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# Town of Honea Path Municipal Court

Honea Path, South Carolina

Independent Accountant's Report Applying Agreed-Upon  
Procedures for the year ended May 31, 2016



**South Carolina  
Office of the State Auditor**

**George L. Kennedy, III, CPA  
State Auditor**

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May 4, 2017

The Honorable Henry McMaster, Governor  
State of South Carolina  
Columbia, South Carolina

The Honorable Dennis C. Bannister, Jr., Chief Judge





2. **Municipal Treasurer**

- x We gained an understanding of the policies and procedures established by the municipal treasurer to determine timely reporting by the municipality.
- x We obtained copies of all court remittance forms or equivalents and tested each monthly remittance form to determine that the forms were completed in accordance with instructions and submitted timely in accordance with State law.
- x We verified that amounts reported on the monthly court remittance forms or equivalents agreed to the municipality's support.
- x We scanned the municipality's support to determine if the municipality had misclassified fine, fee, assessment, and surcharge receipts.
- x We obtained copies of all State Treasurer's Revenue Remittance Forms for the period June 1, 2015 through May 31, 2016. We vouched the amounts reported on the State Treasurer's Revenue Remittance Forms to the court remittance forms or equivalents.
- x We verified that the amounts reported by the municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit for the period June 1, 2015 through May 31, 2016, agreed to the municipality's general ledger.
- x We determined that the Town's supplemental schedule of fines and assessments, as reported in the annual financial statement audit, contained all the required elements in accordance with State law.

Our findings as a result of these procedures are presented in the Accountant's Comments section of this report.

3. **Victim Assistance**

- x We gained an understanding of the policies and procedures established by the municipality to determine proper accounting for victim assistance funds.
- x We made inquiries and performed substantive procedures to determine that any funds retained by the municipality for victim assistance were deposited into a separate account.
- x We tested selected expenditures to determine that the municipality expended victim assistance funds in accordance with State law and South Carolina Court administration Fee Memoranda.
- x We determined that the municipality reported victim assistance financial activity on the supplemental schedule of fines and assessments reported in the annual financial statement audit, in accordance with applicable State law.
- x We verified that the amounts reported by the municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, applicable to Victim Assistance fund agreed to the Municipality's general ledger or subsidiary ledgers.
- x We inspected the Municipality's victim assistance account to determine if the Victim Assistance fund balance was reconciled as of June 1 from the previous fiscal year in accordance with State law.

Our findings as a result of these procedures are presented in the Accountant's Comments section of this report.

We were not engaged to and did not conduct an examination or a review of the subject matter, the objective of which would be the expression of an opinion or a disclaimer of an opinion on the subject matter. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 Honea Path Council, Town of Honea Path Clerk of Court, Town of Honea Path Treasurer, State Office of Victim Assistance, the Chief Justice, and the South Carolina Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Irmo, South Carolina  
May 4, 2017

**Account**

Management of Town of Honea Path is responsible for establishing and maintaining internal controls to ensure compliance with State Laws, Rules or Regulations governing court collections and remittances. The procedures agreed to by the Town of Honea Path require that we plan to perform the engagement to determine whether any violations of State Laws, Rules or Regulations occurred.

**SECTION A - VIOLATIONS OF STATE LAWS, RULES OR REGULATIONS**

The conditions described in this section have been identified as violations of State Laws, Rules or Regulations.

Comment – The Town did not properly repor

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Recommendation We recommend that the Town take greater care to accurately report the financial activity of the Victim Services account.

### **SECTION B - OTHER WEAKNESSES**

The conditions described in this section have been identified while performing the agreed-upon procedures but they are not considered violations of State Laws, Rules or Regulations.

Comment –It was noted that on the Supplemental Schedule of Fines, Assessments, and Surcharges within the financial statement audit that:

1. The Town presented “Court Assessment / Pullout Remitted to the State Treasurer” totaling \$50,277.  
The schedule further detailed this total by showing the total remitted to the State Treasurer was \$44,826 and the Town retained \$5,451.
2. The Town presented “Court Surcharges Remitted to the State Treasurer” totaling \$23,457.  
The schedule further detailed this total by showing the total remitted to the State Treasurer was \$21,992 and the Town retained \$1,465.

Recommendation The Town should consider revising the presentation of the Schedule of Fines, Assessments, and Surcharges including within the financial statement audit to better reflect actual financial activity.



Attachment A

Town of Honea Path  
204 South Main Street  
Honea Path, SC 29654  
864-369-2466

May 15, 2017

Mr. Matt Brown, CPA  
Brown CPA, LLC  
P.O. Box 2398  
Irmo, SC 29063

Dear Mr. Brown:

The Town of Honea Path is pleased to have you review the financial statements and related reports prepared for the year ended December 31, 2016. The financial statements included within our annual report and recommendations are as follows:

During our next financial statement balancing and reporting period, the financial statements and reports included within the annual report will be:

We are always receptive to your reporting.

Sincerely,  


Beverly Leonard

Clerk/Treasurer