

**BONNEAU MUNICIPAL COURT  
BONNEAU, SOUTH CAROLINA**

**STATE AUDITOR'S REPORT**

**JUNE 30, 2018**

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April 27, 2022

The Honorable Whilden V. Baggett, Chief Judge  
Town of Bonneau Municipal Court  
Ms. Elizabeth Wrenn, Clerk/Treasurer  
Bonneau, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Bonneau Municipal Court System as of and for the period July 1, 2017 through June 30, 2018, 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

April 27, 2022

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

The Honorable Whilden V. Baggett, Chief Judge  
Town of Bonneau Municipal Court  
Ms. Elizabeth Wrenn, Clerk/Treasurer  
Bonneau, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Bonneau and the Bonneau Municipal Court for the period July 1, 2017 through June 30, 2018, in the areas addressed. The Town of Bonneau (the Town) and the Bonneau Municipal Court (the 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, 2017 through June 30, 2018. 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**

#### **Driving Under Suspension First Offense**

The Court fined one defendant \$299.76 for Driving Under Suspension, first 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 three hundred dollars ...".

**Bonneau Response:** The judge mistakenly fined the defendant \$299.76.

#### **Local Ordinances**

The Court fined one defendant \$623.27, another \$594.43 and another \$550.84 for a Town ordinance related to possession of drugs or drug paraphernalia. South Carolina Code of Laws Section 5-7-30 states "...The municipal governing body may fix fines and penalties for the violation of municipal ordinances and regulations not exceeding five hundred dollars or imprisonment not exceeding thirty days, or both....".

**Bonneau Response:** The judge mistakenly fined the defendants because the Town was not aware of the \$500 limit.

#### **Drug Surcharge**

The Town did not assess the \$150 drug surcharge on the Town ordinance related to Drug Paraphernalia. While the State statute for Drug Paraphernalia is a civil violation, the Town ordinance is criminal and should have been assessed all applicable assessments and surcharges. Section 14-1-213 (A) of the 1976 South Carolina Code of Laws states, "...a one hundred fifty dollar surcharge is also

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levied on all monetary ... penalties imposed in ... municipal court for misdemeanor or felony drug offenses. No portion of the surcharge may be waived, reduced, or suspended.”

**Bonneau Response:** The Town did not realize this was required on local ordinances. We will notify our programmer and the software will be updated as soon as possible.

### **Speeding**

The judge fined one defendant \$25.06 for Speeding less than 10 mph over the limit. Section 56-5-1520(G) of the 1976 South Carolina Code of Laws states, “A person violating the speed limits ... must be fined ... not less than fifteen dollars nor more than twenty-five dollars;

**Bonneau Response:** The judge mistakenly fined the defendant \$25.06.

### **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, 2017 through June 30, 2018 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

### **Finding: Timely Filing of State Treasurer’s Revenue Remittance Form**

Twelve STRRF were prepared during the procedures period but only six were submitted to the State Treasurer (STO). All six were submitted late. As of the last date of fieldwork, the remaining STRRF have not been submitted. See procedure #5 for amount owed to the STO. Also, the Town could not provide support for the October 2017 STRRF.

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This is a repeat finding. See **Status of Prior Year Findings** below.

**Town of Bonneau Response:** The Town's finances have not allowed for timely submission and payment of assessments and surcharges.

**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**

**Victim Assistance Revenues**

The Town made no deposits for victim assistance revenues during the procedures period. An amount of \$16,492.39 should have been deposited in the Town's victim assistance fund.

**Proviso 93.27**

A Department of Crime Victim Compensation (DCVC) audit resulted in an amount owed the victims' assistance fund of \$16,492.39 for fiscal year 2018. As of the last date of fieldwork the Town has not remitted any funds to DCVC; therefore, any victim assistance revenue collected is owed to the DCVC. See table below.

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Fiscal Year Information	Amount	
June 30, 2017 Carryforward Cumulative Balance	\$	100,587.21
Victim Assistance Revenue Collected in FY2018		<u>16,492.39</u>
Cumulative Balance Owed DCVC as of June 30, 2018	\$	<u>117,079.60</u>

Proviso 93.27 of the 2017-2018 Appropriation Act states “A ... municipality may retain carry forward funds that were collected pursuant to Sections ... 14-1-208 (B) and (D), and 14-1-211 (B) of the 1976 Code, but no more than \$25,000 or ten percent of funds collected in the prior fiscal year, whichever is higher.”

#### 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, 2017 through June 30, 2018, 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 South Carolina Code of Laws Section 14-1-208.

#### Finding: Financial Statement Audit

The Town was unable to provide me with an audit report for the year ended June 30, 2018. The most recent financial statement audit was for the year ended June 30, 2014; as such, certain procedures could not be performed.

#### Town of Bonneau Response:

The Town has contracted with an independent Certified Public Accountant who is currently performing the June 30, 2015 audit which is soon to be released.

#### 5. Under Reported Amounts

- I inspected copies of STRRF for the procedures period and traced amounts to reports generated by court accounting software and to STO receipts. I recalculated and confirmed amounts that should have been reported and also

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noted differences in court reports and STRRF amounts as reported. I have reported the recalculated amounts 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	\$	1,600.76
G.	Municipal DUI Assessment - \$12		15.71
H.	Municipal DUI Surcharge - \$100		130.90
I.	Municipal DUI DPS Pullout - \$100		130.90
IA.	DUI/DUAC Breathalyzer Test Convection Fee SLED \$25		2.46
J.	Municipal Drug Surcharge \$150		1,620.89
K.	Municipal Law Enforcement Surcharge - \$25 per case		21,311.23
KA.	Municipal Criminal Justice Academy - \$5		98.28
L.	Municipal Court -107.5%		<u>74,898.71</u>
M.	CURRENT YEAR REVENUE DUE TO STO	\$	<u>99,809.84</u>
N.	Assessments – Municipal	\$	13,908.65
O.	Surcharges - Municipal		<u>2,583.74</u>
P.	Total Retained for Victim Services	\$	<u>16,492.39</u>
	CUMULATIVE REVENUE DUE TO STO AS OF JUNE 30, 2017	\$	83,033.47
	CURRENT YEAR REVENUE DUE TO STO		<u>99,809.84</u>
	<b>CUMULATIVE REVENUE DUE TO STO AS OF JUNE 30, 2018</b>	<b>\$</b>	<b><u>182,843.31</u></b>

## 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, 2017 to confirm that the Town had taken adequate corrective action. The following Town's findings are repeated: **Adherence to Fine Guidelines Timely Filing of State Treasurer's Revenue Remittance Form, Victims Assistance Fund Balance and Supplemental Schedule/Uniform Schedule of Court Fines,**

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**Assessments and Surcharges.** The Town's corrective action of implementing a new software system alleviated the **Installment Fee**, and **Manual Calculation of Remittances** findings.

Further, one finding/issue that is unresolved from the prior report is related to the \$216,875.85 of deposits recorded in the Bonds and Fines bank account/revenue but never assessed or allocated in accordance with State law. The Town was going to confirm my finding and determine its validity; however as of the current date I have not been given any confirmation or denial of the finding.

**Town of Bonneau Response:**

The Town admits there are differences. The Town has determined these differences may be caused by errors related to posting of daily deposits in the general ledger. For instance, in months where property tax deposits should be higher than fines revenues, fines revenue show a substantial increase while tax revenues remain flat. The Town used the assistance of an accounting professional in prior years. However, this professional is no longer available and these errors have gone undetected and uncorrected. The Town has decided to investigate the differences further and anticipates this to be completed by June 30, 2022.

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 Bonneau Municipal Court for the period July 1, 2017 through June 30, 2018. 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.

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I am required to be independent of the Town of Bonneau 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 Bonneau Municipal Council, Bonneau Municipal Court, Bonneau 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*