

**ALLENDALE COUNTY GENERAL SESSIONS COURT  
ALLENDALE, SOUTH CAROLINA**

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**State Auditor's Report  
June 30, 2008**



**ALLENDALE COUNTY GENERAL SESSIONS COURT  
ALLENDALE, SOUTH CAROLINA**

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# State of South Carolina



## Office of the State Auditor

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November 6, 2009

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

The Honorable Elaine Sabb, Clerk of Court  
Allendale County  
Allendale, South Carolina

This report resulting from the application of certain agreed-upon procedures to certain accounting records of the Allendale County General Sessions Court System for the period July 1, 2007 through June 30, 2008, 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 Allendale County General Sessions Court System and to assist the South Carolina Office of the State Auditor in complying with the 2007-2008 General Appropriations Act (H. 3620) Section 72.75. Elaine Sabb, Clerk of Court for the Allendale County 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 2007-2008 General Appropriations Act (H. 3620) Section 72.75. 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 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 July 1, 2007 through June 30, 2008 to determine if the Clerk of Court submitted the reports to the County 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.

## **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 Assistance surcharge (Section 14-1-211) for the period July 1, 2007 to June 30, 2008.
- 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 2007- 2008 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 findings are reported under "TIMELY ACCURATE RECORDING AND REPORTING BY THE COUNTY" in the Accountants' Comments section of this report.

## **3. PROPER VICTIM 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, 2006 audited Victim Assistance fund balance with all adjustments to the fund balance shown in the Supplemental Schedule of Fines, and Assessments on page 50 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 Assistance 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 ASSISTANCE FUNDS ACCOUNTING" 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 July 1, 2007 to June 30, 2008.
- 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 Supplemental Schedule of Fines, and Assessments on page 50 of the year ended June 30, 2006 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 findings are reported under "TIMELY ACCURATE REPORTING TO THE STATE TREASURER" in the Accountants' Comments section of this report.

#### 5. STATUS OF PRIOR FINDINGS

- We tested the County's responses to the findings of the State Auditor's Report on Agreed-upon Procedures for the procedures period March 31, 2005 dated June 15, 2005
- Using data obtained from computer databases we recreated the computer reports. We compared State Treasurer's Revenue Remittance forms provided and our recreation to the amounts received by the State to determine if the County had over/(under) remitted court fines, fees and assessments to the State Treasurer's Office.

Our findings are reported under "STATUS OF PRIOR FINDINGS". The results of our procedures also disclosed that the county had underreported amounts due to the state. See Attachment 1 in the accountants' comments section of this report for further detail.

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 June 30, 2008 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 Allendale County Council, County Clerk of Court, County Treasurer, State Treasurer, State Office of Victim Assistance, 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.



July 28, 2009

**ACCOUNTANTS' COMMENTS**

**ALLENDALE COUNTY GENERAL SESSIONS COURT**  
**ALLENDALE, SOUTH CAROLINA**  
State Auditor's Report  
June 30, 2008

**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. 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.

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State Auditor's Report, Continued  
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**TIMELY REPORTING BY THE CLERK OF COURT**

*TIMELY FILING*

**CONDITION 1:** There is no local policy to document timeliness of report submissions.

**CRITERIA:** South Carolina Code of Laws Section 14-17-750 states "Every clerk of the court is required, on the first Wednesday in each month or within ten days thereafter, to make in writing to the auditor and treasurer of his county a full and accurate statement of all moneys collected ...."

**CAUSE:** The Clerk of Court and County Treasurer do not have a system in place to date stamp or otherwise document timely filing by the Clerk.

**EFFECT:** Without a system to document timely transmission, no reliable evidence exists to determine who is not in compliance with the law.

**AUDITORS' RECOMMENDATION:** We recommend the Clerk of Court implement procedures to ensure timely submission. We also recommend that the Clerk of Court notify all affected parties whenever filing deadlines will not be met.

**CONDITION 2:** Based on check dates, we determined the Clerk of Court submitted one of twelve monthly remittance forms late to the County Treasurer during the procedures period.

**CRITERIA:** South Carolina Code of Laws Section 14-17-750 states "Every clerk of the court is required, on the first Wednesday in each month or within ten days thereafter, to make in writing to the auditor and treasurer of his county a full and accurate statement of all moneys collected ...."

**CAUSE:** The Clerk did not meet the filing deadline because the County was updating the computer program.

**EFFECT:** The Clerk of Court did not submit reports timely as defined by Section 14-17-750.

**AUDITORS' RECOMMENDATION:** We recommend the Clerk of Court comply with the timely filing law.

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

*GENERAL LEDGER POSTING OF REMITTANCE TRANSACTIONS*

**CONDITION:** The County Treasurer had incorrectly posted accounting transactions related to the General Sessions Court Remittance forms to the County Treasurer's accounting system for the fiscal year ended June 30, 2008. The County Treasurer's accounting system and therefore the County's general ledger for the fiscal year ended June 30, 2008 were not complete and reconciled. A similar finding was noted in the State Auditor's Report for the procedures period ended March 31, 2005 and dated June 15, 2005

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**CRITERIA:** South Carolina Code of Laws Section 14-1-206(E)(4) and Section 14-1-206(B). Section 14-1-206(E)(4) requires "The Clerk of Court and County Treasurer shall keep records of fines and assessments required to be reviewed pursuant to this subsection in the format determined by the county council and make those records available for review."

**CAUSE:** Incorrect entries were posted to the general ledger due to human error. The errors were not detected by the County's internal controls.

**EFFECT:** The County's general ledger did not properly reflect court accounting activity for the fiscal year ended June 30 2008.

**AUDITORS' RECOMMENDATION:** We recommend the County Treasurer record court transactions on a monthly basis enabling the finance office to keep the County's general ledger current so management can make sound business decisions. Internal controls should be put in place to detect errors of this nature.

INSTALLMENT PAYMENTS ALLOCATION

**CONDITION:** The Clerk of Court's computer system does not allocate fines paid on an installment basis ratably to all fine, assessment and surcharge categories as required. A similar finding was noted in the State Auditor's Report for the procedures period ended March 31, 2005 and dated June 15, 2005.

**CRITERIA:** The Judicial Department memo dated June 29, 2007 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 2007 - 2008 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 Clerk's computer system is not programmed to properly allocate payments.

**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 2007-2008.

**AUDITORS' RECOMMENDATION:** The County has recently installed the State Court Management System. Therefore, the County has corrected this deficiency.

CLERK OF COURT TRANSMITTAL ERRORS

**CONDITION:** The Clerk of court did not always report the drug surcharge properly. In addition the amounts remitted by the Clerk of Court to the State Treasurer did not agree with the amounts due the County, State Treasurer or Victim Services as listed on the State Treasurer's remittance form.

**CRITERIA:** Instructions for the State Treasurer's Revenue Remittance Forms. Each individual line item on the State Treasurer's Revenue Remittance Form has a reporting purpose related to the South Carolina Code of Laws that establishes the fine, fee, assessment or surcharge amount.

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**CAUSE:** The Clerk of Court combined these amounts with different line items for different months. The Clerk of Court inaccurately calculated the conviction surcharge from the computer-generated report to the State Treasurer's Revenue Remittance Form for the months of September 2007 and April 2008. The incorrect information was subsequently submitted to the State Treasurer. There was an error in a manual calculation for assessments. The remittances to the State Treasurer were not correct.

**EFFECT:** The drug surcharge was not always reported which made other line items on the State Revenue Remittance Forms incorrect. When the drug surcharge was combined with the fines the County inappropriately retained a portion of the drug surcharge. The County Treasurer reported incorrect amounts on the State Revenue Remittance Forms based on information received from the Clerk of Court.

**AUDITORS' RECOMMENDATION:** The County should revise and submit an amended State Treasurer's Revenue Remittance Form in accordance with Attachment 1.

INACCURATE REPORTING

**CONDITION:** Due to the remittance form errors the State Treasurer Revenue Remittance Forms were inaccurate.

**CRITERIA:** Instructions for the State Treasurer's Revenue Remittance Forms. Each individual line item on the State Treasurer's Revenue Remittance Form has a reporting purpose related to the South Carolina Code of Laws that establishes the fine, fee, assessment or surcharge amount.

**CAUSE:** The Clerk of Court submitted transmittals to the County Treasurer containing errors. The County Treasurer used the information provided by the Clerk of court to prepare the monthly State Treasurer Remittance form.

**EFFECT:** The State Treasurer Revenue Remittance Forms were inaccurate.

**AUDITORS' RECOMMENDATION:** The County should revise and submit an amended State Treasurer's Revenue Remittance Form in accordance with Attachment 1.

**PROPER VICTIM ASSISTANCE FUNDS ACCOUNTING**

LACK OF PROPER ACCOUNTING

**CONDITION:** The County Treasurer did not accurately and consistently record the Victim Assistance fund revenue in their general ledger. A similar finding was noted in the State Auditor's Report for the procedures period ended March 31, 2005 and dated June 15, 2005.

**CRITERIA:** South Carolina Code of Laws Section 14-1-206(E)(4) and Section 14-1-206(B). Section 14-1-207(E)(4) reads "The Clerk of Court and County Treasurer shall keep records of fines and assessments required to be reviewed pursuant to this subsection in the format determined by the county council and make those records available for review."

**CAUSE:** The County did not record all of the revenue earned by the Victim Assistance Program in the Victim Assistance account.

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**EFFECT:** The County's Victim Assistance program revenue was understated.

**AUDITORS' RECOMMENDATION:** The County should design and implement a system that will prospectively keep accurate records. The County should determine the amounts that should have been reported to Victim Assistance in the past and adjust the Victim Assistance account accordingly.

**TIMELY ACCURATE REPORTING TO THE STATE TREASURER**

TIMELY FILING

**CONDITION:** All twelve State Treasurer's Remittance Report forms for the procedures period July 1, 2007 through June 30, 2008 were not timely filed. The delays ranged from 49 to 384 days late. A similar finding was noted in the State Auditor's Report for the procedures period ended March 31, 2005 and dated June 15, 2005.

**CRITERIA:** South Carolina Code of Laws Section 14-1-206(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:** The County Treasurer mailed the state revenue remittance forms to the State Treasurer for electronic draft from the county bank account. The county was not set up for the automatic draft.

**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.

SUPPLEMENTAL SCHEDULE OF FINES AND ASSESSMENTS

**CONDITION:** As of July 28, 2008, our last day of fieldwork, the County's external auditor had not issued the County's June 30, 2007 financial statements. A similar finding was noted in the State Auditor's Report for the procedures period ended March 31, 2005 and dated June 15, 2005.

**CRITERIA:** South Carolina Code of Laws Section 14-1-206(E). This section 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 county pursuant to Section 4-9-150 must include a supplementary schedule detailing all fines and assessments collected by the Clerk of Court for the court of general sessions, the amount remitted to the County Treasurer, and the amount remitted to the State Treasurer. Section 4-9-150 states "A copy of...the audit must be submitted...no later than January first...."

**CAUSE:** The auditor encountered issues that required more time to resolve.

**EFFECT:** No schedules had been prepared in accordance with South Carolina Code of Laws Section 14-1-206(E). The audit was not submitted by January 1, 2008 and is not in compliance with Section 4-9-150.

**AUDITORS' RECOMMENDATION:** We recommend that the County implement the procedures necessary to be able to receive an audit in a timely manner.

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**SECTION B – STATUS OF PRIOR FINDINGS**

During the current engagement, we reviewed the status of corrective action taken on each of the findings reported in the Accountant's Comments section of the State Auditor's Report on the Allendale County General Sessions for the procedures period ended March 31, 2005, and dated June, 15, 2005. We determined that the County has taken adequate corrective action on each of the findings except for the following:

- General Ledger Posting of Remittance Transactions
- Installment Payments Allocation
- Lack of Proper Victim Assistance accounting
- Timely Filing
- Supplemental Schedule of Fines and Assessments

The above findings were repeated for the procedures period ending June 30, 2008.

**ALLENDALE COUNTY GENERAL SESSIONS**  
 Schedule of Court Fines and Fees  
 For the 12 months ended June 30, 2008

Attachment 1

		Allocation in Accordance with Judicial Department Memo										
		Allocation in Accordance with State Law										
	TOTAL COLLECTIONS	Law Enforcement Surcharge	Fines, Fees Other Rev	DUI/\$100	Drug Surcharge P 33.7	Conviction Surcharge	Fine & Assessment	State Assessment	Victim Services	Fine	DUS PULLOUT	DUI PULLOUT
Total Corrections	\$	-	25.00	(95.64)	-	461.16	18.69	-	(193.52)	(51.44)	-	-
Balance Due from Victim Services:						<u>18.69</u>			<u>(51.44)</u>			
Balance Due to State:	\$	<u>197.00</u>	<u>25.00</u>	<u>(95.64)</u>	<u>-</u>	<u>461.16</u>		<u>(193.52)</u>			<u>-</u>	<u>-</u>
State Treasurer Revenue Remittance Form Line		Y	G	Q	W	FF		AA	DD		M	S

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CORRECTIVE ACTION PLAN

Management has elected not to respond.