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*City of Anderson Municipal Court*

Anderson, South Carolina

Independent Accountant's Report on Applying Agreed-Upon  
Procedures for the year ended June 30, 2019



April 22, 2020

The Honorable Terence Roberts, Mayor  
City of Anderson Municipal Court  
Anderson, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Anderson Municipal Court System as of and for the period July 1, 2018 through June 30, 2019, 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/cmw

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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

Mr. Terence Roberts, Mayor  
City of Anderson  
Anderson, 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 Anderson Municipal Court, on the systems, processes, and behaviors related to court fines and fees of the City of Anderson Municipal Court for the period July 1, 2018 through June 30, 2019, in the areas addressed. The City of Anderson and the City of Anderson Municipal Court (the "Municipality") are 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 Anderson and the City of Anderson 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 selected 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.

**Finding** – Three of the twenty-five court receipts tested did not conform with State law. All three transactions were for a violation of South Carolina Laws Section-44-53-370(d)(4) simple possession of marijuana or hash 1<sup>st</sup> offense. This law specifies that that violators of this law be fined no less than \$407.50 and no more than \$615.00 for this offense. The three violators of this law were each fined \$300.00.

**Management Response** – See Attachment A

## 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 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 ("STRRF") for the period July 1, 2018 through June 30, 2019 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, 2018 through June 30, 2019, 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.

**Finding** – The amounts reported in the annual supplemental schedule of fines and assessments, as reported in the annual financial statement audit, did not agree with the underlying records. The supplemental schedule under reported the amounts collected and remitted to the State of South Carolina. The City of Anderson properly collected and remitted all amounts due to the South Carolina State Treasurer, however the supplemental schedule to the financial statements for the year ended June 30, 2019 under reported amounts collected and remitted by \$67,987.

**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 twenty-five 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.

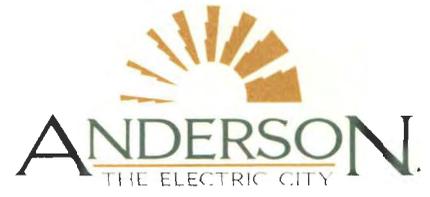
We found no exceptions as a result of the procedures.

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 Anderson Council, City of Anderson Clerk of Court, City of Anderson Finance Director, State Treasurer, Office of Attorney General Department of Crime Victims Compensation, 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 22, 2020

## Attachment A



Finance Division

April 24, 2020

To whom it may concern:

We have reviewed the comments provided herein and are in agreement with the comments and will remediate these items as follows.

With respect to the comment on failure to properly apply state law with respect to minimum and maximum fines and assessments, we will provide a copy of this report to our municipal judge and request that they adhere to state law and implement fines consistent with state law when passing judgement on those convicted.

As to the comment provided herein related to presentation and reporting on the schedule of fines, fees, and assessments within our annual financial statements we will provide our outside auditor, who prepares our financial statements on our behalf, with a copy of this report and request that they review the comment and correct the reporting deficiency identified on a go forward basis.

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

Sincerely yours,

A handwritten signature in black ink that reads "Margot B. Martin". The signature is written in a cursive style.

Ms. Margot B. Martin CPA, CGFO  
Finance Director  
City of Anderson

A handwritten signature in black ink that reads "Kimberly Poulin". The signature is written in a cursive style.

Ms. Kimberly Poulin  
Municipal Court Administrator  
City of Anderson