

**INMAN MUNICIPAL COURT  
INMAN, SOUTH CAROLINA  
STATE AUDITOR'S REPORT  
JUNE 30, 2020**



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February 5, 2021

The Honorable Jimmy B. Henson, Chief Judge  
Ms. Robin Henderson, Municipal Treasurer and Clerk of Court  
City of Inman Municipal Court  
Inman, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Inman Municipal Court System as of and for the period July 1, 2019 through June 30, 2020, was issued by Steven A. 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/trb

# STEVEN L. BLAKE, CPA

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

February 5, 2021

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

The Honorable Jimmy B. Henson, Chief Judge  
Ms. Robin Henderson, Municipal Treasurer and Clerk of Court  
City of Inman Municipal Court  
Inman, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the City of Inman and the Inman Municipal Court for the period July 1, 2019 through June 30, 2020, in the areas addressed. The City of Inman and the Inman Municipal Court are responsible for the systems, processes, and behaviors related to financial activity.

The South Carolina Office of the State Auditor has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the systems, processes and behaviors related to financial activity for the period July 1, 2019 through June 30, 2020. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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 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.

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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**

#### **Driving Under the Influence [DUI]**

The City Court's Excel-based software did not properly allocate payments in accordance with State law for two cases inspected.

Section 56-5-2930(A)(1) of the 1976 South Carolina Code of Laws, as amended, states, "A person who violates the provisions of this section... must be punished as follows: the person must be punished by a fine of one thousand dollars... ." In one case, the software allocated \$1,075 to the fine rather than \$1,000, \$1,025 to the assessment rather than \$1,075 and \$-0- to the breathalyzer fee.

Section 56-5-2930(A)(1) of the 1976 South Carolina Code of Laws, as amended, further states, "A person who violates the provisions of this section... must be punished as follows: the person must be punished by a fine of four hundred dollars... ." In another case, the software allocated \$400 to the fine but \$455 to the assessment rather than \$430 and \$-0- to the Breathalyzer fee.

In neither case was the assessment allocated at 107.5% of the fine. Section 14-1-208(A) of the 1976 South Carolina Code of Laws, as amended, states, "A person who is convicted of, or pleads guilty...for an offense occurring after June 30, 2008, tried in municipal court must pay an amount equal to 107.5 percent of the fine imposed as an assessment."

#### **Parking Fines**

While the Court fined one defendant \$100 for Parking to Block an Entrance in accordance with Section 56-5-2510 of the 1976 South Carolina Code of Laws, as amended, the processing of this fine did not comply with the South Carolina Court Administration fee memorandum dated July 8, 2019 which states, "The assessment may not be imposed on convictions for violations of Sections 56-3-1970, 56-5-2510, and 56-5-2530, ... ." The Court erroneously allocated this amount to assessments instead of 100 per cent to the fine.

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### **Possession of Drug Paraphernalia-Local Ordinance**

The conviction surcharge was not assessed for one ticket inspected.

### **Breathalyzer Fee**

Two defendants were charged with DUI and had “BA Level” documented on the tickets; however, a breathalyzer fee was not assessed. Further, the City Court’s Excel-based software has no column for a calculated value were the fee to be assessed.

### **City Court’s Software Systems**

The Court uses two software systems to process court remittances, fines and payments. The first system is an Excel based system used for initial receipting and remittance to the State Treasurer [STO]. The second system is a vendor’s system used to process receipts and court dispositions for State court record keeping. While the two systems contain the same data generally, there is no reconciliation between the two systems. The Excel based system allocates payments based on receipt date. This created a timing difference during the procedures period because the vendor-based system allocates payments once the disposition has been entered which can be up to a month later. The difference between the two systems for remittances during the procedures period is \$1,753.75. The City appears to have remitted \$1,753.75 more to the STO using the Excel based system than the vendor system. Because the systems have not been reconciled, the differences cannot be determined. See Revenue Remittance Timing below for more detail.

### **Installment Payments**

The City Court’s Excel-based software does not allocate installment payments in accordance with State law. Section 14-1-209 of the 1976 South Carolina Code of Laws, as amended, provides guidance when the fine and assessment are paid in installments. In addition, the South Carolina Court Administration fee memorandum dated July 8, 2019 states, “The intent of Section 14-1-209(B) is that each installment payment be allocated on a pro rata basis to each applicable fine, assessment, and surcharge.”

### **Revenue Remittance Timing**

Section 14-1-208(a) of the South Carolina Code of Laws, as amended, states, “...a person who is convicted of, or pleads guilty or nolo contendere to, or forfeits bond for an offense tried in municipal court must pay ... .” This Section establishes the fact that fines are only to be remitted upon adjudication by a judge. However, the Clerk remitted monies from an Excel-based court software

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upon collection. The Clerk later entered these ticket and payment data along with adjudication data into a vendor-based software system which also generates State Treasurer Revenue Remittance Form [**STRRF**] reports for submission. Each of these STRRF were different from the STRRF submitted using the Excel based data. There is no reconciliation between the two systems. See City Court's Software Systems finding above for more detail.

The Clerk of Court stated that court was not held from March 17 to June 8, 2020 due to COVID-19 protocols. However, fines continued to be levied and collections continued to be receipted. There are always timing differences because of collection dates and adjudication dates being different between the two systems. This prolonged closure magnified these timing issues by delaying adjudication dates by weeks instead of days.

## 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.
- 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, 2019 through June 30, 2020 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

I found no exceptions as a result of these procedures.

## 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.

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- I selected all 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 account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

I found no exceptions as a result of these procedures.

#### **4. Uniform Schedule of Court Fines, Assessments and Surcharges**

- I agreed the amounts reported by the Municipality on its Uniform Schedule of Court Fines, Assessments and Surcharges, as reported in the annual financial statement audit, for the period July 1, 2018 through June 30, 2019, to the Municipality's general ledger.
- I inspected the Municipality's Uniform Schedule of Court Fines, Assessments and Surcharges, as reported in the annual financial statement audit, to confirm that it contained all the elements required by South Carolina Code of Laws Section 14-1-208.

#### **Findings**

Certain amounts reported on the Uniform Schedule of Court Fines, Assessments and Surcharges did not agree to supporting records. The Court reported \$70,156 as "Court fines and assessments remitted to State Treasurer"; the amount reported should have been \$102,682. Also, the Court reported \$84,618 as "Total Court Fines and Assessments Retained"; the amount reported should have been \$117,145.

I was engaged by the South Carolina Office of the State Auditor to perform this agreed-upon procedures engagement and conducted my engagement 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 financial activity of the City of Inman Municipal Court for the period July 1, 2019 through June 30, 2020. 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, State Auditor  
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The Honorable Jimmy B. Henson, Chief Judge  
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I am required to be independent of the City of Inman Municipal Court and to meet my ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

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 Inman Municipal Council, Inman Municipal Clerk of Court, Inman 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*



**CITY OF INMAN**  
20 S Main Street  
Inman, SC 29349  
www.cityofinman.org

February 10, 2021

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

Re: Responses to City of Inman Municipal Court Audit

**Management Response to Findings- Driving Under the Influence [DUI]; Parking Fines; Breathalyzer Fee; Court Software Systems; Installment Payments; and Revenue Remittance Timing.**

In response to the finding(s) listed above, we will suspend the City's Excel based software and will only use the vendor-based Lawtraks system to process court remittances, fines and payments and report all assessments and surcharges properly. The City's Excel based software is a manual reporting system and open for errors.

**Management Response to Finding - Possession of Drug Paraphernalia -Local Ordinance -**  
In response to the finding, we failed to assess the conviction surcharge in error and going forward will be more diligent in assessing and reporting surcharges properly.

Sincerely,  


Robin Henderson  
Clerk of Court