TOWN OF WILLISTON MUNICIPAL COURT
WILLISTON, 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 Robert O. Cooper, Chief Judge
Ms. Kayla Michelle Jerkins, Clerk of Court
Town of Williston
Williston, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Williston 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

GLKIII/trb

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1704 Laurel Street
Columbia, SC 29201

P.O. Box 2411
Columbia, SC 29202

Phone (803) 799-0555
Fax (803) 799-4212

TheHobbsGroup
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS, PA

125 W. Stone Avenue
Greenville, SC 29609

Phone (864) 271-7503
Fax (864) 751-5889

www.hobbscpa.com

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 Robert O. Cooper, Chief Judge
Ms. Kayla Michelle Jerkins, Clerk of Court
Town of Williston
Williston, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Williston 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.

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PCPS Member

Finding -- Installment Fee

There were four instances in which the Town did not assess and collect the three percent installment fee from individuals 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: See Attachment A.

Findings -- Adherence to Fine Guidelines:

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

Simple Possession of 28 grams or Less of Marijuana or 10 grams or Less of Hash - First Offense
The Town incorrectly fined one individual $0 for possession of one ounce or less of marijuana or ten grams or less of hashish. The individual was correctly charged the required surcharge fees; however, no assessment was collected because the assessment is based on a mathematical computation using the fine amount. Section 44-53-370(d)(4) of the 1976 South Carolina Code of Laws, as amended, states, "A person who violates this subsection with respect to twenty-eight grams or one ounce of less of marijuana or ten grams or less of hashish is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than thirty days or fined not less than one hundred dollar nor more than two hundred dollars."

Driving Under Suspension, License Not Suspended for DUI, First Offense
The Town fined three individuals $299.76 for driving under suspension, license not suspended for DUI, first offense. Section 56-1-460(A)(1)(a) of the 1976 South Carolina Code of Laws, as amended, states, "A person who drives a motor vehicle on any public highway of the State when his 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 for up to thirty days, or both;"

Management Response: See Attachment A.

Finding -- Victim Surcharge

One individual was charged a conviction surcharge of $25 for failure to obey traffic control devices, a misdemeanor traffic violation. Section 14-1-211 of the 1976 South Carolina Code of Laws, as amended, states, "The current surcharge is $25 and is imposed on all convictions in municipal court, except misdemeanor traffic violations."

Management Response: See Attachment A.

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.

Finding -- Remittance of Amounts Due to State

The Town has not been timely remitting amounts required to be submitted to the State. The following months were remitted late:

STRRF Month	Remittance Date
August 2022	December 19, 2022
September 2022	December 19, 2022
October 2022	December 19, 2022
November 2022	January 20, 2023
March 2023	July 20, 2023
April 2023	July 20, 2023
May 2023	July 20, 2023
June 2023	August 18, 2023

The months of December 2022 and January 2023 have not been remitted to the State Treasurer's Office. The amount still owed to the State during the procedures period is $7,466.55. Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended, requires the Town to remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a manner prescribed by the State Treasurer.

Management Response: See Attachment A.

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 determined that the Town did not expend any victim assistance funds during the fiscal year ended June 30, 2023.
   - 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 – Victim Assistance Revenues

The Town made no deposits for victim assistance revenues during the procedures period. The amount that should have been deposited for the year ended June 30, 2023 totaled $3,309.66.

Management Response: See Attachment A.

Finding – <u>Carryforward Victim Assistance Fund Balance</u>

The Town 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. Based on the Town's most recent available audit for the period July 1, 2021 through June 30, 2022, the victim assistance funds available at June 30, 2022 was $70,289.

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, 2021 through June 30, 2022, to the Town's general ledger. The audited Uniform Schedule was not available for the period July 1, 2022 through June 30, 2023.
    - We inspected the Town's 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 confirm that it contained all the elements required by the South Carolina Code of Laws Section 14-1-208.

Finding -- <u>Errors on the Uniform Schedule</u>

The "in relation to" paragraph of the Independent Auditors' Report did not refer to the Uniform Schedule of Court Fines, Assessments and Surcharges (per Act 96).

The amounts reported in the Uniform Schedule did not agree with the underlying accounting records. The amount for court fines and assessments collected should have been reported as $18,641, but the Uniform Schedule reported $12,534.

The beginning and ending victim service funds agree to the bank balances; however, the Town does not properly deposit victim surcharges and assessments into the bank account. The bank balance only increases by the amount of interest earned monthly. The Uniform Schedule properly shows the victim service surcharges and assessments retained, but it does not reflect the interest revenue earned on the victim service funds which was $22 for the year ended June 30, 2022. The difference between what the Uniform Schedule reflects and the actual ending bank balance at June 30, 2022 was $1,209. This amount was incorrectly reported as operating expenditures.

Management 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 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 Williston 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

Attachment A

TOWN OF WILLISTON

Brett Williams, Mayor
Kayla Jerkins, Town Clerk
Michael L. Beasley, Town Administrator
Thomas Boulware, Town Attorney

P.O. BOX 414, Williston, South Carolina, 29853
Telephone 803-266-7015
Fax 803-266-4644
WEB: www.williston-sc.com

June 17,2024

Ally Rivers

The Hobbs Group, PA

1764 Laurel St

Columbia, SC 29201

Dear Ms. Rivers,

In response to your recent report regarding the audit conducted on financial activities of the Town of Williston Municipal Report for the period July 1, 2022, through June 30, 2023 please note our responses to your report findings.

The finding the Town has not been timely remitting amounts required to the State

The Town acknowledges, as noted in your report, that several payments were not made by the deadline required. However, it is felt that this is not an error attributed to the Town's actions, but rather due to tardy actions by the State's Treasurer's Office.

The Williston Town Clerk was mailing STRFF reports in a timely manner after receiving them from the Municipal Court Clerk and making timely check payments of amounts due to the State. The clerk was advised by the SC Treasurer's office to file the returns online and the Treasurer's Office would draft the Town's checking account for the amount due the state as shown on the report. We believe these advisory transfers responsibility for timely remittance of funds to the SC Treasurer's Office. As your report schedule shows, the SC Treasurer's office made multiple drafts on the same day on two occasions.

We do agree that two months' required payments in the amount of $7,466.55 have not been drafted for the period covered by your report.

TOWN OF WILLISTON

Brett Williams, Mayor
Kayla Jerkins, Town Clerk
Michael L. Beasley, Town Administrator
Thomas Boulware, Town Attorney

P.O. BOX 414, Williston, South Carolina, 29853
Telephone 803-266-7015
Fax 803-266-4644
WEB: www.williston-sc.com

The finding the Town of Williston made no deposits for Victims Assistance Revenues for the review period.

We agree that no deposits were made to the separate bank account for Victims Assistance amounts retained by the Town. This oversight was due to a misunderstanding by a new Town Clerk of the process followed by the Town with respect to these funds. It should be noted that the funds were retained in the general operating account of the Town. The oversight has been corrected and funds for the review period in the amount of $3,309.66 will be deposited this month.

The finding the Town has not remitted funds more than $25,000 to the State Victims Assistance Program.

We agree with your finding. However, it should be noted that the Town has received no advisory of the requirements of Proviso 59.15 of the FY 2023 Appropriations Act. Upon appropriate notification of the recent proviso regarding the remittance of "excess funds' the Town will promptly comply with the requirements.

The finding the "in relation to" paragraph of the independent Auditor's Reports and the discrepancy between the Towns accounting records and fines reported in the audit report

The Town Clerk will investigate these issues.

With respect to your findings regarding the calculation of fines, assessments, installment payment assessments and adherence to fine guidelines the Town Clerk will investigate these issues in conjunction with appropriate court personnel and ensure necessary corrective actions are taken by the municipal court.

Sincerely,

Kayla Jerkins, MBA

Town Clerk