
City of Loris Municipal Court

Loris, South Carolina

Independent Accountant's Report on Applying Agreed-Upon
Procedures for the year ended June 30, 2021



October 26, 2021

The Honorable Todd Harrelson, Mayor
City of Loris Municipal Court
Loris, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Loris Municipal Court System as of and for the year ended July 1, 2020 through June 30, 2021, was issued by Brown CPA, LLC, Certified Public Accountants, 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

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BROWN CPA, LLC

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

Mr. Todd Harrelson, Mayor
City of Loris
Loris, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the City of Loris Municipal Court for the period July 1, 2020 through June 30, 2021, in the areas addressed. The City of Loris Municipal Court (the "Municipality") is 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, 2020 through June 30, 2021. 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, user 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

- 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.

Findings: Two of the twenty-five court receipts were assessed for the incorrect amount:

1. An individual was charged for not having a driver's license 1st offense and assessed a fine of \$100; South Carolina Code of Laws Section 56-1-440 specifies that the fine should be between \$128.75 and \$232.50.
2. An individual was charged for driving under suspension 2nd offense and assessed a fine of \$1,275; South Carolina Code of Laws Section 56-1-460(A)(1)(b) specifies that the fine should be \$1,270.

Management Response – See Attachment A.

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MEMBER:
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS



2. **Municipal Treasurer**

- 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 July 1, 2020 through June 30, 2021 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

Findings:

1. Timely Submission of STRRF – Eight of the twelve STRRF were not timely submitted to the State Treasurer’s Office:

| Days Late | Number of Instances |
|-----------|---------------------|
| 1 – 15 | 7 |
| 16 – 30 | 1 |

Section 14-1-208(A) of the South Carolina Code of Laws states “...this assessment must be paid to the municipal clerk of court and deposited with the city treasurer for remittance to the State Treasurer.” Section 14-1-208(B) of the South Carolina Code of Laws requires the City 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.

2. Audit Report Uniform Schedule – The Municipality was unable to provide us with an audit report for the year ended June 30, 2021. The most recent financials statement audit was for the year ended June 30, 2016, as such certain procedures could not be performed. Section 14-1-208 of the South Carolina Code of Laws requires the Municipality to produce an annual audit report and to submit such report to the State Treasurer within thirteen months of its year-end.

Management Response – See Attachment A

3. **Victim Assistance**

- We made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- We randomly 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 account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

We found no exceptions as a result of the procedures.

4. Uniform Schedule of Court Fines, Assessments and Surcharges

- We agreed amounts reported by the Municipality on its Uniform Schedule of Court Fines, Assessments and Surcharges (“Uniform Schedule”), as reported in the annual financial statement audit, for the period July 1, 2020 through June 30, 2021, to the Municipality’s general ledger.
- We 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 14-1-206.

Finding – See finding regarding annual audit report in procedure #2 above.

We were engaged by the South Carolina Office of the State Auditor to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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 Municipality for the period July 1, 2020 through June 30, 2021. 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.

We are required to be independent of the Municipality and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Governor, Chairman of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of City of Loris Council, City of Loris Clerk of Court, City of Loris Treasurer, State Treasurer, the South Carolina 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.

BROWN CPA, L.L.C.

Irmo, South Carolina
October 26, 2021

Attachment A

TODD M. HARRELSON
MAYOR

Todd K. Massey II
City Clerk

Jenna Santiago
City Treasurer



COUNCIL

JOAN S. GAUSE
LEWIS C. HARDEE, JR.
TERRENCE T. HARDEE
CARROLL D. PADGETT JR.
MICHAEL E. SUGGS
JAN P. VESCOVI

CITY OF LORIS

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LORIS, SOUTH CAROLINA 29569-0548
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October 26, 2021

To whom it may concern:

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

For the fines incorrectly assessed, we will provide a copy of this report to our Judge and ask he strictly adhere to State minimum and maximum amounts.

We have had some turnover in our office and did not get all STRRF timely submitted, we will prioritize timely submission on a go forward basis.

We have not issued our financial statements since the year ended June 30, 2016. We understand that State Law Section 14-1-208 of the 1976 Code to the State Treasurer requires the audit report to be submitted within thirteen months of the end of the fiscal year to the State Treasurer. We are currently in the process of getting past year audit reports completed and anticipate submitting the audits to the State Treasurer in the near term.

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

Sincerely yours,

Keith Massey B.A. M.B.A
City of Lorris
City Clerk