

TOWN OF RIDGEWAY MUNICIPAL COURT
RIDGEWAY, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2018



June 19, 2019

Vivian Case, Town Clerk
Town of Ridgeway Municipal Court
Ridgeway, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Ridgeway Municipal Court System as of and for the year ended June 30, 2018, was issued by The Hobbs Group, 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,

George L. Kennedy, III, CPA
State Auditor

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 19, 2019

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

Vivian Case, Town Clerk
Town of Ridgeway Municipal Court
Ridgeway, South Carolina

We have performed the procedures described below, which were agreed to by the South Carolina Office of the State Auditor and the Town of Ridgeway Municipal Court (the "*Town*"), on the systems, processes, and behaviors related to court fines and fees of the Town for the period July 1, 2017 through June 30, 2018, in the areas addressed. The Town 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 Town. 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 confirm timely reporting by the Clerk of Court's Office.
- We obtained the court dockets or equivalents from the Clerk of Court. We randomly selected 25 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 selected 25 court receipt transactions to confirm that the fine, fee, 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. **Town Treasurer**

- We gained an understanding of the policies and procedures established by the Town treasurer to confirm timely reporting by the Town.
- 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 the amounts reported on the monthly remittance forms or equivalents to the Town's support.
- We inspected the Town's support to confirm that the Town properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms for the period July 1, 2017 through June 30, 2018 and agreed the amounts reported on the State Treasurer's Revenue Remittance Forms to the court remittance forms or equivalents.
- We agreed the amounts reported by the Town 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 Town's general ledger. The audit for the period July 1, 2017 through June 30, 2018 has not been completed. The 2017 fiscal year financial statement audit is the last audit available.
- We inspected the Town's supplemental 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.

Finding -- Timely Reporting to the State Treasurer

Five of the twelve State Treasurer's Remittance Reports for the year ended June 30, 2018 were not timely filed. The remittance report for the month of July 2017 was submitted 8/21/17, September 2017 was submitted 10/16/17, December 2017 was submitted 1/16/18, January 2018 was submitted 2/16/18, and June 2018 was submitted 7/16/18. South Carolina Code of Laws Section 14-1-208(B) requires the Town Treasurer to remit the balance of the assessment money to the State Treasurer by the fifteenth day of the month.

Management Response: 10/15/17 was a Sunday and report was submitted following business day. 1/15/18 was a holiday and report was submitted following business day. 7/15/18 was a Sunday and report was submitted following business day. Effective August 10, 2018, the Town no longer has a police department.

3. **Victim Assistance**

- We gained an understanding of the policies and procedures established by the Town to confirm proper accounting for victim assistance funds.
- We made inquiries and confirmed that any funds retained by the Town for victim assistance were deposited into a separate account.
- We selected all (two) expenditures to confirm that the Town expended victim assistance funds in accordance with State law and the South Carolina Court administration fee memoranda.

- We inspected the Town’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 Town on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit for the year ended June 30, 2017, applicable to the Victim Assistance Fund, to the Town’s general ledger or subsidiary ledgers. The 2017 fiscal year financial statement audit is the last audit available.
- We inspected the Town’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 no exceptions as a result of the procedures.

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, 2018, which the Town prepared and submitted to the South Carolina Office of the State Treasurer. We calculated the amount over/(under) reported by the Town by category.

Finding -- Overpayment to the State Treasurer

The Town incorrectly reported a \$5 surcharge per ticket on Line KA of the South Carolina State Treasurer’s Revenue Remittance Form every month. This resulted in an overpayment to the State Treasurer in the amount of \$1,180 for the year ended June 30, 2018. South Carolina Code of Laws Section 14-1-240(A) was terminated effective June 30, 2016 and any convictions subsequent to that date do not require a \$5 surcharge.

Management Response: Town of Ridgeway was not notified of the change in State Code of Law 14-1-240 (A) by letter, email, the municipal judge, nor the annual independent auditor. The current State Treasurer Remittance Form, revised 7/5/2017, in addition to their online reporting system, still has line Item KA for \$5 Surcharge to Criminal Justice Academy. Effective August 10, 2018, the Town no longer has a police department.

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 review, the objective of which would be an opinion or conclusion, respectively, on the systems, processes, and behaviors related to court fines and fees of the Town of Ridgeway Municipal Court. Accordingly, we do not express 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 the Ridgeway Town Council, the Clerk of Court, Town Treasurer, 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. However, this report is a matter of public record and its distribution is not limited.

The Hobbs Group, P.A.
Columbia, South Carolina

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