of today's date, please be advised that I have placed a call to Mr. Steve Blake at Cline, Brandt and Kochenower & Co., P.A. As of right now, Mr. Blake has not returned my telephone call. I did not want to wait another day before placing my response to this Audit in your hands.

After reviewing the Audit, which I received on today's date, please note the following for your information:

RECORDKEEPING

Response: The Smith Data System, which the Clerk of Court's office uses, cannot generate the report "Combined Collection Report" which was requested by the Auditor's of Cline, Brandt and Kochenower. The Auditor's were put on notice of this and also given every report that I could or knew how to possibly print. The Auditor's were advised on numerous occasions if the documents/reports were not what they needed to let me know and I would contact Smith Data for help. Please see attached letter of Smith Data.

IMPROPERLY CHARGING ASSESSMENTS

Response: The 107.5% was implemented in July 2002. I took office in January 2003. I had no idea the percentages in place in the system were wrong. The previous Clerk of Court had been here for 20+ plus years so I assumed all assessment tables were correct since the numbers were already in place. When actually the assessments were charging 69.5%, 62% and

38%. Then in 2006 my Server crashed which caused Smith Data to have to reprogram everything. In April of 2006, my Deputy Clerk retired. Her main responsibility was entering all fines and fees in the Computer. When she retired this became my responsibility to enter the fines and fees in the computer. This is when I realized the system was not accurately figuring the fee assessments. I contacted Smith Data at which time we went through the tables and programmed the assessments in accordance with the South Carolina Code of Laws. As of April 2006 all fines and fees have been charged in accordance with SC Code of Laws. I personally brought this to the attention of the Auditor's.

FAILURE TO CHARGE LAW ENFORCEMENT SURCHARGE

Response: As of April 2006 all fines have been assessed the Law Enforcement Surcharge.

INSTALLMENT PAYMENTS ALLOCATION

Response: The automated system is not programmed on the local level to properly allocate payments. When the Auditor's inquired as to my knowledge of this. I advised the Auditor's that I was waiting on an update from Smith Data to which would reprogram the system to pay the Indigent Defense Fees first and then split the remainder equally to all agencies receiving the fees.

CORRECTIVE ACTION PLAN

Response: As to the response written in the Report as "Management has elected not to respond." I was never asked to respond to this report in any way form or fashion. Nor was a draft copy of this Report provided to me before being sent to the Office of the State Auditor.

Mr. Gilbert, I would like to thank you for speaking with me today. I would like to see that a copy of this letter gets forwarded to the appropriate individuals that received a copy of this Audit Report. I will be glad to forward it, if you would be so kind to give me the names of the recipients. I look forward to hearing from you in regards to these matters.

I think I have addressed all topics related to my office in this letter, in the event I have not, please do not hesitate to let me know.

Thanking you in advance for your prompt attention to this matter.

With kind regards, I remain

Very truly yours,

Brandy W. McBee
Clerk of Court