

**HARDEEVILLE MUNICIPAL COURT  
HARDEEVILLE, SOUTH CAROLINA**

**STATE AUDITOR'S REPORT**

**JUNE 30, 2022**

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November 16, 2022

The Honorable Nancy Gutierrez, Chief Judge  
Ms. Melissa Padgett, Clerk/Treasurer  
City of Hardeeville Municipal Court  
Mr. John Boyle, Finance Director  
Hardeeville, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Hardeeville Municipal Court System as of and for the period July 1, 2021 through June 30, 2022, 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

November 16, 2022

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

The Honorable Nancy Gutierrez, Chief Judge  
Ms. Melissa Padgett, Clerk/Treasurer  
City of Hardeeville Municipal Court  
Mr. John Boyle, Finance Director  
Hardeeville, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the City of Hardeeville and the Hardeeville Municipal Court for the period July 1, 2021 through June 30, 2022, in the areas addressed. The City of Hardeeville (the City) and the Hardeeville 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, 2021 through June 30, 2022. 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 Nancy Gutierrez, Chief Judge  
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City of Hardeeville Municipal Court  
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Hardeeville, South Carolina  
November 16, 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.

## **Findings**

### **Adherence to Fine Guidelines**

#### **Driving Under the Influence [DUI] First Offense**

The Court fined one defendant \$387.96 for DUI <.10 alcohol concentration, first offense. Section 56-5-2930 (A) of the 1976 South Carolina Code of Laws states, "It is unlawful for a person to drive a motor vehicle within this State while under the influence of alcohol ...

(1) for a first offense, by a fine of four hundred dollars..."

**City of Hardeeville Response:** The Bond Hearing Judge collected the correct total fine as there was no blood alcohol [BA] level displayed on the ticket. He manually entered this amount into CMS. The BA fee was not removed thus causing said amount to disburse incorrectly in the system.

#### **Finding: Traffic Education Program Application Fee**

The software system will not allow these fees to be input and therefore they have to be handwritten on the STRRF in order to be submitted to the State Treasurer.

**City of Hardeeville Response:** The City has submitted a request to the Judicial Department software system support staff to investigate and correct the problem.

#### **2. City 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 City's support.
  - I inspected the City's support to confirm that the City properly classified fine, fee, assessment, and surcharge receipts.

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- I inspected all State Treasurer's Revenue Remittance Forms [STRRF] for the period July 1, 2021 through June 30, 2022 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

There were no findings as a result of these procedures.

### **3. Victim Assistance**

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

There were no findings as a result of these procedures.

### **4. Uniform Schedule of Court Fines, Assessments and Surcharges**

- I agreed the amounts reported by the City 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 City's general ledger.
- I inspected the City'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: Reporting Error**

The Uniform Schedule in the annual financial report incorrectly reported Assessments Retained for Victim Witness Services as \$435,281. This amount did not agree to the general ledger.

Mr. George L. Kennedy, III, CPA, State Auditor  
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**City of Hardeeville Response:**

This was a clerical error that went undetected when the Schedule was prepared and presented. Assessments retained should have been reported as \$19,349.

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 City of Hardeeville Municipal Court for the period July 1, 2021 through June 30, 2022. 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 City of Hardeeville 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 Hardeeville Municipal Council, Hardeeville Municipal Court, Hardeeville 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*