
City of Travelers Rest Municipal Court

Travelers Rest, South Carolina

Independent Accountant's Report on Applying Agreed-Upon
Procedures for the year ended June 30, 2017



April 17, 2018

The Honorable Shirley Burnette
Clerk of Court and Administrative Judge
City of Travelers Rest Municipal Court
Travelers Rest, South Carolina

The Honorable Brandy Amidon, Mayor
City of Travelers Rest
Travelers Rest, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Travelers Rest Municipal Court System as of and for the year ended June 30, 2017, was issued by Brown CPA, LLC 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,

George L. Kennedy, III, CPA
State Auditor

GLKIII/sag

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Mr. George L. Kennedy, III, CPA
State Auditor
State of South Carolina
Columbia, South Carolina

The Honorable Shirley Burnette, Clerk of Court and Administrative Judge
City of Travelers Rest Municipal Court
Travelers Rest, South Carolina

The Honorable Brandy Amidon, Mayor
City of Travelers Rest
Travelers Rest, South Carolina

We have performed the procedures described below, which were agreed to by the South Carolina Office of State Auditor and the City of Travelers Rest Municipal Court, on the systems, processes, and behaviors related to court fines and fees of the City of Travelers Rest Municipal Court for the period July 1, 2016 through June 30, 2017, in the areas addressed. The City of Travelers Rest and the City of Travelers Rest Municipal Court is responsible for the systems, processes, and behaviors related to court fines and fees. The sufficiency of these procedures is solely the responsibility of the South Carolina Office of the State Auditor and the City of Travelers Rest and the City of Travelers Rest Municipal Court. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which the agreed-upon procedures 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 determine timely reporting by the Clerk of Court's Office.
- We obtained the court dockets or equivalents from the Clerk of Court. We randomly selected twenty-five cases from the court dockets and recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee, assessment and surcharge were properly allocated in accordance with applicable State law and the South Carolina Court administration fee memoranda.
- We randomly inspected twenty-five court receipt transactions to confirm that the fee, fine, assessment and surcharge adhered to State law and the South Carolina Court administration fee memoranda and that the receipts were allocated in accordance with applicable State law.

We found no exceptions as a result of the procedures.

2. **Municipal Treasurer**

- We gained an understanding of the policies and procedures established by the Municipal treasurer to determine timely reporting by the Municipality.
- We inspected all monthly court remittance forms or equivalents to confirm that the forms were completed in accordance with instructions and submitted timely in accordance with State law.
- We agreed that amounts reported on the monthly remittance forms or equivalents to the Municipality's support.
- We inspected the Municipality's support to confirm that the Municipality properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms for the period July 1, 2016 through June 30, 2017 and agreed the amounts reported on the State Treasurer's Revenue Remittance Forms to the court remittance forms or equivalents.
- We agreed amounts reported by the Municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, for the period July 1, 2016 through June 30, 2017, to the Municipality's general ledger.
- We inspected the Municipality's supplementary schedule of fines and assessments, as reported in the annual financial statement audit, to confirm that it contained all the elements required by State law.

We found the following findings as a result of the procedures.

Findings – The City of Travelers Rest did not properly present all of the required information in its June 30, 2017 financial statement audit report supplemental schedule of fines and assessments.

Section 14-1-208(E)(1) of the 1976 South Carolina Code of Laws, as amended, states:

(E) 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 Uniform Supplemental Schedule Form 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.

(1) To the extent that records are made available in the format determined pursuant to subsection (E)(4), the Uniform Supplemental Schedule Form developed by the Office of the Attorney General, South Carolina Crime Victim Services Division, must be used by all counties and municipalities to report their crime victim services funds and must include the following elements:

- (a) all fines collected by the clerk of court for the municipal court;
- (b) all assessments collected by the clerk of court for the municipal court;
- (c) the amount of fines retained by the municipal treasurer;
- (d) the amount of assessments retained by the municipal treasurer;
- (e) the amount of fines and assessments remitted to the State Treasurer pursuant to this section; and
- (f) the total funds, by source, allocated to victim services activities, how those funds were expended, and any balances carried forward.

The City of Travelers Rest did not:

- A. Utilize the State of South Carolina Uniform Supplemental Schedule to present the information required.

Management Response – See Attachment A

3. **Victim Assistance**

- We gained an understanding of the policies and procedures established by the Municipality to confirm proper accounting for victim assistance funds.
- We made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- We selected expenditures to confirm that the Municipality expended victim assistance funds in accordance with State law and South Carolina Court administration fee memoranda.
- We inspected the Municipality’s victim assistance financial activity on the supplemental schedule of fines and assessments, as reported in the annual financial statement audit, and confirmed that it was in compliance with applicable State law.
- We agreed the amounts reported by the Municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, applicable to Victim Assistance Fund, to the Municipality’s general ledger or subsidiary ledgers.
- We inspected the Municipality’s victim assistance account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

We found the following findings as a result of the procedures.

Findings:

- A. The City of Travelers Rest paid a vendor \$3,929.28 on January 8, 2017 for service support for the City’s Livescan digital booking system. This is considered an ineligible expense of victim service funds retained by the City as this is not considered providing direct victim services to crime victims, a requirement of spending such funds.
- B. The City of Travelers Rest did not properly present all of the required information in its June 30, 2017 financial statement audit report supplemental schedule of fines and assessments as it relates to the Victim Service Fund. The following required information was missing from the schedule:
 - a. Victim Service funds expended during the year, and
 - b. The opening carryforward balance of Victim Service funds from the previous fiscal year.

Management Response – See Attachment A

4. **Calculation of Over/(Under) Reported Amounts**

- We inspected copies of monthly State Treasurer Revenue Remittance Forms for the twelve month period ended June 30, 2017, which the Municipality prepared and submitted to the South Carolina Office of the State Treasurer. We calculated the amount over/(under) reported by the Municipality by category.

We found no exceptions as a result of the procedures.

5. **Status of Prior Findings**

- This is the initial municipal court examination for the City of Travelers Rest, as such, there are no prior findings.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or a review, the objective of which would be the expression of an opinion or conclusion, respectively, on the systems, processes, and behaviors related to court fines and fees of the Court. Accordingly, we do not express such an opinion or conclusion. 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 City of Travelers Rest Council, City of Travelers Rest Clerk of Court, City of Travelers Rest Finance Director, State Treasurer, State Office of Victim Assistance, the Chief Justice, and the South Carolina Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

BROWN CPA, L.L.C.

Irmo, South Carolina
April 17, 2018

Attachment A



City of Travelers Rest

April 17, 2018

To whom it may concern:

We have reviewed the comments provided herein related to:

- 1) The preparation of the municipal court Schedule of Fines, Assessments, and Surcharges included within our annual financial statement audit, and;
- 2) The ineligible expenditure from the Victim Services Fund of \$3,929.28.

We are in agreement with the comments and will remediate these items as follows.

During our next financial statement audit we will place additional emphasis in accurately balancing and reporting the financial activity of the municipal court and the Victim Services account and reporting that activity on the Schedule of Fines, Assessments, and Surcharges included within the audit report. Additionally, we will have the City's general fund reimburse the Victim Services Fund the \$3,929.28 for the ineligible expenditure.

We are always receptive to positive constructive criticism in our effort to improve upon financial reporting.

Sincerely yours,


Gail Braziel
Treasurer


Shirley Burnette
Clerk of Court & Administrative Judge