

CITY OF COLUMBIA MUNICIPAL COURT
COLUMBIA, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2019



June 8, 2020

Mr. John P. Stewart, Court Administrator
Ms. Pamela Hawkins, Municipal Clerk of Court
City of Columbia Municipal Court
Columbia, South Carolina

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

GLKIII/cmw

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 8, 2020

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

Mr. John P. Stuart, Court Administrator
Ms. Pamela Hawkins, Municipal Clerk of Court
City of Columbia Municipal Court
Columbia, South Carolina

We have performed the procedures enumerated below, which were agreed to by the South Carolina Office of the State Auditor and the City of Columbia Municipal Court (the "City"), on the systems, processes, and behaviors related to court fines and fees of the City for the period July 1, 2018 through June 30, 2019, in the areas addressed. The City 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. Consequently, we make no representation regarding the sufficiency of the procedures enumerated 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 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 confirmed the fine assessed adhered to State law, 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. **City Treasurer**

- We gained an understanding of the policies and procedures established by the City Treasurer to confirm timely reporting by the City.
- 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 City's support for the State Treasurer's Revenue Remittance Forms (STRRF).
- We inspected the City's support to confirm that the City properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms 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 the amounts reported by the City on its Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96), as reported in the annual financial statement audit, for the period July 1, 2018 through June 30, 2019, to the City's general ledger or equivalent support.
- We inspected the City's Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96), as reported in the annual financial statement audit, to confirm that it contained all the elements required by State law.

Finding -- Timely Remittance of State Treasurer's Revenue Remittance Forms (STRRF)

Seven of twelve State Treasurer's Revenue Remittance Forms (STRRF) were not timely remitted to the South Carolina State Treasurer's Office. As a result, the South Carolina State Treasurer's Office did not have the information needed to determine the amount of the bank draft from the City's bank account for the fines and fees collected and due to the State for those months. Section 14-1-208(A) of the 1976 South Carolina Code of Laws, as amended, states "...this assessment must be paid to the municipal clerk of court and deposited with the city treasurer for remittance to the State Treasurer." Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended, requires the city to remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a manner prescribed by the State Treasurer.

Management Response: Management chose not to respond.

3. **Victim Assistance**

- We gained an understanding of the policies and procedures established by the City to confirm proper accounting for victim assistance funds.
- We made inquiries and confirmed that any funds retained by the City for victim assistance were deposited into a separate account.
- We randomly selected 25 expenditures to confirm that the City expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda.
- We inspected the City's victim assistance financial activity on the Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96), as reported in the annual

financial statement audit, and confirmed that it adhered to and included items required by State law.

- We agreed the amounts reported by the City on its Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96), as reported in the annual financial statement audit, applicable to the Victim Assistance Fund, to the City's general ledger or subsidiary ledgers.
- We inspected the City'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.

Finding -- Victims Service Funds Carryforward Balance

The amount reported for the carryforward balance from the previous year in the Uniform Schedule of Court Fines, Assessments and Surcharges for the year ended June 30, 2019 did not agree to the carryforward funds at the end of the year in the Uniform Schedule of Court Fines, Assessments and Surcharges for the year ended June 30, 2018. The difference is noted in the following table.

Carryforward Balance – End of Year per June 30, 2018 Schedule	\$	(14,330)
Carryforward Balance – Beginning Balance per June 30, 2019 Schedule		189,454
Difference	\$	<u>175,124</u>

Management Response: Management chose not to respond.

4. Calculation of Over/(Under) Reported Amounts

- We inspected copies of monthly State Treasurer Revenue Remittance Forms for the year ended June 30, 2019, which the City prepared and submitted to the South Carolina Office of the State Treasurer. We calculated the amount over/(under) reported by the City by category.

We found no exceptions as a result of the procedures.

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 the expression of an opinion or conclusion, respectively, on the systems, processes, and behaviors related to court fines and fees of the City of Columbia Municipal 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 the Columbia Municipal Council, the Associate Judge/Clerk of Court, City Treasurer, State Treasurer, South Carolina Department of Crime Victim Compensation, 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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