

**SCRANTON MUNICIPAL COURT
SCRANTON, SOUTH CAROLINA**

STATE AUDITOR'S REPORT

JUNE 30, 2021

CONTENTS

	<u>PAGE</u>
I. STATE AUDITOR'S OFFICE TRANSMITTAL LETTER	1
II. INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	2 - 5



January 7, 2022

The Honorable John R. Kirven, Chief Judge
Ms. Cindy Powell, Clerk of Court/Treasurer
Town of Scranton Municipal Court
Scranton, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Scranton Municipal Court System as of and for the period July 1, 2020 through June 30, 2021, 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/trb

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

January 7, 2022

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

The Honorable John R. Kirven, Chief Judge
Ms. Cindy Powell, Clerk of Court/Treasurer
Town of Scranton Municipal Court
Scranton, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Scranton and the Scranton Municipal Court (the Municipality) for the period July 1, 2020 through June 30, 2021, in the areas addressed. The Town of Scranton and the Scranton Municipal Court (the Municipality) 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, 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, 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 John R. Kirven, Chief Judge
Ms. Cindy Powell, Clerk of Court/Treasurer
Town of Scranton Municipal Court
Scranton, South Carolina
January 7, 2022

- 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.

Finding

Adherence to Fine Guidelines - Driving Under Suspension Second

The Court fined one defendant \$566.27 for Driving Under Suspension, second offense. Section 56-01-460 (A)(1) of the 1976 South Carolina Code of Laws, as amended, states, "A person who drives a motor vehicle on a public highway of this State when the person's license to drive is canceled, suspended, or revoked must, upon conviction, be punished as follows: ... (b) for a second offense, fined six hundred dollars ...".

Scranton Response: The judge mistakenly rounded the total fine down, thus causing the fine amount to be below the minimum.

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 July 1, 2020 through June 30, 2021 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.

Mr. George L. Kennedy, III, CPA, State Auditor
And

The Honorable John R. Kirven, Chief Judge
Ms. Cindy Powell, Clerk of Court/Treasurer
Town of Scranton Municipal Court
Scranton, South Carolina
January 7, 2022

- 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 in the next fiscal year in accordance with State law.

Finding

The Town did not deposit the required \$92.18 from the STRRF into the Victims' Fund bank account for the month of August 2020.

Scranton Response: The deposit was made in January 2022 after this issue was brought to the Town's attention.

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 (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.
- I inspected the Municipality's Uniform 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.

Finding

Audit Report Uniform Schedule

The Municipality was unable to provide me with an audit report for the year ended June 30, 2021. The most recent financial statement audit was for the year ended June 30, 2019, and 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.

Mr. George L. Kennedy, III, CPA, State Auditor
And

The Honorable John R. Kirven, Chief Judge
Ms. Cindy Powell, Clerk of Court/Treasurer
Town of Scranton Municipal Court
Scranton, South Carolina
January 7, 2022

Scranton Response: The Town has recently hired a new clerk and will now focus on timely preparation of our financial statement audits.

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 Scranton Municipal Court for the period July 1, 2020 through June 30, 2021. 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 Scranton 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 Scranton Municipal Council, Scranton Municipal Court, Scranton 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