

**WAGENER MUNICIPAL COURT
WAGENER, SOUTH CAROLINA**

STATE AUDITOR'S REPORT

JUNE 30, 2021

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April 19, 2022

The Honorable Donna H. Williamson, Chief Judge
Ms. Angel Jeffcoat, Clerk/Treasurer
Town of Wagener Municipal Court
Wagener, South Carolina

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

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

April 19, 2022

Mr. George L. Kennedy, III, CPA

State Auditor

State of South Carolina

Columbia, South Carolina

and

The Honorable Donna H. Williamson, Chief Judge

Town of Wagener Municipal Court

Ms. Angel Jeffcoat, Clerk/Treasurer

Wagener, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Wagener (the Town) and the Wagener Municipal Court (the Court) for the period July 1, 2020 through June 30, 2021, in the areas addressed. The Town of Wagener and the Wagener 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, 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 18 of 138 cases from the court dockets and recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee,

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assessment and surcharge were properly allocated in accordance with applicable State law and the South Carolina Court Administration fee memoranda.

- 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 Payment 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 South Carolina Code of Laws 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...”.

Town of Wagener Response: The Town agrees to the finding.

Installment Payments

The Town’s software does not allocate installment payments in accordance with State law. It is the policy of the Town to enter partial payments once the fine is fully paid. Section 14-1-209 of the South Carolina Code of Laws 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.”

Town of Wagener Response: The Town agrees to the finding.

Remittance Software

The Town is using software that is no longer supported by the vendor and does not comply with State law. For two selected violations there was no \$25 Law Enforcement surcharge assessed on the fine. For another violation the receipted payment did not appear in the monthly remittance report support provided and was therefore excluded from the remittance. Further, local

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violations related to traffic offenses had the \$25 conviction surcharge assessed on them.

Town of Wagener Response: The Town agrees to the finding.

2. Town 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 Town's support.
- I inspected the Town's support to confirm that the Town 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.

Findings

Submission of State Treasurer's Revenue Remittance Forms [STRRF]

All twelve monthly STRRF were submitted to the State Treasurer's Office (STO) for the procedures period; however, none were submitted timely. The STRRF were submitted between 26 and 339 days late. The Town could only provide copies of the STRRF submitted for five of those months and the support consisted of the software generated allocation and assessment summary totals with another printout of the individual ticket detail to allow tracing into the supporting totals. Both these reports were printed during fieldwork, and no contemporaneous detail could be provided. Also, one STRRF was a summary of March 2021 through August 2021 with no detail by individual months. The summarizing of multiple months in one STRRF is not in compliance with State law.

Section 14-1-208(B) of the South Carolina Code of Laws 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.

Town of Wagener Response: The Town agrees to the finding.

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State Treasurer's Revenue Remittance Forms Support

For six of the STRRF's I was unable to trace reported amounts to State Treasurer Office's receipts. As no contemporaneous support was provided by the Town, I was unable to reconcile the discrepancies. See the **Under/(Over) Reported Amounts** finding below.

Town of Wagener Response: The Town agrees to the finding.

3. Victim Assistance

- I made inquiries and confirmed that any funds retained by the Town for victim assistance were deposited into a separate account.
 - I selected all expenditures to confirm that the Town expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda, Attachment L.
 - I inspected the Town'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.

Findings

Part- time Salary Agreement

The Town has not updated the Department of Crime Victims' Compensation (DCVC) salary agreement since October 2, 2014. This should be done at least biannually per DCVC requirements.

Town of Wagener Response: The Town agrees to the finding.

Victims' Assistance Revenues

There were no deposits made to the Victims' Assistance account during the procedures period; however, I calculated Victims' Assistance revenue of \$1,617.17. See the **Under/(Over) Reported Amounts** finding below.

Town of Wagener Response: The Town agrees to the finding.

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4. Uniform Schedule of Court Fines, Assessments and Surcharges

- I agreed the amounts reported by the Town on its Uniform Schedule of Court Fines, Assessments and Surcharges, as reported in the annual financial statement audit, for the period July 1, 2019 through June 30, 2020, to the Town's general ledger.
- I inspected the Town'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 the South Carolina Code of Laws Section 14-1-208.

Findings

- The Uniform Schedule of Court Fines, Assessments and Surcharges (the Schedule) included in the Town's financial statements for the year ended June 30, 2020, was not in the form prescribed by the Office of the Attorney General.

Section 14-1-208(E)(1) of the South Carolina Code of Laws states, "To the extent that records are made available in the format determined pursuant to subsection (E)(4), 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 to report their crime victim services funds."

- The Schedule reported that 100% of the fines collected were remitted to the State Treasurer. This is not in accordance with State law as only fine pullouts should be submitted to the State Treasurer and all other fine revenues retained by the Town. Also, the Schedule did not agree to the general ledger.

Town of Wagener Response: The Town agrees to the finding.

5. Under/(Over) Reported Amounts

I recalculated fines, fees, surcharges and assessments for the procedures period on all collections, including partial payments, and traced amounts to STO receipts. I recalculated and confirmed amounts that should have been reported

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and also noted differences in amounts as reported. I have reported the recalculated amounts underreported by STRRF line item in the table below as a result of these procedures:

STRRF LINE	DESCRIPTION		
F.	Municipal DUS DPS Pullout - \$100.00	\$	124.03
J.	Municipal Drug Surcharge \$150		600.00
K.	Municipal Law Enforcement Surcharge - \$25 per case		996.39
KA.	Municipal Criminal Justice Academy - \$5		(23.88)
L.	Municipal Court -107.5%		<u>749.19</u>
M.	TOTAL REVENUE DUE TO STATE TREASURER		<u>2,445.73</u>
N.	Assessments – Municipal		1,492.17
O.	Surcharges - Municipal		<u>125.00</u>
P.	Total Due To Victim Services	\$	<u><u>1,617.17</u></u>

6. Status of Prior Findings

I inquired of management of the Town about the status of findings reported in the Accountant’s Comments section of the State Auditor’s Report on the Town resulting from an engagement for the period ended June 30, 2018, to confirm that the Town had taken adequate corrective action.

The Town implemented appropriate corrective action for the prior findings of **Adherence to Fine Guidelines, Victim Assistance Expenses and Fund Balance and Borrowing Victim Assistance Funds.**

However, the following findings have been repeated: **Installment Payments, Timely Submission of STRRF, Remittance Form Errors, Supplementary Schedule and Victim Assistance Part-time Salary Agreement.**

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,

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respectively, on the systems, processes, and behaviors related to financial activity of the Town of Wagener 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 Wagener 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 Town of Wagener Municipal Council, the Town of Wagener Municipal Court, the Town of Wagener 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