

CITY OF GOOSE CREEK MUNICIPAL COURT
GOOSE CREEK, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended December 31, 2018



June 10, 2020

The Honorable William D. Wilson, Jr., Chief Judge
Ms. Kelly J. Lovette, Clerk/Treasurer
City of Goose Creek Municipal Court
Goose Creek, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Goose Creek Municipal Court System as of and for the period January 1, 2018 through December 31, 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

GLKIII/cmw

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 10, 2020

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

The Honorable William D. Wilson, Jr., Chief Judge
Ms. Kelly J. Lovette, Clerk/Treasurer
City of Goose Creek Municipal Court
Goose Creek, 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 Goose Creek Municipal Court (the "City"), on the systems, processes, and behaviors related to court fines and fees of the City for the period January 1, 2018 through December 31, 2018, 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 to confirm that the fine, fee, assessment and surcharge calculation 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.

Findings -- Adherence to Fine Guidelines

During our inspection of City Court collections and remittances, we observed the following instances in which the City did not fine the defendant in accordance with State law:

Driving Under Suspension (First Offense) – Not Suspended for Driving Under the Influence

The Court fined one individual \$200 for driving under suspension, first offense. Section 56-01-0460(A)(1)(A) of the 1976 South Carolina Code of Laws, as amended, states, “A person who drives a motor vehicle on any public highway of this State when his license to drive is canceled, suspended, or revoked, upon conviction for a first offense, must be punished as follows:

- (1) Fined three hundred dollars or imprisoned for up to thirty consecutive days, or both;”

Driving Under Suspension (Second Offense) – Not Suspended for Driving Under the Influence

The Court fined one individual \$100 for driving under suspension, second offense. Section 56-01-0460(A)(1)(B) of the 1976 South Carolina Code of Laws, as amended, states, “A person who drives a motor vehicle on any public highway of this State when his license to drive is canceled, suspended, or revoked, upon conviction for a second offense, must be punished as follows:

- (1) Fined six hundred dollars or imprisoned for up to sixty consecutive days, or both;”

Management Response: The court software that the City uses, automatically charges the fines that are loaded into the system. The fine amount for “driving under suspension” had not been updated, so when the charges were loaded into the system, the old fines populated the charges. The tickets examined were ultimately reduced by the judges who disposed of the case.

When a change in a fine amount is made by the State, it must be changed in the software on the effective date of the change. The software is unable to load fines to apply for future dates. The City has since updated the software for the fines in question and reviewed all fines in the software and compared them to the current fines to be charged and found no other discrepancies.

Going forward, when there is a change in the fine amount from the State, the Clerk of Court will update the fine(s) on the effective date of the change and provide a list of the updated fine(s) along with the memorandum from the State with the specific change(s) in fines to the Assistant City Administrator (supervisor) to be reviewed and signed off on.

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 January 1, 2018 through December 31, 2018 and agreed the amounts reported on the STRRF 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 January 1, 2018 through December 31, 2018, 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.

We found no exceptions as a result of the procedures performed.

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 5 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 January 1 from the previous fiscal year in accordance with State law.

Findings -- Audited Supplementary Schedule

We noted one exception in which the total conviction surcharges did not equal the amounts reported per the City’s STRRF. The schedule reports a total of \$13,397 while the remittance forms report a total of \$13,434. The difference between the audited schedule and the STRRF is \$37.

We also noted one exception in which the total victim’s assessments did not equal the amounts reported per the City’s State Revenue Remittance Forms. The schedule reports a total of \$37,342 while the remittance forms report a total of \$37,454. The difference between the audited schedule and the STRRF is \$112.

Management Response: When the City’s audit of the year ended December 31, 2018 was being completed, it was noted that the Victims’ Assistance Fund’s revenue and expenditures on the *Combining*

Statement of Revenues, Expenditures and Changes in Fund Balances that is included as *Other Supplementary Information* did not agree to the *Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96)*. As such, a last-minute change was made to the *Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96)* so that the two schedules would agree. Going forward, the City will ensure that more thorough reconciliation process takes place.

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

- We inspected copies of monthly STRRF for the year ended December 31, 2018, 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 this procedure.

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 Goose Creek 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 Goose Creek Municipal Council, the 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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