

**PROSPERITY MUNICIPAL COURT
PROSPERITY, SOUTH CAROLINA**

STATE AUDITOR'S REPORT

JUNE 30, 2022

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April 21, 2023

The Honorable Barry Koon, Chief Judge
Town of Prosperity Municipal Court
Ms. Michelle Bundrick, Clerk/Treasurer
Prosperity, South Carolina

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

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

April 21, 2023

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

The Honorable Barry Koon, Chief Judge
Town of Prosperity Municipal Court
Ms. Michelle Bundrick, Clerk/Treasurer
Prosperity, South Carolina

I have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Prosperity and the Prosperity Municipal Court for the period July 1, 2021 through June 30, 2022, in the areas addressed. The Town of Prosperity (the Town) and the Prosperity 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
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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 [DUS] First Offense

The Court fined one defendant \$299.76 for DUS, first offense. Section 56-1-460 (A) (1) of the South Carolina Code of Laws 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:

(a) for a first offense, fined three hundred dollars or imprisoned for up to thirty days, or both”.

Town of Prosperity Response: The total fine was rounded down below the minimum.

Fraudulent Check

The Court fined one defendant \$76.63 for Fraudulent Check in the amount of \$837.66. Section 34-11-60 of the South Carolina Code of Laws states, “for a first conviction, if the amount of the instrument is more than five hundred dollars but not greater than one thousand dollars, by a fine of not less than three hundred nor more than five hundred dollars” Also, Section 34-11-90 of the South Carolina Code of Laws states, “If the amount of the instrument is one thousand dollars or less, it must be tried exclusively in a magistrates’ court. A municipal governing body, by ordinance, may adopt by reference the provisions of this chapter.”

The Court did not reference the municipal governing body’s ordinance, instead, the Court referenced the State statute when sentencing.

Town of Prosperity Response: Neither the Court nor the Town have any response as to why this occurred.

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Local Traffic Ordinance Violations

The Court enforces the Town's local ordinance for Operation of a Vehicle Generally, this is clearly a traffic violation. However, the criminal conviction surcharge was assessed as part of the Court assessments. Section 14-1-211 (A)(1) of the South Carolina Code of Laws, as amended, states, "In addition to all other assessments and surcharges ... a twenty-five dollar surcharge is imposed on all convictions obtained in magistrates and municipal courts in this State. The surcharge may not be imposed on convictions for misdemeanor traffic offenses"

Town of Prosperity Response: The Court set up the violation incorrectly in the Court software, including the surcharge improperly in the assessments of the misdemeanor traffic violation. This has since been corrected in the software and is no longer assessed on these violations.

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, 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 Town for victim assistance were deposited into a separate account.

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

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 Town on its Uniform Schedule of Court Fines, Assessments and Surcharges, as reported in the annual financial statement audit, for the period July 1, 2021 through June 30, 2022, 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.

There were no findings as a result of these procedures.

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 Prosperity 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.

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