
Town of Pawleys Island Municipal Court

Pawleys Island, South Carolina

Independent Accountant's Report on Applying Agreed-Upon
Procedures for the year ended December 31, 2018



May 27, 2020

The Honorable Brian Henry, Mayor
Town of Pawleys Island
Pawleys Island, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Pawleys Island Municipal Court System as of and for the period January 1, 2018 through December 31, 2018, was issued by Brown CPA, LLC, 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

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

The Honorable Brian Henry, Mayor
Town of Pawleys Island
Pawleys Island, South Carolina

We have performed the procedures described below, which were agreed to by the South Carolina Office of State Auditor and the Town of Pawleys Island Municipal Court, on the systems, processes, and behaviors related to court fines and fees of the Town of Pawleys Island Municipal Court for the period January 1, 2018 through December 31, 2018, in the areas addressed. and the Town of Pawleys Island Municipal Court (the "Municipality") 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 Pawleys Island and the Town of Pawleys Island Municipal Court. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which the 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

- We gained an understanding of the policies and procedures established by the Clerk of Court to determine timely reporting by the Clerk of Court's Office.
- We obtained the court dockets or equivalents from the Clerk of Court. We randomly selected twenty-five 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.
- We randomly selected twenty-five court receipt transactions to confirm that the fee, fine, 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. **Municipal Treasurer**

- We gained an understanding of the policies and procedures established by the Municipal Treasurer to determine timely reporting by the Municipality.
- 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 amounts reported on the monthly remittance forms or equivalents to the Municipality's support.
- We inspected the Municipality's support to confirm that the Municipality properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms ("STRRF") for the period January 1, 2018 through December 31, 2018 and agreed the amounts reported on the State Treasurer's Revenue Remittance Forms to the court remittance forms or equivalents.
- We agreed amounts reported by the Municipality on its supplemental schedule of fines and assessments (the "Uniform Schedule"), as reported in the annual financial statement audit, for the period January 1, 2018 through December 31, 2018, to the Municipality's general ledger.
- We inspected the Municipality's supplementary schedule of fines and assessments (the "Uniform Schedule"), as reported in the annual financial statement audit, to confirm that it contained all the elements required by State law.

Findings:

1. Audit Report Supplementary Information under Reporting of Court Activity – The amounts reported in the annual Uniform Schedule of fines and assessments, as reported in the annual financial statement audit, did not agree with the underlying records. The supplemental schedule under reported the amounts collected and remitted to the State of South Carolina. The Town of Pawleys Island collected and remitted all amounts due to the State of South Carolina, however the supplemental schedule to the financial statements for the year ended December 31, 2018 under reported amounts collected and remitted by \$2,422. The Town reported -0- as the amount collected and remitted to the State of South Carolina.
2. Audit Report Supplementary Schedule Presentation of South Carolina Mandated Information – The financial statement audit report for the year ended December 31, 2018 did not properly present supplementary information required by the State of South Carolina for Court Fines, Assessments, and Surcharges. Act 96 Part III Section 12 of the 1976 Code of Laws, as amended, requires that municipalities present court fines fees and surcharges using a *Uniform Supplemental Schedule* developed by the Office of the Attorney General. The Town's audit report supplemental schedule was not presented consistent with the format required by the South Carolina Office of Attorney General in its *Uniform Supplemental Schedule Form*.

Management Response – See Attachment A

3. **Victim Assistance**

- We gained an understanding of the policies and procedures established by the Municipality to confirm proper accounting for victim assistance funds.
- We made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- We selected twenty-five expenditures to confirm that the Municipality expended victim assistance funds in accordance with State law and South Carolina Court Administration fee memoranda.
- We inspected the Municipality’s victim assistance financial activity on the supplemental schedule of fines and assessments, as reported in the annual financial statement audit, and confirmed that it was in compliance with applicable State law.
- We agreed the amounts reported by the Municipality on its supplemental schedule of fines and assessments (the “Uniform Schedule”), as reported in the annual financial statement audit, applicable to Victim Assistance Fund, to the Municipality’s general ledger or subsidiary ledgers.
- We inspected the Municipality’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.

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 a review, the objective of which would be the expression of an opinion or conclusion, respectively, on the systems, processes, and behaviors related to financial activity of the 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 Town of Pawleys Island Council, Town of Pawleys Island Clerk of Court, Town of Pawleys Island Finance Director, State Treasurer, Office of Attorney General Department of Crime Victims Compensation, the Chief Justice, and the South Carolina Office of the State Auditor, 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.

BROWN CPA, L.L.C.

Irmo, South Carolina
May 27, 2020

Attachment A



Town of
Pawleys Island
SOUTH CAROLINA

May 27, 2020

To whom it may concern:

We have reviewed the comments provided herein and are in agreement with the comments and will remediate these items as follows.

With respect to the presentation and reporting of court activity on the schedule of fines, fees, and assessments within our annual financial statements we will provide our outside auditor, who prepares our financial statements on our behalf, with a copy of this report and request that they review the comments and to correct the reporting deficiencies identified on a go forward basis.

We are always receptive to positive constructive criticism in our effort to improve upon compliance and financial reporting.

Sincerely yours,

Diane Allen
Clerk / Treasurer