

STATE OFFICE of VICTIM
ASSISTANCE

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October 13, 2016

Chief Wayne Campbell
Town of Lake View
PO Box 824
Lake View, SC 29563-0824

Dear Chief Campbell:

The State Office of Victims Assistance (SOVA) is sending this notice to inform you that we have completed the SOVA 90 Day Follow-up review for the Town of Lake View Victim Assistance Program and a copy of the official report is attached for your review. Due to Proviso 117.51, SOVA is legislatively mandated to conduct programmatic reviews and financial audits on any entity or non-profit organization receiving victim assistance funding to ensure that the crime victim funds are expended in accordance with the law.

Once again enclosed is a copy of our audit results. Please be advised that all SOVA audits and follow-up reports are public information. You will have 5 business days from the completion date stated on the front of this report to provide me with a written response. At the end of 5 business days, this report will be posted on the SOVA website at www.sova.sc.gov under the SOVA auditing tab.

Should you have any further questions or concerns, please feel free to contact me or Mr. Dexter Boyd at (803)734-0434.

Sincerely,



Larry Barker, Ph.D.
Director

CC: Mayor Boston Page, Jr.
Sara King Elvington





State Office of Victim Assistance

March 4, 2016

Programmatic Review and Financial Audit of the Town of Lake View Victim Assistance FFA Fund

October 13, 2016

90 Day Follow-up Audit Review

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Acronyms:

FFA – Fines, Fees, and Assessment

SOVA – State Office of Victims Assistance

SCLEVA – South Carolina Law Enforcement Victim Advocate

Introduction and Laws

PREFACE

This 90 Day Programmatic Review and Financial Audit was initiated in response to recommendations in the State Office of Victim Assistance's initial audit review completed on October 13, 2016. On July 12, 2016, the Director of SOVA issued a letter to the Town of Lake View informing them that SOVA will conduct a 90 Day Follow-up Audit Review in regards to the SOVA Initial Report. The audit was conducted on August 18, 2016.

Governing Laws and Regulations

Proviso 117.51

General Provision 117.51. (GP: Assessment Audit/Crime Victim Funds)

If the State Auditor finds that any county treasurer, municipal treasurer, county clerk of court, magistrate, or municipal court has not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds, pursuant to Sections 14-1-206(B)(D), 14-1-207(B)(D), 14-1-208(B)(D), and 14 1-211(B) of the 1976 Code, the State Auditor shall notify the State Office of Victim Assistance. The State Office of Victim Assistance is authorized to conduct an audit which shall include both a programmatic review and financial audit of any entity or non-profit organization receiving victim assistance funding based on the referrals from the State Auditor or complaints of a specific nature received by the State Office of Victim Assistance to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed by the Victim Services Coordinating Council. The Victim Services Coordinating Council shall develop these guidelines to ensure any expenditure which meets the parameters of Article 15, Chapter 3, Title 16 is an allowable expenditure. Any local entity or non-profit organization that receives funding from revenue generated from crime victim funds is required to submit their budget for the expenditure of these funds to the State Office of Victim Assistance within thirty days of the budget's approval by the governing body of the entity or non-profit organization. Failure to comply with this provision shall cause the State Office of Victim Assistance

to initiate a programmatic review and a financial audit of the entity's or non-profit organization's expenditures of Victim Assistance funds.

Proviso 117.51 (cont.)

Additionally, the State Office of Victim Assistance will place the name of the non-compliant entity or non-profit organization on their website where it shall remain until such time as they are in compliance with the terms of this proviso. Any entity or non-profit organization receiving victim assistance funding must cooperate and provide expenditure/program data requested by the State Office of Victim Assistance. If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or non-profit organization's subsequent fiscal year appropriation.

Proviso 98.9

98.9 (TREASURY: Penalties for Non-reporting)

If a municipality fails to submit the audited financial statements required under Section 14- 1-208 of the 1976 Code to the State Treasurer within thirteen months of the end of their fiscal year, the State Treasurer must withhold all state payments to that municipality until the required audited financial statement is received.

Proviso 98.9 (cont.)

If the State Treasurer receives an audit report from either a county or municipality that contains a significant finding related to court fine reports or remittances to the Office of State Treasurer, the requirements of Proviso 117.51 shall be followed if an amount due is specified, otherwise the State Treasurer shall withhold twenty-five percent of all state payments to the county or municipality until the estimated deficiency has been satisfied.

If a county or municipality is more than ninety days delinquent in remitting a monthly court fines report, the State Treasurer shall withhold twenty-five percent of state funding for that county or municipality until all monthly reports are current.

After ninety days, any funds held by the Office of State Treasurer will be made available to the State Auditor to conduct an audit of the entity for the purpose of determining an amount due to the Office of State Treasurer, if any.

***SC Code of Law
Title 14***

Courts – General Provisions

Collection/Disbursement of Crime Victim Monies at the Municipal & County Levels: below is a brief synopsis of applicable sections.

- **Sec. 14-1-206, subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in general sessions court must pay an amount equal to 107.5 percent of the fine imposed as an assessment. The county treasurer must remit 35.35 % of the revenue generated by the assessment imposed in general sessions to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.
- **Sec. 14-1-207 Subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in magistrate's court must pay an amount equal to 107.5 percent of the fine imposed as an assessment.

- **Sec. 14-1-207 Subsection(s) A, B & D (cont):** The county treasurer must remit 11.16 % of the revenue generated by the assessment imposed in magistrate's court to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.

- **Sec. 14-1-208 Subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in municipal's court must pay an amount equal to 107.5 percent of the fine imposed as an assessment. The county treasurer must remit 11.16 % of the revenue generated by the assessment imposed in municipal court to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.

- **Sec. 14-1-211 Subsection A, B, &D:** A one hundred dollar surcharge is imposed on all convictions obtained in general sessions court and a twenty-five dollar surcharge is imposed on all convictions obtained in the magistrate's and municipal court must be retained by the jurisdiction which heard or processed the case and paid to the city or county treasurer. Any funds retained by the county or city treasurer must be deposited into a separate account for the exclusive use for all activities related to those service requirements that are imposed on local law enforcement, local detention facilities, prosecutors, and the summary courts. These funds must be used for, but are not limited to, salaries, equipment that includes computer equipment and internet access, or other expenditures necessary for providing services to crime victims. All unused funds must be carried forward from year to year and used exclusively for the provision of services to the victims of crime. All unused funds must be separately identified in the governmental entity's adopted budget as funds unused and carried forward from previous years.

- **Sec. 14-1-207 Subsection(s) A, B & D (cont):** To ensure that surcharges imposed pursuant to this section are properly collected and remitted to the city or county treasurer, the annual independent external audit required to be performed for each municipality and each county must include a review of the accounting controls over the collection, reporting, and distribution of surcharges from the point of collection to the point of distribution and a supplementary schedule detailing all surcharges collected at the court level, and the amount remitted to the municipality or county.

The supplementary schedule must include the following elements:

- (a) All surcharges collected by the clerk of court for the general sessions, magistrates, or municipal court;
- (b) The amount of surcharges retained by the city or county treasurer pursuant to this section;
- (c) The amount of funds allocated to victim services by fund source; and
- (d) How those funds were expended, and any carry forward balances.

The supplementary schedule must be included in the external auditor's report by an "in relation to" paragraph as required by generally accepted auditing standards when information accompanies the basic financial statements in auditor submitted documents.

AUDIT OBJECTIVES

The SC State Legislative Proviso 117.51 mandates the State Office Victim Assistance to conduct programmatic reviews on any entity or non-profit organization receiving victim assistance funding to ensure that the crime victim funds are expended in accordance with the law.

Audit Objectives were:

- To ensure direct services were provided to crime victims in accordance to State law as outlined in Recommendation A in the initial audit issued on March 4, 2016.
- To ensure all unallowable funds for expenditures were reimbursed back into the Town of Lake View's Victim Assistance Fund as outlined in Recommendation B in the initial audit issued on March 4, 2016.
- To ensure all State Treasurer Revenue Remittance Forms were submitted in accordance with State law as outlined in Recommendation C in the initial audit issued on March 4, 2016.
- To ensure the Town of Lake View has policies and procedures in place for expenditures from the victim assistance fund as outlined in Recommendation D in the initial audit issued on March 4, 2016.

RESULTS IN BRIEF

Victim Service Program

Were all of the requirements outlined in Recommendation A of the initial audit issued on March 4, 2016 completed to ensure direct services were provided to crime victims in accordance with State law?

Yes, all of the requirements outlined in Recommendation A of the initial audit issued on March 4, 2016 were completed to ensure direct services were provided to crime victims in accordance with State law. The Town of Lake View developed written policies and procedures regarding how the Victim Assistance Program operates and distributed to all relevant personnel.

The Town also contacted Dillon County Sheriff's Office within 90 days after receipt of the initial audit report and developed a new victim service contract with them. A copy of the contract was provided to SOVA for review prior to the 90 Day Follow-up Audit site visit.

Unallowable Expenditures

Were all of the requirements outlined in Recommendation B of the initial audit issued on March 4, 2016 completed to ensure unallowable expenditures were reimbursed back into the Town of Lake View's Victim Assistance fund?

Yes, all of the requirements outlined in Recommendation B of the initial audit issued on March 4, 2016 were completed to ensure all unallowable funds for expenditures were reimbursed back into the Town of Lake View's Victim Assistance Fund. Please note, Trinity Behavioral Care reimbursed \$7,622 for unallowable expenditures from ACT 141 funds received from the Town of Lake View to the Town by the scheduled time of the 90 Day Follow-up Audit site visit. Trinity Behavioral Care reimbursed the total amount of \$7,622 to the Town of Lake View on March 18, 2015 which was within 30 days of the initial audit report date and prior to 90 Day Follow-up Audit site visit. A copy of the reimbursement check and a bank statement was submitted to SOVA from the Town of Lake View on August 9, 2016 showing they received the total reimbursement and placed it in their Victim Assistance fund.

State Treasurer's Revenue Remittance Form

Were all of the requirements outlined in Recommendation C of the initial audit issued on March 4, 2016 completed to ensure all State Treasurer Revenue Remittance Forms were submitted in accordance with State law?

Yes, all of the requirements outlined in Recommendation C of the initial audit issued on March 4, 2016 were completed to ensure all State Treasurer Revenue Remittance Forms (STRRF) were submitted in accordance with State law. The Town of Lake View created policies and procedures in written format detailing the process of submitting the STRRF by the 15th of each month, to include ensuring sufficient funds are available, and distributed policies and procedures to all relevant personnel.

*Expenditure Policies
and Procedures*

Were all of the requirements outlined in Recommendation D of the initial audit issued on March 4, 2016 completed to ensure the Town of Lake View has policies and procedures in place for expenditures from the Victim Assistance fund?

Yes, all of the requirements outlined in Recommendation D of the initial audit issued on March 4, 2016 were completed to ensure the Town of Lake View has policies and procedures in place for expenditures from the victim assistance fund. The Town of Lake View developed written policies and procedures containing a standard request for expenditures and kept them on file as noted in the initial audit report to include the town designating a person to review the Approved Guidelines and ascertain if expenditures are allowable. Also, the written policies and procedures were distributed to all relevant personnel by the 90 Day Follow-up Audit site visit. The Town also retrieved the Pee Dee Coalition's expenditure reports for the FY 14 donation of \$1,000 and provided copies to SOVA during the 90 Day Follow-up Audit site visit.

Objective(s), Conclusion(s), Recommendation(s), and Comments

A. Victim Assistance Program**Objective**

Were all of the requirements outlined in Recommendation A of the initial audit issued on March 4, 2016 completed to ensure direct services were provided to crime victims in accordance with State law?

Conclusion

Yes, all of the requirements outlined in Recommendation A of the initial audit issued on March 4, 2016 were completed to ensure direct services were provided to crime victims in accordance with State law. The Town of Lake View developed written policies and procedures regarding how the Victim Assistance Program operates and distributed to all relevant personnel. The Town also, contacted Dillon County Sheriff's Office within 90 days after receipt of the initial audit report and developed a new victim service contract with them. A copy of the contract was provided to SOVA prior to the 90 Day Follow-up Audit site visit.

Discussion

At the conclusion of the SOVA Initial Audit issued on March 4, 2016, the auditor noted several recommendations for the Town of Lake View to ensure direct services provided to crime victims were in accordance with State law. The auditor recommended the following:

- A-1 It is recommended that the Town of Lake View develop written policies and procedures regarding how the Victim Assistance Program operates and distribute to all relevant personnel.

- A-2 It is recommended that the Town of Lake View contact the local County Sheriff's Office, City Police Department and/or a local Non-Profit Entity within the next 90 days after receipt of this audit report to inquire and/or develop a new victim service contract with one of these entities. The Chief is to provide SOVA with a copy of the new contract once signed.

Recommendation A-1

Policies and Procedures

Prior to conducting the SOVA Initial Audit dated March 4, 2016, the SOVA Auditor requested written policies and procedures regarding how the Victim Assistance Program operates. It was noted at that time, the Town did not have policies and procedures in a written format; however, the Chief was able to verbally relay the process the town had in place during the initial audit site visit. As a result, it was recommended in the initial audit that the Town of Lake View develop written policies and procedures regarding how the Victim Assistance Program operates and distribute to all relevant personnel.

In preparation for the 90 Day Follow-up Audit, the Town was sent a list of pre-requested audit documents to submit prior to the site visit. Included on that list, the Town officials were to submit written victim assistance policies and procedures that were to be developed and distributed to all relevant personnel. On August 9, 2016, the Town Clerk submitted a copy of the Town's Victim Advocate Procedural Manual to SOVA as their written policies and procedures regarding how the Victim Assistance Program operates, which fulfills the recommendation in the SOVA Initial Audit report.

Recommendation A-2

Victim Assistance Contract

During the initial audit, it was noted that the Town of Lake View previously contracted with Trinity Behavioral Care to provide victim services for the town. Several areas of concern were noted regarding Trinity Behavioral Care not complying with State laws and regulations in fulfilling all the requirements of the victim service contract. The Auditor and Chief addressed multiple concerns regarding the expenditure of Victim Assistance funds and whether the Trinity Behavioral Care Victim Advocate performed the victim services required via the victim service contract and as mandated by law. As a result of the Town of Lake View's concerns, they discontinued their contract with Trinity Behavioral Care on September 10, 2015. At that time, it was recommended the Town of Lake View contact Dillon County Sheriff's Office, City Police Department and/or local Non-Profit Entity within 90 days after receiving the initial audit report to inquire and/or develop a new victim service contract with one of these entities.

The Town was also to provide SOVA with a copy of the new contract once signed. Prior to conducting this audit, SOVA received a copy of the new contract the Town developed with Dillon County during SOVA's FY 15-16 budget review phase. However, the contract was not signed; therefore SOVA requested a signed copy of the contract as part of the pre-requested audit documents. On August 9, 2016, the Town Clerk submitted a copy of the signed victim service contract with Dillon County. As a part of the contract, the Town of Lake View will send Dillon County a "fixed" donation amount each year (\$10,000) plus all monies collected by the Town monthly for victim assistance in exchange for Dillon County providing the Town with direct victim services.

During the audit site visit interviews with the Town Mayor, Chief and Clerk conducted on August 18, 2016, it was noted that an advocate from Dillon County comes to the Town for 4 hours each day to provide direct victim services to crime victims. The contract also states that Dillon County will provide monthly, quarterly and year-end reports to the Town regarding direct victim services provided. All parties involved felt that the new contract will help prevent some of the issues in the previous contract and more importantly provide the much needed direct services to crime victims in compliance with State laws and regulations.

Recommendation(s) and Comments

- | | |
|------------|------------------------------------|
| A-1 | No further recommendations. |
| A-2 | No further recommendations. |

Objective(s), Conclusion(s), Recommendation(s), and Comments

B. Unallowable Expenditures**Objective**

Were all of the requirements outlined in Recommendation B of the initial audit issued on March 4, 2016 completed to ensure all unallowable expenditures were reimbursed back into the Town of Lake View's Victim Assistance Fund?

Conclusion

Yes, all of the requirements outlined in Recommendation B of the initial audit issued on March 4, 2016 were completed to ensure all unallowable funds for expenditures were reimbursed back into the Town of Lake View's Victim Assistance Fund. Please note, Trinity Behavioral Care reimbursed **\$7,622** for unallowable expenditures from ACT 141 funds received from the Town of Lake View to the Town by the scheduled time of the 90 Day Follow-up Audit site visit. Trinity Behavioral Care reimbursed the total amount of \$7,622 to the Town of Lake View on March 18, 2015 which was within 30 days of the initial audit report date and prior to 90 Day Follow-up Audit site visit. A copy of the reimbursement check and a bank statement was submitted to SOVA from the Town of Lake View on August 9, 2016 showing they received the total reimbursement and placed it in their Victim Assistance Fund.

Background

Approved Guide for Expenditures of Monies Collected for Crime Victim Service in Municipalities and Counties Effective December 2013

Discussion

During the SOVA Initial Audit report, it was noted the Town of Lake View previously had a contract with Trinity Behavioral Care. Expenditure reports reviewed during the initial audit indicated Trinity Behavioral Care made various unallowable expenditures totaling \$7,622.00 using the Victim Assistance funds.

The unallowable expenditures were related to the following areas:

- Personnel
- Contractual Services
- Fixed Charges
- Training and Travel
- Employer Contributions
- Admin Services
- Accounting Fees
- Admin Costs

As a result, it was recommended Trinity Behavioral Care reimburse the Town for the unallowable expenditures by the 90 Day Follow-up Audit site visit.

Prior to conducting this audit, as a part of the pre-requested audit documents, the auditor requested supporting documentation showing \$7,622.00 in unallowable expenditures had been reimbursed by Trinity Behavioral Care back into the Victim Assistance Fund. On August 9, 2016, the Town Clerk submitted a copy of the check received from Trinity Behavioral Care as well as a bank statement verifying the funds had been reimbursed and placed back into the Victim Assistance Fund for the Town of Lake View as recommended in the initial audit.

Recommendation(s)
and Comments

B-1

No further recommendations.

Objective(s), Conclusion(s), Recommendation(s), and Comments

C. State Treasurer Revenue Remittance Forms**Objective**

Were all of the requirements outlined in Recommendation C of the initial audit issued on March 4, 2016 completed to ensure all State Treasurer Revenue Remittance Forms were submitted in accordance with State law?

Conclusion

Yes, all of the requirements outlined in Recommendation C of the initial audit issued on March 4, 2016 were completed to ensure all State Treasurer Revenue Remittance Forms (STRRF) were submitted in accordance with State law. The Town of Lake View created policies and procedures in written format detailing the process of submitting the STRRF by the 15th of each month, to include ensuring sufficient funds are available, and distributed policies and procedures to all relevant personnel.

Discussion

During the initial audit, SOVA requested and reviewed the State Treasurer's Revenue Remittance Forms (STRRF's) covering the period of July 2013 through March 2015. Out of the 20 STRRF's reviewed, there were 15 processed in a timely manner. The other 5 STRRF's were not submitted on time and were delayed for a month. During the initial audit site visit, both the Mayor and Clerk stated they believed these situations were due to an oversight by Town officials. At that time, the Town had no formal written policies and procedures to ensure the STRRF's are submitted in a timely manner by the 15th of each month and that sufficient funds are available each month. Therefore, it was recommended that the Town create policies and procedures in a written format detailing the process of submitting the STRRF by the 15th of each month, to include ensuring that sufficient funds are available and policies and procedures are distributed to all relevant personnel.

The auditor requested a copy of the policies and procedures that were created per the recommendation made in the initial audit report. During the 90 Day Follow-up Audit site visit, the Town Clerk submitted a copy of the policy and procedures created regarding the timely submission of the STRRF's and ensured sufficient funds were available.

The policy states the Town Clerk will do the following each month:

- Make a copy of the State Treasurer's Revenue Remittance Form (STRRF)
- Fax a copy of the STRRF to Marty Woods at the State Treasurer's Office
- The State Treasurer's Office will draft the money owed to the State from the Town's bank account and the Town Clerk will post the transaction in the General Fund as an electronic post
- The State Treasurer's Office will issue a receipt and it will be attached to the STRRF and kept on file
- The Town of Lake View will write a check to Dillon County for the Victim Assistance funds collected for the month and keep a copy of the check stub on file along with the monthly, quarterly and year-end reports that are to be submitted by Dillon County per the victim service contract.
- The Town Clerk will review the receipts received from the State to ensure the correct amount was drafted from the bank account.

In addition to policies and procedures, the auditor also requested the most recent STRRF's submitted by the Town Clerk on August 9, 2016. Upon review of the 12 STRRF's submitted for July 2015 through June 2016, it appears that creating the policies and procedures was a success. Since the initial audit, the STRRF's have been submitted in a timely manner by the 15th of each month; therefore, making the new process successful.

Recommendation(s) and Comments

C-1

No further recommendations.

Objective(s), Conclusion(s), Recommendation(s), and Comments

D. Victim Witness FFA Fund Distributions**Objective**

Were all of the requirements outlined in Recommendation D of the initial audit issued on March 4, 2016 completed to ensure the Town of Lake View has policies and procedures in place for expenditures from the victim assistance fund?

Conclusion

Yes, all of the requirements outlined in Recommendation D of the initial audit issued on March 4, 2016 were completed to ensure the Town of Lake View has policies and procedures in place for expenditures from the Victim Assistance fund. The Town of Lake View developed written policies and procedures containing a standard request for expenditures and kept them on file as noted in the initial audit report to include the town designating a person to review the Approved Guidelines and ascertain if expenditures are allowable. Also, the written policies and procedures were distributed to all relevant personnel by the 90 Day Follow-up Audit site visit. The Town also retrieved the Pee Dee Coalition's expenditure reports for the FY 14 donation of \$1,000 and provided copies to SOVA during the 90 Day Follow-up Audit site visit.

Background

Approved Guide for Expenditures of Monies Collected for Crime Victim Service in Municipalities and Counties Effective December 2013

Discussion

At the conclusion of the SOVA Initial Audit issued on March 4, 2016, the auditor noted several recommendations for the Town of Lake View to ensure that it has policies and procedures in place for expenditures from the Victim Assistance Fund. The auditor recommended the following:

- D-1 It is recommended the Town of Lake View develop written policies and procedures containing a standard request for expenditures and keep on file as noted previously in this report.

They are required to designate a person to review the Approved Guidelines and ascertain if the expenditure is allowable. The written documentation of policies and procedures must be distributed to all relevant personnel by the 90 Day Follow-up Audit site visit.

- D-2 It is recommended the Town of Lake View retrieve the Pee Dee Coalition's expenditure reports for the FY 14 donation of \$1,000 and provide them to SOVA before or during the 90 Day Follow-up Audit site visit.

Recommendation D-1

Policies and Procedures

During the SOVA Initial Audit site visit, the Mayor, Chief and Clerk were asked if they had written policies and procedures in place for expenditure requests from the Victim Assistance Fund. It was noted the Town did not have procedures in place specifically for the Victim Assistance funds; however, they would use the same process by the Town for any other expenditures. The recommendation was made for the Town of Lake View to develop written policies and procedures containing a standard procedure to request expenditures and keep on file. They are required to designate a person to review the Approved Guidelines and ascertain if the expenditure is allowable. The written documentation of policies and procedures must be distributed to all relevant personnel by the 90 Day Follow-up Audit site visit.

The auditor sent a list of pre-requested audit documents prior to conducting the audit, which included a request for the policies and procedures related to the victim assistance expenditures. On August 9, 2016, SOVA received the requested policies and procedures; however, upon review, it appeared not to outline the designated person for reviewing the Approved Guidelines and determining if the expenditure is allowable as recommended in the SOVA Initial Audit Report. During the audit site visit conducted on August 18, 2016, the auditor inquired about the missing element of the victim assistance policies and procedures and the Town Mayor, Chief and Clerk decided that the Chief would be the designated person to review the Approved Guidelines and determine if the victim assistance expenditure was allowable.

The Town Clerk submitted an amended copy of the policy and procedures to the auditor before the conclusion of the site visit. The policy and procedures stated the following:

- A request is made in writing.
- The request is submitted to the Mayor and Town Council for approval.
- A request is made from the requesting entity regarding what the funds will be used for if it is a donation.
 - A written justification of each expenditure is required to be prepared by the advocate and kept on file.
 - The Chief will review the Approved Guidelines to ensure the expenditure is allowable and if approved would sign off on the approved expenditure.
- A Check is sent by the Town Clerk and the Mayor would co-sign the check.
- The Town of Lake View has entered a contract with the Dillon County Sheriff's Department as of April 12, 2016. This contract is automatically renewed each year until one of the parties deems it necessary to revoke the contract.
- The contract states the Town of Lake View will send a "fixed" amount of funds each year totaling \$10,000 to the Dillon County Sheriff's Department Victim Assistance Program as well as the funds collected by the Town monthly for victim assistance. In return, Dillon County Sheriff's Department Victim Assistance Program will provide the Town with an in-house Victim Advocate who spends 4 hours a day at the Town hall providing direct services to crime victims of the town. The Victim Advocate is required to keep records on the expenditure of funds as well as records on victims served and services provided.

Although the Town has a contract with Dillon County to provide direct services to crime victims, the policies and procedures are still recommended to be kept on file with the Town and distributed to all relevant personnel.

The auditor discussed in detail the importance of the Town of Lake View reviewing and renewing the contract annually.

Recommendation D-2

Pee Dee Coalition Donation

While conducting the SOVA Initial Audit, it was noted by the auditor that the Town of Lake View made several donations to Pee Dee Coalition. However, when the SOVA Auditor requested supporting documentation for the donation made to Pee Dee Coalition in FY 14, the Town stated they did not have any on hand but would retrieve the documentation from storage in order to provide it for the audit. It was recommended by the auditor at that time for the Town to retrieve all information related to the \$1,000 donation to the Pee Dee Coalition in FY 14 and show how it was used to provide direct services to crime victims by the 90 Day Follow-up Audit site visit.

While preparing to conduct this audit, the auditor requested a copy of the expenditure report showing how the \$1,000 donation was used by Pee Dee Coalition. On August 18, 2016 during the audit site visit, the Town Clerk submitted an expenditure report for the donation. It showed that the \$1,000 donation was used by Pee Dee Coalition to pay for the 24-hour crisis line for victims. In the future, the Town should ensure they receive the proper documentation when donating Victim Assistance funds and ensure the funds are only used for allowable purposes. They are to also make sure all items listed on the donation checklist are completed prior to giving any future donations and that the donation policy and procedures are adhered to accordingly.

Recommendation(s)
and Comments

D-1

No further recommendations.

D-2

No further recommendations.

Objective(s), Conclusion(s), Recommendation(s), and Comments

E. Technical Assistance**Documentation Provided**

During our site visit we explained and provided the following documents:

1. Copy of the Legislative Proviso 117.51
2. Copy of the Legislative Proviso 98.9
3. Copy of the Legislative Proviso 93.35
4. Copy of a Sample Budget
5. Sample Staff Hired Report
6. Sample Time and Activity Report
7. Sample Expenditure Report
8. Victim Advocate Procedural Manual
9. Copy of 2013 Approved Guidelines
10. Technical Assistance

Other Matters

There are no other matters.

Corrective Action

Proviso 117.51 states:

“If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or non-profit organization’s subsequent fiscal year appropriation.”

The 90-Day Follow-up Audit site visit was completed on October 13, 2016.

All errors were completed and complied with by the 90-Day Follow-up Audit site visit.

There are no further recommendations.

Official Post-Audit Response

The County/City has 5 business days from the date listed on the front of this report to provide a written response to the SOVA Director:

**Larry Barker, Ph.D.
1205 Pendleton St., Room 401
Columbia, SC 29201**

At the end of the five day response period, this report and all post-audit responses (located in the Appendix) will become public information on the State Office of Victim Assistance (SOVA) website:

www.sova.sc.gov



THE SOUTH CAROLINA
DEPARTMENT of ADMINISTRATION

Nikki R. Haley, Governor
Marcia S. Adams, Executive Director

STATE OFFICE of VICTIM
ASSISTANCE

Larry Barker, Ph.D., Director
1205 Pendleton Street, Suite 401
Columbia, SC 29201
803.734.1900
803.734.1708 Fax

Programmatic Review and Financial Audit for the Town of Lake View completed by:

Dexter L. Boyd 10/12/16
Dexter L. Boyd, Lead Auditor Date

Reviewed by:

Richelle A. Copeland 10/12/16
Richelle A. Copeland, CGAP, Sr. Auditor Date

Ethel Douglas Ford 10/12/16
Ethel Douglas Ford, CPM, SOVA Deputy Director Date

Larry Barker 10/12/16
Larry Barker, Ph.D. SOVA Director Date

