

FAIRFAX, MUNICIPAL COURT

FAIRFAX, SOUTH CAROLINA

STATE AUDITOR'S REPORT

SEPTEMBER 30, 2020

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June 22, 2021

The Honorable Walter H. Sanders, Jr., Chief Judge
The Honorable Judge Willard Branch Jr., Associate Judge
Ms. Erica Wiley, Clerk of Court
Town of Fairfax Municipal Court
Fairfax, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Fairfax Municipal Court System as of and for the period October 1, 2019 through September 30, 2020, 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/sag

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED- UPON PROCEDURES

June 22, 2021

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

The Honorable Walter H. Sanders, Jr., Chief Judge
The Honorable Judge Willard Branch Jr., Associate Judge
Ms. Erica Wiley, Clerk of Court
Town of Fairfax Municipal Court
Fairfax, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Fairfax and the Fairfax Municipal Court (the Court) for the period October 1, 2019 through September 30, 2020, in the areas addressed. The Town of Fairfax and the Fairfax 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 October 1, 2019 through September 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.

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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

Simple Possession

The Court fined one defendant \$310 for Possession of 28g (1 oz) or less of Marijuana or 10g or less of Hash or Cocaine - 1st offense. Furthermore, there were no assessments or surcharges applied to the fine.

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."

Fairfax Response: The Town has chosen not to respond.

Driving Under Suspension-3rd

The Court fined one defendant \$8.44 for Driving Under Suspension [DUS]. Section 56 - 5 - 2930(A) 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: (1) (c) ... for a third offense, by a fine of one thousand dollars..."

Fairfax Response: The Town has chosen not to respond.

Speeding

The Court fined one individual \$25.06 for speeding, not more than ten miles over the speed 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 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;"

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Fairfax Response: The Town has chosen not to respond.

Installment Payments

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...".

Fairfax Response: By policy the Town has chosen not to charge the 3% installment fee to defendants.

2. Municipal Treasurer

- 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 State Treasurer's Revenue Remittance Forms [STRRF] for the period October 1, 2019 through September 30, 2020 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

Findings

Timely Remittance to the State Treasurer

The Town has not submitted the STRRF for November 2019, April 2020 and May 2020. The revenue that should have been remitted for these STRRF was recalculated and presented in **Under/(Over) Reported Amounts**.

Additionally, of the nine STRRF that were submitted to the State Treasurer's Office (STO), eight were submitted between 31 and 280 days late.

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Section 14-1 208(B) of the 1976 South Carolina Code of Laws, as amended, requires the Town to remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a manner prescribed by the State Treasurer.

Fairfax Response: The Town has chosen not to respond.

Reporting Errors

The Town incorrectly reported amounts on the STRRF submitted to the STO for December 2019 and June 2020. I have included the differences by STRRF line item in **Under/(Over) Reported Amounts**.

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 October 1 in the next fiscal year in accordance with State law.

Findings

Timely Deposits

Victim Assistance funds of \$288.10 collected for the months of July 2020 through September 2020 were not transferred to a separate fund and deposited into a separate bank account as of the report date. Also, the December 2019 deposit did not agree with the detail supporting schedule; it was short \$44.09.

The Department of Crime Victims Compensation recommends a minimum of quarterly deposits and suggests deposits be made monthly.

Fairfax Response: The Town has chosen not to respond.

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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 October 1, 2019 through September 30, 2020, 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

The Town’s schedule was not in the format prescribed by law.

The South Carolina Code of Laws Section 14-1-206 (E)(1), as amended states, “... the Uniform Supplemental Schedule Form developed by the Office of the Attorney General, South Carolina Crime Victim Services Division, must be used by all counties and municipalities... .”

Fairfax Response: The Town has chosen not to respond.

5. Under/(Over) Reported Amounts

I inspected copies of STRRF for the procedures period and traced amounts to reports generated by court accounting software and STO receipts. I confirmed amounts that should have been reported and also noted differences in court reports and STRRF amounts. I have reported the amount underreported by STRRF line item in the table below as a result of these errors:

STRRF LINE	DESCRIPTION		
F.	Municipal DUS DPS Pullout - \$100.00	\$	231.01
J.	Municipal Drug Surcharge \$150		150.00
K.	Municipal Law Enforcement Surcharge - \$25 per case		1,857.75
L.	Municipal Court -107.5%		<u>2,871.53</u>
M.	TOTAL REVENUE REMITTED TO STATE TREASURER		<u><u>5,110.29</u></u>

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6. Status of Prior Findings

- I inquired with management of the Municipality about the status of finding(s) reported in the Accountant's Comments section of the State Auditor's Report on the County/Municipality resulting from an engagement for the period ended September 30, 2019, to confirm that the Municipality had taken adequate corrective action.

The findings related to Adherence to Fine Guidelines, Timely Remittance and Victim Assistance Deposits are all repeated. The finding related to the Victims' Service Funds Carryforward Balance was resolved on January 5, 2021 when a check was transmitted to the proper agency whereby the Town retained only the \$25,000 balance mandated by law.

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 Town of Fairfax Municipal Court for the period October 1, 2019 through September 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 Town of Fairfax 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 Fairfax Municipal Council, Fairfax Municipal Clerk of Court, Fairfax Municipal Treasurer, State Treasurer, Department of Crime Victim

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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