

**AIKEN MUNICIPAL COURT
AIKEN, SOUTH CAROLINA**

**STATE AUDITOR'S REPORT
JUNE 30, 2020**

CONTENTS

	<u>PAGE</u>
I. STATE AUDITOR'S OFFICE TRANSMITTAL LETTER	1
II. INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	2 - 6



February 25, 2021

The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
Aiken, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Aiken 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/sag

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

February 25, 2021

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

The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
Aiken, South Carolina

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

Mr. George L. Kennedy, III, CPA, State Auditor
And
The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
February 25, 2021

- 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

Installment Payments' Proration

The City Court's 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."

Installment Payments' Fee

The Court did not assess and collect the three percent installment fee from individuals who paid in installments. Section 14-17-725 of the 1976 South Carolina Code of Laws, as amended, states, "Where criminal fines, assessments, or restitution payments are paid through installments, a collection cost charge of three percent of the payment also must be collected by the clerk of court, magistrate, or municipal court from the defendant..."

Law Enforcement Surcharge

The Court did not assess and allocate the \$25 law enforcement surcharge for one of twenty-five cases inspected. The surcharge was collected but was allocated to the fine and assessment. Section 14-1-212 (A) of the 1976 South Carolina Code of Laws, as amended, states, "In addition to all other assessments and surcharges, a twenty-five dollar surcharge is imposed on all fines, forfeitures, escheatments, or other monetary penalties imposed in the general sessions court or in magistrates or municipal court for misdemeanor traffic offenses or for nontraffic violations. "

2. Municipal Treasurer

Mr. George L. Kennedy, III, CPA, State Auditor
And
The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
February 25, 2021

- 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 made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- 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.

Improper Expense

One expense of \$91 was improperly charged to the victim assistance fund. The City Treasurer stated this was due to a coding error and the City will reimburse the fund.

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.

Mr. George L. Kennedy, III, CPA, State Auditor
And
The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
February 25, 2021

- 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 City reported \$720,091 as "Court Fines and Assessments Collected"; the amount should have been \$1,042,024. The City excluded amounts related to surcharges from the total collected and amounts remitted to the State Treasurer. The City reported \$447,019 as "Court fines and assessments remitted to State Treasurer"; the amount reported should have been \$574,473. Also the Court reported \$273,072 as "Total Court Fines and Assessments Retained"; the amount reported should have been \$467,551. The City has made the corrections and will resubmit the Uniform Schedule to the State Treasurer's Office.

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 Aiken 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.

I am required to be independent of the City of Aiken Municipal Court and to meet my ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

Mr. George L. Kennedy, III, CPA, State Auditor
And
The Honorable Tracey Carroll, Chief Judge
Ms. Kymberley N. Rooks, CGFO, Finance Director
Ms. Ferdinanda Corley, Municipal Clerk of Court
City of Aiken Municipal Court
February 25, 2021

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 Aiken Municipal Council, Aiken Municipal Clerk of Court, Aiken 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

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

Mr. Martin Woods
Fiscal Analyst II
South Carolina Treasurer's Office

Mr. Steven L. Blake, CPA
Independent Auditor

Dear Mr. Kennedy, Mr. Woods, and Mr. Blake:

We have reviewed the preliminary report issued by independent auditor Mr. Steven Blake, CPA as it relates to the procedures engagement on behalf of the South Carolina Office of the State Auditor, and would like to provide comments on the findings listed below:

Clerk of Court

Installment Payments' Proration

The City Court's 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."

Response from the City of Aiken:

Our current software is through Calytera's Judicial Enforcement Management System (JEMS). Our current software is not set up to differentiate between lump sum payments and installment payments. The City is trying to work with Court Administration to move to CMS Court Management System. This would allow us to comply with State law.

Installment Payments' Fee

The Court did not assess and collect the three percent installment fee from individuals who paid in installments. Section 14-17-725 of the 1976 South Carolina Code of Laws, as amended, states, "Where criminal fines, assessments, or restitution payments are paid through installments, a collection cost charge of three percent of the payment also must be collected by the clerk of court, magistrate, or municipal court from the defendant...".

Response from the City of Aiken:

If the City's software is able to differentiate between lump sum payments and installment payments, we will work with our vendor to assess and collect the 3% charge that should be added when fines, assessments, or restitution payments are paid through installments.

Law Enforcement Surcharge

The Court did not assess and allocate the \$25 law enforcement surcharge for one of twenty-five cases inspected. The surcharge was collected but was allocated to the fine and assessment. Section 14-1-212 (A) of the 1976 South Carolina Code of Laws, as amended, states, "In addition to all other assessments and surcharges, a twenty-five dollar surcharge is imposed on all fines, forfeitures, escheatments, or other monetary penalties imposed in the general sessions court or in magistrates or municipal court for misdemeanor traffic offenses or for nontraffic violations. "

Response from the City of Aiken:

We have put measures in place to more carefully review the monthly detailed disbursement report to ensure all cases have the correct surcharges in place.

Victim Assistance

Improper Expense

One expense of \$91 was improperly charged to the victim assistance fund. The City Treasurer stated this was due to a coding error and the City will reimburse the fund.

Response from the City of Aiken:

The City inadvertently charged the Victim's Assistance Fund through a typographical error in fund numbers. We have reimbursed the fund through journal entry. The City will review all transactions monthly for proper postings.

Uniform Schedule of Court Fines, Assessments and Surcharges

Findings

Certain amounts reported on the Uniform Schedule of Court Fines, Assessments and Surcharges did not agree to supporting records. The City reported \$720,091 as "Court Fines and Assessments Collected"; the amount should have been \$1,042,024. The City excluded amounts related to surcharges from the total collected and amounts remitted to the State Treasurer. The City reported \$447,019 as "Court fines and assessments remitted to State Treasurer"; the amount reported should have been \$574,473. Also the Court reported \$273,072 as "Total Court Fines and Assessments Retained"; the amount reported should have been \$467,551. The City has made the corrections and will resubmit the Uniform Schedule to the State Treasurer's Office.

Response from the City of Aiken:

We reviewed this schedule with the auditor and have made corrections to our report. We have submitted the corrected Uniform Schedule of Court Fines, Assessments, and Surcharges to the State Treasurer's Office.

Thank you,



Kimberley N. Rooks, CGFO
Director of Finance
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KRooks@CityofAikenSC.gov