CITY OF SIMPSONVILLE MUNICIPAL COURT
SIMPSONVILLE, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2023

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

June 14, 2024

The Honorable Richard Moore, Chief Judge
Ms. Ashley F. Clark, Clerk of Court
City of Simpsonville
Simpsonville, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Simpsonville Municipal Court as of and for the period July 1, 2022 through June 30, 2023, was issued by The Hobbs Group, PA, 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

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 14, 2024

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

The Honorable Richard Moore, Chief Judge
Ms. Ashley F. Clark, Clerk of Court
City of Simpsonville
Simpsonville, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the City of Simpsonville Municipal Court (the "*City*") for the period July 1, 2022 through June 30, 2023, in the areas addressed. The City 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.

Finding -- Installment Fee

There was one instance in which the City did not assess and collect the three percent installment fee from an individual who paid in installments. Section 14-17-725 of the 1976 South Carolina Code of Laws, as amended, states, "Where criminal fines, assessments, or restitution payment 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..".

Management Response: Moving forward, we will be sure to collect installment fees on all installment payments.

Findings – Adherence to Fine Guidelines:

During our inspection of the City's court collections and remittances, we observed the following instances in which the City did not fine the defendant in accordance with State law:

Unlawful To Advertise For Sale, Manufacture, Possess, Sell Or Deliver, Or To Possess With Intent To Sell Or Deliver Paraphernalia

The City incorrectly calculated an assessment and drug surcharge to an individual charged with a civil fine for advertising, manufacturing, possessing, selling, etc. paraphernalia. The fine was $300; however, $252 was incorrectly charged for assessments and surcharges. Assessments, surcharges, or fees do not apply to civil fines. Therefore the civil fine was charged correctly, but the assessment and surcharge were not necessary.

Management Response: We reached out to Court Administration and LawTrak (court software contact), the fines were being assessed, however, this has been corrected.

Driving Under Suspension, First Offense

The City fined an individual $228.91 for driving under suspension, license not suspended with a DUI, first offense. Section 56-0460(A)(1)(a) of the 1976 SC 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 cancelled, suspended, or revoked must, upon conviction be punished as follows:

(a) For a first offense, fined three hundred dollars or imprisoned up to thirty days, or both;"

Management Response: Fine was lowered in court by Trial Judge at his discretion. Moving forward, we will be sure to not go below the minimum fine amount.

Speeding

The City fined an individual $24.09 for speeding more than fifteen but less than twenty-five miles an hour over the speed limit. Section 56-05-1520(G)(3) of the 1976 SC Code of laws, as amended, states, "A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows:…

> (3) in excess of fifteen miles an hour but less than twenty-five miles an hour above the posted limit by a fine of not less than fifty dollars nor more than seventy-five dollars;"

Management Response: Fine was lowered in court by Trial Judge at his discretion. Moving forward, we will be sure to not go below the minimum fine amount.

2. **City 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 City's support.
    - We inspected the City's support to confirm that the City 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 City for victim assistance were deposited into a separate account.
    - We haphazardly selected five expenditures to confirm that the City expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda.
    - We inspected the City'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 -- <u>Petty Cash Log</u>
One victim assistance expenditure was a check written to petty cash for $150. This was recorded as an expense. A petty cash log could not be provided to support any transactions with petty cash funds.

Management Response: We have met with the Victims advocate and she has now created a petty cash log, and in the future will be logging this information.

4. **Uniform Schedule of Court Fines, Assessments and Surcharges**
    - We agreed 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, 2022 through June 30, 2023, to the City's general ledger.
    - We 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 the South Carolina Code of Laws Section 14-1-208.

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

5. **Over Reported Amounts**

We inspected copies of STRRF for the procedures period and traced amounts to reports generated by court accounting software and to STO receipts. We recalculated and confirmed amounts that should have been reported and also noted differences in court reports and STRRF amounts as reported. We have reported the recalculated amounts overreported by STRRF line item in the following table as a result of these errors:

STRRF Line	Description	Amount
F	Municipal DUS DPS Pullout - $150	$ 150.00
K	Municipal Law Enforcement Surcharge	25.00
L	Municipal - 107.5%	46.02
M.	Total Revenue Due From State Treasurer	221.02
N.	Assessments - Municipal	25.00
O.	Surcharges - Municipal	5.78
P.	Total Retained for Victims Services	$ 30.78

Management Response: We are now aware of how fines should be assessed and will be sure that fines are properly assessed so the STRRFs are submitted accurately.

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 City 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 City and to meet our 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 City of Simpsonville Municipal Council, the Clerk of Court, City 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

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