TOWN OF KINGSTREE MUNICIPAL COURT
KINGSTREE, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2023

SOUTH CAROLINA OFFICE OF THE STATE AUDITOR
SOUTH CAROLINA OFFICE OF THE STATE AUDITOR
1401 Main Street, Suite 1200 • Columbia, SC 29201

May 13, 2024

The Honorable Martin Easler, Chief Judge
Ms. Amanda Phillips, Municipal Clerk
Town of Kingstree
Kingstree, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Kingstree Municipal Court System as of and for the period July 1, 2022 through June 30, 2023, was issued by The Hobbs Group, P.A., 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

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

May 13, 2024

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

The Honorable Martin Easler, Chief Judge
Ms. Amanda Phillips, Municipal Clerk
Town of Kingstree
Kingstree, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Kingstree Municipal Court (the "*Town*") for the period July 1, 2022 through June 30, 2023, in the areas addressed. The Town is 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, 2022 through June 30, 2023. 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**
   - We obtained the court dockets or equivalents from the Clerk of Court. We haphazardly 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.
   - We haphazardly selected 25 court receipt transactions to confirm that the fine, fee, assessment and surcharge adhered to State law and the South Carolina Court Administration fee memoranda and that the receipts were allocated in accordance with applicable State law.

We found no exceptions as a result of the procedures performed.

2. **Town Treasurer**
    - We 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.
    - We agreed the amounts reported on the monthly remittance forms or equivalents to the Town's support.
    - We inspected the Town's support to confirm that the Town properly classified fine, fee, assessment, and surcharge receipts.
    - We inspected all State Treasurer's Revenue Remittance Forms ("STRRF") for the period July 1, 2022 through June 30, 2023 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

We found no exceptions as a result of the procedures performed.

3. **Victim Assistance**
    - We made inquiries and confirmed that any funds retained by the Town for victim assistance were deposited into a separate account.
    - We haphazardly selected five expenditures to confirm that the Town expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda.
    - We inspected the Town's victim assistance account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

Finding -- Carryforward Victims Assistance Fund Balance

The Town of Kingstree has not spent or transferred victim assistance amounts collected in accordance with State Law. Proviso 59.15 of the fiscal year 2023 Appropriations Act limits the amount retained to an annual limit of no more than $25,000 or ten percent of funds collected in the prior fiscal year, whichever is higher. Unspent funds greater than the carry forward limit, regardless of year collected, are required to be remitted to the State Victim Assistance Program with the Office of the Attorney General within 120 days after the end of the Town's fiscal year. The Victim Assistance funds available at June 30, 2023 was $50,851.

Management Response: See Attachment A.

4. **Uniform Schedule of Court Fines, Assessments and Surcharges**
    - We agreed amounts reported by the Town 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, 2022 through June 30, 2023, to the Town's general ledger.
    - We 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.

Finding -- Uniform Schedule

The Town's Uniform Schedule in the audit report for the year ended June 30, 2023 was not properly titled and was not in the prescribed format. The Uniform Schedule did not properly show the breakdown in victim assistance revenues between assessments and surcharges retained and it did not describe in any detail how the revenues were expended. Additionally, the Uniform Schedule only showed the sum of all court fines, assessments and surcharges remitted to the State and not the amount of each category.

Management's Response: See Attachment A.

We were engaged by the South Carolina Office of the State Auditor to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the systems, processes, and behaviors related to financial activity of the Town for the period July 1, 2022 through June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our 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 Kingstree Municipal Council, the Clerk of Court, Town Clerk/Treasurer, State Treasurer, South Carolina 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.

The Hobbs Group, P.A.
Columbia, South Carolina

The Hobbs Group, P.A.

Attachment A

Town of Kingstree

3/21/2024

RE: Town of Kingstree Municipal Court
Independent Accountants' Report
Year ending June 30, 2023

Finding: Carryforward Victims Assistance Fund Balance

We were unaware of the Proviso that limits the amount the Town of Victims Assistance Funds that the Town retains. We collected $3,739.55 in Victims' Funds in FY 2023. Since 10% of that is less than $25,000, we are allowed to keep $25,000 in the account. The account balance as of 6/30/2023 was $50,851. We have mailed a check for the State Victim Assistance Program for $25,851 to rectify this problem.

We will adhere to this Proviso going forward.

Finding: Uniform Schedule

Beginning with the current fiscal year, we will correct the Uniform Schedule in our audits to properly show the breakdown in victim service revenues between assessments and surcharges retained. We will also give detail on all expenditures. We will also show court fines, assessments, and surcharges individually as well as the total amount remitted to the State for the year.

Merianne Cowley
Finance Director