

**SUMTER COUNTY CIRCUIT,
PROBATE AND FAMILY COURT SYSTEMS**

SUMTER, SOUTH CAROLINA

STATE AUDITOR'S REPORT

JUNE 30, 2013

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**SAO
Transmittal
Letter**

State of South Carolina



Office of the State Auditor

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DEPUTY STATE AUDITOR

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September 11, 2014

The Honorable Nikki R. Haley, Governor
State of South Carolina
Columbia, South Carolina

The Honorable James C. Campbell, Clerk of Court
The Honorable Carolina Richardson, Treasurer
Sumter County
Sumter, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the Sumter County Circuit, Probate and Family Court System as of and for the year ended June 30, 2013, 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

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

July 11, 2014

The Honorable Nikki R. Haley, Governor
State of South Carolina
Columbia, South Carolina

The Honorable James C. Campbell, Clerk of Court
Sumter County Circuit and Family Court System
Sumter, South Carolina

The Honorable Carolina Richardson, Treasurer
Sumter County
Sumter, South Carolina

We have performed the procedures described below, which were agreed to by the County of Sumter and the Sumter County Circuit, Probate and Family Courts, solely to assist you in evaluating the performance of the Sumter County Circuit, Probate and Family Court Systems for the fiscal year ended June 30, 2013, in the areas addressed. The County of Sumter and the Sumter County Circuit, Probate and Family Courts are responsible for its financial records, internal controls and compliance with State laws and regulations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified parties in this 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 the associated findings are as follows:

1. Clerk of Court

- We gained an understanding of the policies and procedures established by the Clerk of Court to ensure proper accounting for all fines, fees, assessments, surcharges, forfeitures, escheatments, or other monetary penalties.
- We obtained the General Sessions' beginning and ending indictment numbers for all cases for the period under review from the Clerk of Court. We randomly selected twenty-five cases and recalculated the fine, fee, assessment and surcharge calculation to ensure that the fine, fee, assessment or surcharge was properly allocated in accordance with applicable State law. We also determined that the fine, fee, assessment and/or surcharge adhered to State law and to the South Carolina Court Administration fee memoranda.

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July 11, 2014

- We obtained the population of case numbers for all new cases filed in the Court of Common Pleas during the period under review from the Clerk of Court. We randomly selected twenty-five case numbers to determine that filing and motion fees adhered to State law and the Clerk of Court Manual.
- We obtained the population of case numbers for all new cases filed in Family Court during the period under review from the Clerk of Court. We randomly selected twenty-five cases to determine that filing fees, motion fees, support collection fees, and fines adhered to State law and the Clerk of Court Manual.
- We tested recorded court receipt transactions to determine that the receipts were remitted in a timely manner to the County Treasurer in accordance with State law.
- We agreed amounts reported on all monthly court remittance reports to the Court's cash receipts ledger.

Our findings as a result of these procedures are presented in Adherence to Fine Guidelines and Public Defender Application Fee in the Accountant's Comments section of this report.

2. Probate Judge

- We gained an understanding of the policies and procedures established by the Probate Court to ensure proper accounting for all marriage license fees.
- We obtained the population of marriage license numbers for all new marriage licenses issued by the Probate Court during the period under review from the Probate Judge. We tested all licenses to determine that the marriage license fee adhered to State law.

There were no findings as a result of these procedures.

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3. County Treasurer

- We gained an understanding of the policies and procedures established by the County to ensure proper accounting for court fines, fees, assessments, surcharges, forfeitures, escheatments, or other monetary penalties.
- We obtained copies of all State Treasurer's Revenue Remittance Forms submitted by the County which reported court generated monies for the fiscal year ended June 30, 2013. We agreed the line item amounts reported on the State Treasurer's Revenue Remittance Forms to the monthly court remittance reports, general ledger, and to the State Treasurer's receipts.
- We determined if the State Treasurer's Revenue Remittance Forms were submitted in a timely manner to the State Treasurer in accordance with State law.
- We verified that the amounts reported by the County on its supplemental schedule of fines and assessments for the fiscal year ended June 30, 2013 agreed to the State Treasurer's Revenue Remittance Forms and to the County's general ledger.

Our finding as a result of these procedures is presented in Month-end Report Processing in the Accountant's Comments section of this report.

4. Victim Assistance

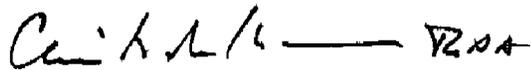
- We gained an understanding of the policies and procedures established by the County to ensure proper accounting for victim assistance funds.
- We made inquiries and performed substantive procedures to determine that funds retained by the County for victim assistance were accounted for in a separate account.
- We tested judgmentally selected expenditures to ensure that the County expended victim assistance funds in accordance with State law and South Carolina Court Administration Fee Memoranda, Attachment L.
- We determined if the County reported victim assistance financial activity on the supplemental schedule of fines and assessments in accordance with State law.
- We inspected the County's general ledger to determine if the Victim Assistance Fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

There were no findings as a result of these procedures.

The Honorable Nikki R. Haley, Governor
and
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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 the county level of court for the twelve months ended June 30, 2013, and, furthermore, we were not engaged to express an opinion on the effectiveness of internal controls over compliance with the laws, rules and regulations described in paragraph one and the procedures of this report. 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 Governor, Chairman of the House Ways and Means Committee, Chairman of the Senate Finance Committee, Chairman of the House Judiciary Committee, Chairman of the Senate Judiciary Committee, members of the Sumter County Council, Sumter County Clerk of Court, Sumter County Treasurer, Sumter County Probate Judge, State Treasurer, State Office of Victim Assistance, and the Chief Justice and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Cline Brandt Kochenower", followed by a horizontal line and the initials "P.A." to the right.

Cline Brandt Kochenower & Co. P.A.

**ACCOUNTANT'S
COMMENTS**

SECTION A – 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 governing court collections and remittances. 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.

ADHERENCE TO FINE GUIDELINES

During our test of General Sessions Court collections and remittances, we noted one instance where a defendant who pled guilty to DUI 2nd >.16 was not fined. Section 56-5-2930(A) of the 1976 South Carolina Code of Laws, as amended, states, "A person who violates the provisions of this section is guilty of the offense of driving under the influence and, upon conviction, entry of a plea of guilty or of nolo contendere, or forfeiture of bail must be punished as follows: (2) for a second offense, by a fine of not less than two thousand one hundred dollars nor more than five thousand one hundred dollars, and imprisonment for not less than five days nor more than one year. However, the fine imposed by this item must not be suspended in an amount less than one thousand one hundred dollars".

The Clerk of Court stated the judge sentenced the defendant properly but there was a clerical error in keying the fine into the CMS software system. This was immediately corrected.

We recommend the Court implement procedures to ensure that fines levied are properly input into the software system.

PUBLIC DEFENDER APPLICATION FEE

During our test of General Sessions Court collections and remittances, we noted fourteen instances where the Court should have assessed and collected the Public Defender Application fee for defendants that applied and qualified for a public defender. We were unable to trace this fee collection through the Clerk of Court's office as that function is carried out by the Public Defender's Office.

PUBLIC DEFENDER APPLICATION FEE, Continued

Section 17-3-30(B) of the 1976 South Carolina Code of Laws, as amended, states, “A forty dollar application fee for public defender services must be collected from every person who executes an affidavit that he is financially unable to employ counsel. The person may apply to the clerk of court or other appropriate official for a waiver or reduction in the application fee. If the clerk or other appropriate official determines that the person is unable to pay the application fee, the fee may be waived or reduced, provided that if the fee is waived or reduced, the clerk or appropriate official shall report the amount waived or reduced to the trial judge upon sentencing and the trial judge shall order the remainder of the fee paid during probation if the person is granted probation.” Section 17-3-45(B) of the 1976 South Carolina Code of Laws, as amended, further states that the application fee must be paid “by a time payment method if probation is not granted or appropriate.”

The Clerk of Court stated that the Public Defender’s office, as an appropriate official, collects this fee and transmits the collection totals to the County Treasurer monthly. The Public Defender’s office stated that they do track detail by defendant’s name and case number in their system.

We recommend the Court implement procedures to ensure fees are properly assessed and collected in accordance with State law and that such fees are verifiable within their records.

SECTION B – OTHER WEAKNESS

The condition described in this section has been identified while performing the agreed-upon procedures but is not considered a violation of State Laws, Rules or Regulations.

MONTH-END REPORT PROCESSING

In gaining an understanding of Sumter County's policies and procedures, we determined they implemented a process whereby they transfer daily and month end amounts related to court revenues from the CMS court system to the general ledger. This process does not include verifying these amounts against the CMS reports which resulted in errors going undetected. . Thus, reporting errors occurred in the State Treasurer's Revenue Remittance form line items but not totals.

As per the State Treasurer's Office Revenue Remittance form instructions, "fines, fees, assessments and surcharges due to the state treasurer" are to be entered in their respective lines on the form relating to that specific fine, fee, assessment or surcharge for proper distribution.

We recommend the County implement procedures to include a verification process to minimize any reporting errors that may occur.

**COUNTY'S
RESPONSE**

COUNTY'S RESPONSE

The management of Sumter County has been provided a copy of the finding(s) identified in the Accountant's Comments Section of this report and has elected not to provide a written response to finding(s).