# CITY OF CLINTON MUNICIPAL COURT
# CLINTON, SOUTH CAROLINA

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2024

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

June 24, 2025

The Honorable A. Sandy Cruickshanks, IV, Chief Judge
Ms. Krystina Ludlow-Jones, Clerk of Court
City of Clinton
Clinton, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the City of Clinton Municipal Court as of and for the period July 1, 2023 through June 30, 2024, 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,

Sue F. Moss

Sue F. Moss, CPA
Interim State Auditor

SFM/sag

TABLE OF CONTENTS
*CITY OF CLINTON MUNICIPAL COURT*
June 30, 2024

Independent Accountant's Report on Applying Agreed-Upon Procedures……..……1

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# INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 24, 2025

Ms. Sue F. Moss, CPA
Interim State Auditor
State of South Carolina
Columbia, South Carolina

The Honorable A. Sandy Cruickshanks, IV, Chief Judge
Ms. Krystina Ludlow-Jones, Clerk of Court
City of Clinton
Clinton, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the City of Clinton Municipal Court (the "*City*") for the period July 1, 2023 through June 30, 2024, 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, 2023 through June 30, 2024. 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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**Finding -- Installment Fee:**

There were six instances in which the City 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**: Due to turnover in personnel during the fiscal year, there were a number of issues that could not be resolved by the current staff. Going forward, staff will ensure they assessing and collecting the three percent installment fee from all individuals who pay in installments.

**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:

**Driving Under the Influence , First Offense**

The City fined one individual $287.95 for driving under the influence, .16 or higher, first offense. Section 56-5-2930 (A) of the 1976 SC Code of laws, as amended, states, "It is unlawful for a person to drive a motor vehicle within the State while under the influence of alcohol… A person who violates the provisions this section is guilty of the offense of driving under the influence and, upon conviction, must be punished as follows:

(1) For a first offense, by a fine of four hundred dollars or imprisonment for not less than 48 hours nor more than 30 days;"

**Simple Possession of Marijuana**

One individual was fined for simple possession of marijuana, however, the drug surcharge fee was not assessed. Section 14-1-213 (A) of the SC Code of laws, as amended, states, "In addition to all other assessments and surcharges required to be imposed by law, a one hundred fifty dollar surcharge is also levied on all fines, forfeitures, escheatment's, or other monetary penalties imposed in general sessions court or in magistrates or municipal court for misdemeanor or felony drug offenses".

**Management Response**: Due to turnover in personnel during the fiscal year, there were a number of issues that could not be resolved by the current staff. Going forward, staff will ensure that all fines assessments and surcharges are properly calculated in accordance with State law.

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, 2023 through June 30, 2024 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.

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

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, 2023 through June 30, 2024, to the City's general ledger.
    - We inspected the City's Uniform Schedule, 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.

**Findings -- <u>Uniform Schedule:</u>**

**<u>Prescribed Format</u>**

The Uniform Schedule was not prepared in the prescribed format, as it did not contain the required information, including a proper detail of victim assistance expenditures. The City has a contract with Laurens County to provide Victim Advocate services. The total paid to the County is not properly disclosed on the schedule. The total amount reported as operating expenses on the City's schedule is reported in error. Section 14-1-208(e)(1) of the 1976 South Carolina Code of Law, as amended, states, "..the Uniform Supplemental Schedule Form developed by the Office of the Attorney General, SC Crime Victim Services Division, must be used by all counties and municipalities to report their crime victim services funds and must include the following elements;...(f) the total funds, by source, allocated to victim service activities, how those funds were expended, and any balances carried forward."

**Management Response**: This was in error. The $2,982 of operating expenditures was actually from the 2023 audit. This number should be $6,177 (confirmed by Gary Bailey the City's external auditor) and the carryforward at the bottom of the schedule would then go to $0. The $6,177 represents what the City of Clinton sent to Laurens County for the Victims Service Fund.

**Reporting on the Uniform Schedule**

The City's audit report opinion does not include an opinion or provide any assurance over the Schedule of Court Fines, Assessments and Surcharges (Per Act 96). The supplementary schedule must be included in the external auditor's report by an "in relation to" paragraph as required by generally accepted accounting standards when information accompanies the basic financial statements in auditor submitted documents.

**Management Response**: The City will communicate to its external auditor that the supplementary schedule must be included in the external auditors report by an "in relation to" paragraph.

5. **Over/Under Reported Amounts**

- We inspected copies of STRRF for the procedures period and traced amounts to reports generated by court accounting software and to State Treasurer Office 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 |
| DA | Muncipal Conditional Discharge Fee -$150 | (150.00) |
| M | Total Revenue Due to the State Treasurer | (150.00) |
| | | |

**Management Response**: Moving forward, we will ensure cases are charged in accordance with State law and ensure the City's ticketing system is properly reporting and assessing such cases.

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, 2023 through June 30, 2024. 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 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 City of Clinton 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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