

**COUNTY OF HAMPTON MAGISTRATE COURT  
HAMPTON, SOUTH CAROLINA**

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**State Auditor's Report on Applying  
Agreed-Upon Procedures  
March 31, 2007**



**COUNTY OF HAMPTON MAGISTRATE COURT  
HAMPTON, SOUTH CAROLINA**

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# State of South Carolina



## Office of the State Auditor

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October 23, 2007

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

The Honorable Judge Grace Bennett, Chief Magistrate  
Hampton County  
Hampton, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the County of Hampton Magistrate Court System for the period April 1, 2006 through March 31, 2007, 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

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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 Hampton Magistrate Court System and to assist the South Carolina Office of the State Auditor in complying with the 2006 - 2007 General Appropriations Act (H. 4810) Section 72.80. Judge Grace Bennett, Chief Magistrate for the County of Hampton, is responsible for compliance with the requirements for the Magistrate Court reporting and the South Carolina Office of the State Auditor is responsible for compliance with the requirements of the 2006 - 2007 General Appropriations Act (H. 4810) Section 72.80. 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 MAGISTRATES**

- We researched South Carolina Code of Laws Section 14-17-750 to determine the definition of timely reporting with respect to the Magistrate'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 Treasurer.
- We inquired of the Magistrate 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 Magistrate Remittance Forms or equivalents for the months of April 1, 2006 through March 31, 2007 to determine if the Magistrate submitted the reports to the County Treasurer in accordance with the law.

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

## **2. TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY**

- We traced each month's reporting by the Magistrate to the County Treasurer's Office and to the County's general ledger accounts for the assessments (Sections 14-1-207(A), (B) and (D)) and victim's assistance surcharge (Section 14-1-211) for the period April 1, 2006 to March 31, 2007.
- We compared the amounts reported on the Magistrate Remittance Forms or equivalents to the Magistrate'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 2006 – 2007 and with South Carolina Judicial Department training instructions and interpretations.
- We judgmentally selected and compared individual fine and assessment amounts recorded in the Magistrate'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 14-1-207(E)(4).
- We compared the fiscal year-ended June 30, 2006 audited Victims' Rights Fund fund balance with all adjustments to the fund balance shown in the Schedule of Fines, Assessments and Surcharges on page 59 of the audited financial statement and to the beginning fund balance as adjusted in that fund for fiscal year 2007.
- We judgmentally selected a sample of Victim's Rights Fund reimbursable expenditures and verified that these expenditures were in compliance with Section 14-1-207(E) and Section 14-1-211(B).

We found no exceptions as a result of the procedures.

#### 4. TIMELY ACCURATE REPORTING TO THE STATE TREASURER

- We vouched the amounts reported in the South Carolina State Treasurer's Revenue Remittance Forms to Magistrate Remittance Forms or equivalents for the period April 1, 2006 through March 31, 2007.
- We scanned the South Carolina State Treasurer's Revenue Remittance Forms for timely filing in accordance with Section 14-1-207(B).
- We traced amounts recorded in the County's financial statement Schedule of Fines, Assessments and Surcharges on page 59 of the year ended June 30, 2006 report related to fines and assessments revenues reporting in accordance with Section 14-1-207(E) to supporting schedules used in the audit to comply with Section 14-1-207(E).
- We traced and agreed amounts in the supporting schedules to the Magistrate 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 March 31, 2007 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 Governor, Chairmen of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of the Hampton County Council, County clerk of court, County treasurer, State Treasurer, Chief Justice and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.



June 20, 2007

**ACCOUNTANTS' COMMENTS**

**COUNTY OF HAMPTON MAGISTRATE COURT  
HAMPTON, SOUTH CAROLINA**  
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**VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS**

Management of the entity is responsible for establishing and maintaining internal controls to ensure compliance with State Laws, Rules or Regulations. The procedures agreed to by the entity require that we plan and perform the engagement to determine whether any violations of State Laws, Rules or Regulations occurred.

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

**COUNTY OF HAMPTON MAGISTRATE COURT**  
**HAMPTON, SOUTH CAROLINA**  
State Auditor's Report, Continued  
March 31, 2007

**TIMELY REPORTING BY THE MAGISTRATE**

TIMELY FILING

**CONDITION:** Chief Magistrate Bennett submitted ten of the twelve Remittance Forms to the County Treasurer late, during the procedures period, Magistrate Williams submitted nine of the twelve Remittance Forms to the County Treasurer late, and Magistrate Solomon submitted seven of the twelve Remittance Forms to the County Treasurer late.

**CRITERIA:** South Carolina Code of Laws Section 22-1-90 requires that Magistrates make a full and accurate statement, in writing, to the County Auditor and Treasurer, of all monies collected on account of licenses, fines, penalties and forfeitures during the past month, on the first Wednesday or within ten days thereafter, in each successive month.

**CAUSE:** The Magistrates were unable to prepare the reports in accordance with the requirements in a timely manner.

**EFFECT:** The Magistrates did not comply with State law.

**AUDITORS' RECOMMENDATION:** We recommend the Magistrates develop and implement procedures to ensure timely filing of remittance forms.

**TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY**

ADHERENCE TO JUDICIAL DEPARTMENT FINE GUIDELINES

**CONDITION:** The Magistrates were not adhering to the Judicial Department minimum and maximum fine guidelines included in legislation. .

**CRITERIA:** Judicial Department Guidelines for Fines – Minimums and Maximums. These guidelines are obtained from the minimum and maximum fines recorded in the respective legislations.

**CAUSE:** The Magistrates are using obsolete fine guidelines.

**EFFECT:** The Magistrates' fines were not set at the amounts established by the law.

**AUDITORS' RECOMMENDATION:** We recommend the Magistrates obtain and use current fine guidelines.

**TIMELY ACCURATE REPORTING TO THE STATE TREASURER**

TIMELY FILING

**CONDITION:** Eleven of the twelve State Treasurer's Remittance Reports for the procedures period April 30, 2006 through March 31, 2007 were not timely filed. The delays ranged from 5 to 14 days late. The Treasurer submits the remittance reports to the State Treasurer as they are received from the Magistrates. He acts as a conduit and forwards the reports individually as he receives them. The County does not submit one consolidated monthly report.

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**CRITERIA:** South Carolina Code of Laws Section 14-1-207(B) states "The County Treasurer must remit assessment revenue to the State Treasurer on a monthly basis and make reports on a form and in a manner prescribed by the State Treasurer."

**CAUSE:** Magistrates in the aggregate were late in filing their reports to the County Treasurer eleven of twelve times during the procedures period. Because the Treasurer remits reports as they are submitted to him, the County was also late in filing the report to the State Treasurer.

**EFFECT:** The County Treasurer did not comply with the timely filing requirement.

**AUDITORS' RECOMMENDATION:** The County should develop and implement procedures to ensure timely filing of the State Treasurer's Revenue Remittance Forms. The County should also submit one consolidated monthly report.

# ***Hampton County Magistrate***

LAW ENFORCEMENT CENTER  
411 CEMETERY ROAD, P.O. BOX 1299  
VARNVILLE, SOUTH CAROLINA 29944

**GRACE B. BENNETT**  
CHIEF MAGISTRATE

**TELEPHONE:**  
OFFICE: (803) 943-7511  
FAX: (803) 943-7557

September 14, 2007

Cline Brandt Kochenower & Co., P.A.  
Certified Public Accountants  
Columbia, South Carolina

Re: County of Hampton Magistrate Court  
Hampton, South Carolina

Dear Sirs:

This is our response to the audit of the Hampton County Magistrate's Court you did for a period of April 2006 to March 2007.

1. Timely Reporting by the Magistrates

You stated that I, Judge Bennett submitted ten of the twelve Remittance Forms, Judge Williams submitted nine of the twelve, Judge Solomons submitted seven of the twelve reports late.

I could not say if April 2006, May 2006, June 2006 were late as I could not get the records pulled out of storage before replying to this audit, so after checking the July 2006 to March 2007 I have found that according to the rules we were late because we did not take into consideration the Holidays and Weekend, such as the last day falling on a Saturday and we should have gotten it to them on the day before to be within the guide lines of the law. Upon submitting to the appropriate offices for Judge Bennett and Judge Williams, we have them sign for them when we turn them into their office. We also call to let them know if there is a problem of getting the reports turned in on time. Unfortunately we never followed through with a written reason which is our mistake because now we have no defense other than we can truthfully state it being a computer error or waiting on bank statements as to the reports being late.

If you read South Carolina Code of laws section 22-1-90 Monthly reports of moneys collected; treasurer's record, you will find it states as follows:

S.C. Code of Laws 22-1-90 and 14-17-50 states:

Every magistrate shall, on the first Wednesday in each month or within ten days thereafter, make to the auditor and treasurer of his county a full and accurate statement in writing of all moneys collected by him on account of fines, penalties or forfeitures during the past month together with the title of each case in which a fine has been paid. The county treasurer shall keep a record of the title of each case in which the fine has been paid, the nature of the offense for which the fine was imposed and the amount thereof. In default the magistrate or treasurer, as the case may be, shall, on conviction, be liable to a fine not exceeding one hundred dollars or imprisonment in the county jail not exceeding two months or both, at the discretion of the court.

In our defense we will set up a policy that from this day forward the reports will be in to the treasurer and auditor within the guide lines of the law. I spoke with South Carolina Court Administration on yesterday, being Terry Leverette and he also confirmed that the law has not changed and that we do have to have them to the above mentioned departments on the first Wednesday of the following month or within ten days thereafter. We will abide by the law and make sure they are in the above mentioned departments by the due date unless there is an emergency that is beyond our control.

I did find that for myself and Judge Williams the months that we were outside the guide lines of the law were due to us not taking the Holidays and Saturdays into consideration and that will be corrected. See attached list as to the dates that the above mentioned departments signed for the reports from July 2006 to March 2007 as I said I do not have the information for April 2006 to June 2006.

I feel that we have addressed the problem and unless an emergency comes up we will comply by the law in getting these to the above departments in the time frame set for us.

Our comment as for as the minimum and maximum fine not being in compliance with the Judicial Department is incorrect. Our programmer Smith Data Processing set these up according to the Judicial guidelines and as updates come I always update the fine amount on the computer, but if we have one set that is improper as soon as we know I will see that it is corrected. I don't feel that I or either one of the other judges can comment on something we have no knowledge of.

You can be assured as soon as I find out about the difference in our fines of minimum and maximum I will have it corrected as all three magistrates use the same computer system.

If I can be of further help in resolving these two issues please let me know.

Sincerely,

Grace B. Bennett, Chief Magistrate

This report reflects Judge Bennett's Reports which also includes Judge Williams as our clerk turns them in at the same time. At this time I have no back history on Judge Solomons reports.

<u>Month Reported</u>	<u>Date received by Treasurer/Auditor</u>
April 2006	no dates as I could not get the reports pulled from the back
May 2006	no dates as I could not get the reports pulled from the back
June 2006	no dates as I could not get the reports pulled from the back
July 2006	August 10, 2006
August 2006	September 18, 2006
September 2006	October 16, 2006
October 2006	November 16, 2006
November 2006	December 18, 2006
December 2006	January 17, 2007
January 2007	February 20, 2007
February 2007	March 15, 2007
March 2007	April 16, 2007

Our records do implement we were late on several months by not looking at the Holiday and Saturday dates. This will be corrected.