

SULLIVAN'S ISLAND MUNICIPAL COURT
SULLIVAN'S ISLAND, SOUTH CAROLINA

INDEPENDENT ACCOUNTANT'S REPORT
JUNE 30, 2019

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August 18, 2020

The Honorable Larry Duffy, Chief Judge
Ms. Becky Williams, Clerk of Court
Town of Sullivan's Island Municipal Court
Sullivan's Island, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Sullivan's Island Municipal Court System as of and for the period July 1, 2018 through June 30, 2019, was issued by Steven L. Blake, CPA, 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

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED- UPON PROCEDURES

August 18, 2020

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

The Honorable Larry Duffy, Chief Judge
Ms. Becky Williams, Clerk of Court
Town of Sullivan's Island
Sullivan's Island, South Carolina

I have performed the procedures described below, which were agreed to by the South Carolina Office of the State Auditor and the Town of Sullivan's Island, on the systems, processes, and behaviors related to court fines and fees of the Sullivan's Island Municipal Court for the period July 1, 2018 through June 30, 2019, in the areas addressed. The Town of Sullivan's Island and the Sullivan's Island Municipal Court 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 Town of Sullivan's Island and the Sullivan's Island Municipal Court. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this 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**

- I 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.
- I obtained the court dockets or equivalents from the Clerk of Court. I judgmentally selected 25 cases from the court dockets, and I confirmed the fine assessed adhered to State law. I also recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee, assessment and surcharge were properly calculated and allocated in accordance with applicable State law and the South Carolina Court Administration fee memoranda.

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- I inspected the court receipt transactions for the above cases to confirm that the fine, fee, assessment and surcharges assessed 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

- The Court fined two defendants \$24.10 each for Simple Possession of Marijuana. Section 44-53-370(d)(4) of the 1976 South Carolina Code of Laws, as amended, states "A person who violates this subsection with respect to twenty-eight grams or one ounce or less of marijuana or ten grams or less of hashish is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than thirty days or fined not less than one hundred dollars nor more than two hundred dollars."

The Clerk stated the Judge incorrectly lowered the fine below the minimum.

- The Court fined one defendant \$29.88 for Speeding less than 10 MPH over the limit. Section 56-5-1520(g) of the 1976 South Carolina Code of Laws, as amended, states "A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows:

(1) in excess of the above posted limit but not in excess of ten miles an hour by a fine of not less than fifteen dollars nor more than twenty-five dollars;"

The Clerk stated the officer wrote the incorrect roadside bond amount on the original ticket and the Judge did not change it.

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Software Data Entry

○ Two of the twenty-five tickets I selected had data entry errors. In one case the incorrect CDR code was entered and in the other a code section conflicted with the violation description. Once conflicting information was reconciled, I was able to continue my testing of those fines. I noted no further exceptions as a result of these procedures.

2. Municipal Treasurer

- I gained an understanding of the policies and procedures established by the Municipal Treasurer to confirm timely reporting by the Municipality.
- I 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.
- I compared and agreed the amounts reported on the monthly remittance forms or equivalents to the Municipality's support for the State Treasurer's Revenue Remittance Forms [STRRF] for the period July 1, 2018 through June 30, 2019.
- I inspected the Municipality's support to confirm that the Municipality properly classified fine, fee, assessment, and surcharge receipts.
- I inspected all STRRF for the period July 1, 2018 through June 30, 2019 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.
- I compared and agreed the amounts reported by the Municipality on its Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, as reported in the latest annual financial statement audit, for the period July 1, 2018 through June 30, 2019, to the Municipality's general ledger or equivalent support. I inspected the Municipality's Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, as reported in the annual financial statement audit, to confirm that it contained all the elements required by Attachment S.

Findings

Timely Submission of State Treasurer's Revenue Remittance Form

The Town Treasurer submitted one STRRF thirty-eight days after the date required by State law.

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Supplemental Schedule

The Town's Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, was in the form prescribed by the Department of Crime Victims' Compensation [DCVC] per ACT 96. While it contained all the items required by the law, I was unable to vouch amounts reported for "Court fines and assessments collected", "Court fines and assessments remitted to State Treasurer", "Total Court Fines and Assessments retained", "Surcharges collected and retained" and "Assessments retained" to the Town's support.

3. Victim Assistance

- I gained an understanding of the policies and procedures established by the Municipality to confirm proper accounting for victim assistance funds.
- I made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- I judgmentally selected two of the four expenditures to confirm that the Municipality expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda, Attachment L.
- I inspected the Municipality's victim assistance financial activity on the Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, as reported in the annual financial statement audit, for the period July 1, 2018 through June 30, 2019, and confirmed that it adhered to and included items required by Attachment S.
- I compared and agreed the amounts reported by the Municipality on its Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, as reported in the latest annual financial statement audit

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applicable to the Victim Assistance Fund, to the Municipality's general ledger or equivalent support.

- I 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.

Findings

Supplemental Schedule

The Town's Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), prescribed form, was in the form prescribed by the Department of Crime Victims' Compensation [DCVC] per ACT 96. The fund balance on the schedule reflected the correct fund balance at the time of publication. However, a post publication disallowance of an expense by DCVC caused a refund to the fund for the procedure period which was not reflected. This resulted in an understatement of fund balance of \$12,500.

4. Status of Prior Findings

- I inquired of the Municipality's management and governance regarding the status of findings reported in the Accountant's Comments section of the Independent Accountant's Report on the Municipality resulting from an engagement for the period ended June 30, 2018, to confirm that the Municipality had taken adequate corrective action.

The corrective actions taken did not prevent the Adherence to Fine Guidelines finding from repeating although it was a different violation. Also, the Timely Submission of State Treasurer's Revenue Remittance Form repeated.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. I was 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 Sullivan's Island Municipal Court. Accordingly, I do not express an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

Mr. George L. Kennedy, III, CPA
and
The Honorable Larry Duffy, Chief Judge
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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 Sullivan's Island Municipal Council, Sullivan's Island Municipal Clerk of Court, Sullivan's Island Municipal Treasurer, State Treasurer, 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.

Steven L. Blake, CPA