

CITY OF TEGA CAY MUNICIPAL COURT
TEGA CAY, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended September 30, 2019

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June 16, 2020

The Honorable Justin D. Bice, Chief Judge
Ms. Donna DeRado, Administrative Judge/Clerk of Court
City of Tega Cay Municipal Court
Tega Cay, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Tega Cay Municipal Court System as of and for the period October 1, 2018 through September 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/sag

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 16, 2020

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

The Honorable Justin D. Bice, Chief Judge
Donna DeRado, Administrative Judge/Clerk of Court
City of Tega Cay Municipal Court
Tega Cay, 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 Tega Cay Municipal Court (the "City"), on the systems, processes, and behaviors related to court fines and fees of the City for the period October 1, 2018 through September 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 October 1, 2018 through September 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 October 1, 2018 through September 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 -- Supplemental Schedule

The Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96) "Court Fines and Assessments Collected" line did not report all the surcharges and Victim Assistance Fund revenues in the total revenues collected. The 2019 audited financials did not disclose the surcharges collected and retained by the City of \$40,475.47. Per Act 96, the Uniform Schedule of Court Fines, Assessments and Surcharges must include detail of all surcharges collected at the court level, and the amount retained by the municipality. It is the intent of the schedule in its prescribed form to include all court money collected in this line item.

Management Response: See Attachment A.

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

Finding -- Commingled Victim Assistance Funds

We noted one exception for the City not having a separate general ledger account or bank account for Victim Assistance funds. Per South Carolina Code of Law, 14-1-208, victim's assistance funds are not allowed to be commingled with any other funds of the City.

Management Response: See Attachment A.

Finding -- Victims Service Contract Expenses

The Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96) "Victim Service Contract" line item did not include expenses related to its Victim Assistance contract with York County. The contract states that the City remits all victim service funds received during the year to York County. The total amount remitted to the County for the year ended September 30, 2019 that was not properly included in the "Victim Service Contract" line item in the Uniform Schedule of Court Fines, Assessments and Surcharges (Per Act 96) was \$15,688.17.

Management Response: See Attachment A.

Finding -- Victims Service Funds Carryforward Balance

The City did not remit any of its carryforward victims assistance fund balance to the State Victim Assistance Program. Per amendment 59.15 proviso, effective July 1, 2019, a municipality can retain carry forward funds that were collected, but no more than \$25,000 or 10% of funds collected in the prior fiscal year, whichever is higher. If a municipality does not spend at least 90% of the funds collected, then the municipality has to remit any unspent funds that are greater than the allowed carry forward funds, regardless of the year collected, to the State Victim Assistance Program. As of the date of this report, the City has not remitted any amount of their total carryforward balance of \$81,756. Please note this carryforward balance per the audited statements does not appear to be accurate as the Victim Service contract expenses were not included in the audited statement.

Management Response: See Attachment A.

4. Calculation of Over/(Under) Reported Amounts

- We inspected copies of monthly State Treasurer Revenue Remittance Forms for the year ended September 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 Tega Cay 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 Tega Cay 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

The Hobbs Group, P.A.



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The Good Life

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The City of Tega Cay's original Financial audit was issued with an incorrect schedule for "Uniform Schedule of Court Fines, Assessments and Surcharges."

This schedule has since been revised by the City's Auditors and will be correct going forward.

The attached revised schedule corrects any findings in the Court audit.

The Honorable Justin D. Bice, Chief Judge

Date: 6/16/2020

Robert Bartkin, Finance Director, City of Tega Cay

Date:

6/16/2020

CITY OF TEGA CAY

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS
AND SURCHARGES (per ACT 96)
YEAR ENDED SEPTEMBER 30, 2019

FOR THE STATE TREASURER'S OFFICE

COUNTY/MUNICIPAL FUNDS COLLECTED BY THE CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments				
Court fines and assessments collected	\$ -	\$ -	\$ 77,395	\$ 77,395
Court fines and assessments remitted to State Treasurer	-	-	69,135	69,135
Total Court Fines and Assessments Retained	\$ -	\$ -	\$ 8,260	\$ 8,260
Surcharges and Assessments Retained for Victim Services				
Surcharges collected and retained	\$ -	\$ -	\$ 7,428	\$ 7,428
Assessments retained	-	-	8,260	8,260
Total Surcharges and Assessments Retained for Victim Services	\$ -	\$ -	\$ 15,688	\$ 15,688

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year - Beginning Balance	\$ 66,068	\$ -	\$ 66,068
Victim Service Revenue			
Victim Service fines retained by City/County Treasurer	-	-	-
Victim Service assessments retained by City/County Treasurer	8,260	-	8,260
Victim Service surcharges retained by City/County Treasurer	7,428	-	7,428
Interest earned	-	-	-
Grant funds received	-	-	-
Grant from:	-	-	-
General funds transferred to Victim Service Fund	-	-	-
Contribution Received from Victim Service Contracts	-	-	-
(1) Town of	-	-	-
(2) Town of	-	-	-
(3) City of	-	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 81,756	\$ -	\$ 81,756

CITY OF TEGA CAY

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS
AND SURCHARGES (per ACT 96) - Continued
YEAR ENDED SEPTEMBER 30, 2019

	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Expenditures for Victim Service Program			
Salaries and benefits	\$ -	\$ -	\$ -
Operating expenditures	-	-	-
Victim Service Contract(s)	-	-	-
(1) York County	15,688	-	15,688
(2) Entity's name	-	-	-
Victim Service Donation(s)	-	-	-
(1) Domestic Violence Shelter	-	-	-
(2) Rape Crisis Center	-	-	-
(3) Other local direct crime victims service agency	-	-	-
Transferred to General Fund	-	-	-
Total Expenditures from Victim Service Fund/Program (B)	<u>15,688</u>	<u>-</u>	<u>15,688</u>
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	66,068	-	66,068
Less: Prior Transfer to York County	<u>(66,068)</u>	<u>-</u>	<u>(66,068)</u>
Carryforward Funds - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>