



State Office of Victim Assistance

September 2, 2015

Programmatic Review and Financial Audit of the City of Liberty's Victim Assistance FFA Fund

September 13, 2016

90 Day Follow-up Audit Review

Contents

Introduction and Laws	Page
Preface	3
Audit Objectives	8
Results in Brief	8-9
 Objective(s), Conclusion (s), Recommendation(s), and Comments	
A. Victim Assistance Vehicle Accountability	10-15
Did the City of Liberty choose and implement one of the recommendations as it relates to the victim advocate’s vehicle and or submit appropriate salary documentation to determine the amount of allowable General Fund expenditure credit available to offset the reimbursement amount?	
B. Victim Assistance Fund Expenditures	16-18
Did the City of Liberty submit either purchasing and or reimbursement documentation for purchases improperly charged and or not adequately supported by source documentation to the Victim Assistance account?	
C. Technical Assistance	19
Corrective Actions	20
Post-Audit Response	21

Acronyms:
VAFFA – Victim Assistance Fines, Fees, and Assessment
SOVA – State Office of Victims Assistance

Introduction and Laws

PREFACE

This 90 Day Programmatic Review and Financial Audit was initiated in response to recommendations made in the State Office of Victim Assistance's Initial Audit Review completed and issued on September 2, 2015. On January 11, 2016, the Director of SOVA issued a letter to the Mayor and Chief of Police, informing them that SOVA will conduct a 90 Day Follow-up Audit Review in regards to the SOVA Initial Audit Report. The audit site visit was conducted on March 8, 2016.

Governing Laws and Regulations

Proviso 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 nonprofit 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 nonprofit 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 nonprofit organization.

Proviso 117.51 (cont.)

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 nonprofit organization's expenditures of victim assistance funds. Additionally, the State Office of Victim Assistance will place the name of the noncompliant entity or nonprofit 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 nonprofit 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 nonprofit organization has ninety days to rectify the error. An error constitutes an entity or nonprofit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or nonprofit 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 nonprofit 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 nonprofit organization that they are in noncompliance 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 nonprofit organization's subsequent fiscal year appropriation.

Proviso 97.9

97.9 (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 97.9 (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 117.55 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 determine if the City of Liberty chose and implemented one of the recommendations as it relates to the victim advocate's vehicle and or submitted appropriate salary documentation to determine the amount of allowable General Fund expenditure credit available to offset the reimbursement amount.
- To determine if the City of Liberty submitted either purchasing and or reimbursement documentation for purchases improperly charged and or not adequately supported by source documentation to the Victim Assistance account.

RESULTS IN BRIEF

Victim Assistance Vehicle Accountability

Did the City of Liberty choose and implement one of the recommendations as it relates to the victim advocate's vehicle and or submit appropriate salary documentation to determine the amount of allowable General Fund expenditure credit available to offset the reimbursement amount?

Yes, the City of Liberty did choose and implement one of the recommendations as it relates to the victim advocate's vehicle and submitted appropriate salary documentation to determine the amount of the expenditure credit allowable from the General Fund that was available to offset the reimbursement amount. The auditor received documentation outlining a breakdown of the victim advocate's salary and fringe benefits from FY11 to FY15 (specifically those paid June 1, 2011 through January 31, 2015) which was the scope of the audit. Upon review of the submitted documentation, it was determined the credit for the victim advocate's total allowable salary and fringe credit paid during the scope of this audit was \$14,444.51.

*Victim Assistance Vehicle
Accountability Cont.*

Additionally, the City of Liberty confirmed the final vehicle payment (due on March 9, 2015) was paid out of the City's General Fund which means the final reimbursement amount would be adjusted from **\$14,369.16** to **\$11,260.54**. Therefore, at the conclusion of the audit, it was determined the city paid more than enough General Funds towards the victim advocate's salary to cover the unallowable portion of the vehicle payments. Please note, as of this report and review of the facts, the vehicle is no longer considered a purchased vehicle from the victim assistance fund and is now the property of the City of Liberty. This allows the vehicle to be used for departmental purposes other than providing direct services to crime victims.

*Victim Assistance Fund
Expenditures*

Did the City of Liberty submit either purchasing and or reimbursement documentation for purchases improperly charged and or not adequately supported by source documentation to the Victim Assistance account?

No, the City of Liberty did not submit either purchasing and or reimbursement documentation in the amount of **\$3,433.26** for purchases improperly charged and or not adequately supported by source documentation to the victim assistance account. The City of Liberty provided documentation verifying **\$366.50** of the reimbursement was an allowable expenditure amount. Also, the City of Liberty reimbursed the victim assistance fund **\$767.54** for unallowable purchases. However, there was no reimbursement documentation received regarding the debit card/gas purchases. Instead, the city was allowed to submit salary documentation paid out of the General Fund for review and consideration for credit purposes. After reviewing the submitted General Fund salary documentation, the auditor was able to determine the General Fund salary credit would be enough to offset and cover the unallowable debit card/gas purchases in the amount of **\$2,622.78**.

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

A. Victim Assistance Vehicle Accountability

Objective

Did the City of Liberty choose and implement one of the recommendations as it relates to the victim advocate's vehicle and or submit appropriate salary documentation to determine the amount of allowable General Fund expenditure credit available to offset the reimbursement amount?

Conclusion

Yes, the City of Liberty did choose and implement one of the recommendations as it relates to the victim advocate's vehicle and submitted appropriate salary documentation to determine the amount of the expenditure credit allowable from the General Fund that was available to offset the reimbursement amount. The auditor received documentation outlining a breakdown of the victim advocate's salary and fringe benefits from FY11 to FY15 (specifically those paid June 1, 2011 through January 31, 2015) which was the scope of the audit. Upon review of the submitted documentation, it was determined the credit for the victim advocate's total allowable salary and fringe credit paid during the scope of this audit was \$14,444.51. Additionally, the City of Liberty confirmed the final vehicle payment (due on March 9, 2015) was paid out of the City's General Fund which means the final reimbursement amount would be adjusted from **\$14,369.16** to **\$11,260.54**. Therefore, at the conclusion of the audit, it was determined the city paid more than enough General Funds towards the victim advocate's salary to cover the unallowable portion of the vehicle payments. Please note, as of this report and review of the facts, the vehicle is no longer considered a purchased vehicle from the victim assistance fund and is now the property of the City of Liberty. This allows the vehicle to be used for departmental purposes other than providing direct services to crime victims.

Background

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

Discussion

This audit was conducted to follow up on recommendations as outlined in the SOVA Programmatic Review and Financial Audit of the City of Liberty's Victim Assistance Fines, Fees, and Assessment (FFA) Fund.

Discussion Cont.

In the initial audit (Objective B), the SOVA Auditor addressed concerns relating to the 2011 Dodge Avenger purchased out of the victims' assistance funds. Although the victim advocate was driving the vehicle, it appeared the advocate was utilizing the vehicle for purposes other than providing direct service to crime victims.

It was discovered during the initial audit that the City of Liberty made payments for the 2011 Dodge Avenger at 100% out of the victim assistance fund; however, after reviewing 90 days of Victim Assistance Time and Activity (T&A) reports prepared by the victim advocate, it was determined that 9.4% expenditures would be considered allowable from the victim assistance fund. Therefore, the auditor explained only the determined percentage amount could be paid from the victim assistance funds for the purchase of this vehicle and anything over the allowable amount would be required to be reimbursed back into the victim assistance fund.

The auditor recommended the City of Liberty choose and implement one of the corrective action options outlined below for the victim advocate vehicle that was noted in the initial audit report (Objective B):

Option 1. The vehicle must remain parked on the grounds of the City of Liberty Police Department and used only when the victim advocate is providing direct victim services. At the end of each month, time and activity reports with mileage attached must be submitted to SOVA and kept on file to support no other vehicle usage.

If this option is chosen, the victim advocate's allowable percentage would be 9.4% (\$1,490.84). Therefore, the reimbursement amount of \$14,369.16 (\$15,860.00 minus \$1,490.84). This amount would be required to be placed back into the Victim Assistance Fund.

Option 2. The City of Liberty could purchase the 2011 Dodge Avenger at the fair market value is \$12,185 and reimburse the victim assistance fund. This will allow the vehicle to be used for departmental purposes other than providing direct victim services.

Discussion cont.

Option 3. The City of Liberty could auction the vehicle and provide documentation of who purchased the vehicle, the purchase amount, place the funds into the victim assistance fund. If the vehicle is auctioned, the city is encouraged to sale the vehicle as close to the fair market value of \$12,185 as they possible can.

Option 4. The City of Liberty could donate the vehicle to the Pickens County Victim Assistance program for providing direct victim services for the City of Liberty.

The initial audit was issued on September 2, 2015. On September 8, 2015, the Chief of Police submitted a response to the audit with a memo attached requesting SOVA consider allowing the victim advocate's allowable salary paid from the General Fund be used as a credit to offset the victim assistance fund reimbursement amount. The response stated, the victim assistance account had budgeted on a yearly basis, to pay the victim advocate's salary but never expended those funds. The City of Liberty, at that time, proposed that in lieu of \$17,060 being reimbursed to the General Fund, the 2011 Dodge Avenger be considered property of the city and have no further ties to the victim assistance funds.

On September 10, 2015, the SOVA Director responded in writing stating SOVA agreed that the victim advocate's salary from the General Fund could be allocated to reimburse the victim assistance fund. However, only the salary paid during the scope of this review which was FY11 to FY15 could be considered. Additionally, SOVA was in agreement with applying a credit to offset the victim assistance fund reimbursement as outlined in the SOVA Initial Audit issued on September 2, 2015. However, once audit reports are issued, SOVA does not amend the reports but follow up on any noted concerns during the SOVA 90 Day Follow-up Audit. Therefore, the Chief was asked to prepare a breakdown of the victim advocate's salary and fringe benefits from FY11 to FY15 (specifically those paid June 1, 2011 through January 31, 2015) which was the scope of the SOVA Initial Audit.

At the beginning of the 90 Day Follow-up Audit review, the city submitted to SOVA on March 1, 2016 a copy of the Employee Earnings Report by name and the advocate's salary breakdown for July 1, 2011 through January 31, 2015.

Discussion Cont.

Upon review of the submitted documentation, it appears the victim advocate's total salary and fringe paid during the scope of this audit was \$153,665.03. As stated above, the victim advocate's time and activity (T&A) reports were completed and reviewed during the initial audit. It was determined the victim advocate's allowable percentage was 9.4%. Based on the T&A report calculation percentage, it appears the city is authorized to allocate a total of \$14,444.51 of the General Fund used on allowable victim assistance fund expenditures to offset the unallowable expenditure reimbursement.

Also, at the conclusion of the initial audit report, it was still unclear as to the total amount paid out of the victim assistance fund toward the vehicle payments. The city was asked for accountability purpose to provide documentation regarding which account the final vehicle payment was made from for the 2011 Dodge Avenger.

During the follow-up audit, the city confirmed that the final vehicle payment of \$4,250.46 was paid from the City's General Funds. The city was advised to submit supporting documentation to ensure the final car payment was made from the City of Liberty's General Fund in the amount of \$4,250.46. A copy of the check invoice and detailed account inquiry by account number was received and reviewed. Therefore, the auditor was able to verify the final car payment was actually paid out of the City's General Fund.

Because the final vehicle payment was from the City of Liberty's General Fund, the total reimbursement amount for the purchase of the victim advocate's vehicle was adjusted. The city would only be responsible for reimbursing \$12,751.38 (\$17,001.84 minus \$4,250.46) for the total cost for vehicle purchase and interest paid from the Victim Assistance Fines, Fees and Assessment fund. Since the final purchase amount has been identified, the auditor again reduced the amount paid by the total allowable percentage of 9.4% (\$1,490.84) which made the final vehicle reimbursement amount **\$11,260.54** for the 2011 Dodge Avenger.

As noted above, both options 1 and 2 of the initial audit report allowed the town to use the General Fund as a method of assisting with the purchase of the vehicle which would allow the vehicle to be used for other purposes within the city other than victim services.

Discussion Cont.

The other option noted in the initial audit states the vehicle must remain parked on the grounds of the City's Police Department and used only when the victim advocate is providing direct victim services. At the end of each month, time and activity reports with mileage attached must be submitted to SOVA and kept on file to support no other vehicle usage. However, during the follow-up audit review process, the chief stated the victim advocate was still using the vehicle to commute to and from work on a daily basis.

Despite the multiple requests from SOVA to park the vehicle and only use it for direct service to crime victims, this was not adhered to by the advocate and the town. This is still an area of programmatic concern between the SOVA Initial Audit and the 90 Day Follow-up Audit.

Even if the city had decided to follow through with the option to purchase the vehicle at 100% out of the victim assistance fund; the vehicle was still required to remain parked on the grounds of the City's Police Department and used only when the victim advocate is providing direct victim services until the official 90 Day Follow-up Audit report was issued.

However, at the conclusion of the 90 Day Follow-up Audit and while preparing this report, the auditor determined after meeting with management and reviewing all of the information received, that a penalty would not be imposed upon the City of Liberty for being non-compliant regarding restricting the usage of the vehicle. However, if the city has any salary credit remaining after applying to the outstanding expenditures, the option of reimbursing the City of Liberty's General Fund any remaining credit for salaries paid June 1, 2011 through January 31, 2015 will not be considered. Any additional salary credit remaining after offsetting the victim assistance program's unallowable expenditure reimbursement amount will be forfeited.

The City of Liberty has chosen the salary cost for the advocate to be paid from the City's General Fund to offset the cost of purchasing the vehicle. The auditor determined the allowable salary credit towards offsetting the unallowable expenditures from the victim assistance fund was \$14,444.51. As outlined in the following chart, the City of Liberty paid a total of \$12,751.38 out of the victim assistance fund towards the total principle and interest for the new 2011 Dodge Avenger.

Discussion Cont.

However, according to the victim advocate T&A calculations reported during the initial audit, this amount was above the allowable amount to be paid from the victim assistance fund. The city should have only paid a total of \$1,490.84 out of the victim assistance fund based upon the 9.4% time and activity report calculation.

After applying the salary credit as determined by documentation submitted, it appears the city would not be responsible for the reimbursement into the victim assistance fund towards the unallowable vehicle expense. The total amount of salary credit was **(\$14,444.51)** and the total unallowable vehicle expenses were **\$11,260.54**. Therefore, the city paid more than enough towards the victim advocate's salary to cover the unallowable portion of the vehicle payments.

In addition, it was determined that the city continued to have a salary credit of **(\$3,183.97)** to be applied towards any other unallowable expenditures as requested by the City of Liberty.

General Fund Salary Credit	
Total Amount Paid From the Victim Assistance Fund for Vehicle	\$ 12,751.38
Allowable 9.4% Amount	\$ 1,490.84
Unallowable Purchase Amount	\$ 11,260.54
Salary Offset Credit	\$ 14,444.51
General Fund Offset Credit	\$ (3,183.97)

The City of Liberty requested to apply the additional General Fund offset credit towards the reimbursement of **\$2,622.78** for debit card/gas purchases. Objective B of this report outlines details of the additional expenditure credit usage.

**Recommendation(s)
and Comments**

A-1

No further recommendations at this time.

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

B. Victim Assistance Fund Expenditures**Objective**

Did the City of Liberty submit either purchasing and or reimbursement documentation for purchases improperly charged and or not adequately supported by source documentation to the Victim Assistance account?

Conclusion

No, the City of Liberty did not submit either purchasing and or reimbursement documentation in the amount of \$3,433.26 for purchases improperly charged and or not adequately supported by source documentation to the victim assistance account. The City of Liberty provided documentation verifying \$366.50 of the reimbursement was an allowable expenditure amount. Also, the City of Liberty reimbursed the victim assistance fund \$767.54 for unallowable purchases. However, there was no reimbursement documentation received regarding the debit card/gas purchases. Instead, the city was allowed to submit salary documentation paid out of the General Fund for review and consideration for credit purposes. After reviewing the submitted General Fund salary documentation, the auditor was able to determine the General Fund salary credit would be enough to offset and cover the unallowable debit card/gas purchases in the amount of \$2,622.78.

Background

Section 14-1-208 (B) of the 1976 South Carolina Code of Laws.

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

Discussion

In the SOVA Initial audit (Objective C) the auditor conducted an extensive review of the Victim Assistance Fines, Fees, and Assessment fund expenditures. It was noted the city was unable to adequately justify a number of expenditures from the fund. It was found the advocate was in possession of a debit card attached to the Victim Assistance Fines, Fees, and Assessment (FFA) fund bank account in which a number of unauthorized transactions were made using this bank card.

Discussion cont.

In addition, the auditor noted in this report there were multiple gas purchases at 100% which was unallowable because the advocate's T&A allowable calculation was 9.4%. Therefore, the other 90.6% for total gas purchases was required to be reimbursed back into the victim assistance fund.

SOVA issued the following recommendations at the conclusion of the initial audit report as outlined below:

Recommendation C-1

It is recommended the City of Liberty submit reimbursement documentation in the amount of \$220.37 for purchases improperly charged to the victim assistance account. If it is not submitted, **\$220.37** is required to be reimbursed into the victim assistance account.

After the 90 Day Follow-up Audit, the City of Liberty's Treasurer produced a receipt showing **\$166.50** was spent for one night of lodging for the victim advocate while attending an OVSEC approved conference in Myrtle Beach, SC on June 11, 2014. This is an allowable expense. However, there were no receipts submitted to justify the additional **\$53.87** expense, but this amount was reimbursed into the victim assistance fund from the City's General Fund on March 1, 2016.

Recommendation C-2

It is recommended the City of Liberty submit reimbursement documentation in the amount of \$266.55 for purchases improperly charged and/ or not adequately supported by source documentation to the victim assistance account. If it is not submitted, the city is required to reimburse **\$266.55** to the victim assistance account.

Upon returning to complete the 90 Day Follow-up audit, the City of Liberty's Treasurer produced a receipt showing **\$200.00** was spent for the victim advocate's 2012 Law Enforcement Victim Advocate (LEVA) dues and fall conference registration. This is an allowable expense. However, there were no receipts submitted to justify the additional **\$66.55** expense. However, this amount was reimbursed into the victim assistance fund from the City's General Fund on March 1, 2016.

Recommendation C-3

It is recommended the City of Liberty submit reimbursement documentation for \$323.56 for purchases improperly charged and/ or not adequately supported by source documentation. If it is not submitted, **\$323.56** is required to be reimbursed into the victim assistance account.

Upon returning to complete the 90 Day Follow-up Audit, the City of Liberty's Treasurer was unable to produce receipts to justify the **\$323.56** expense. Therefore, the amount was reimbursed into the victim assistance fund from the City's General Fund on March 1, 2016.

Recommendation C-4

It is recommended the City of Liberty reimburse the victim assistance account in the amount of **\$2,622.78** for debit card/gas purchases and submit reimbursement documentation for the unallowable victim assistance expenditures?

As discussed in Objective A of this report, during the 90 Day Follow-up Audit review, the City of Liberty was granted a credit for the victim advocate's allowable salary paid from the City's General Fund. Upon evaluation, it was determined the city would be granted a total credit of (\$14,444.51). The auditor applied \$11,260.54 of the total towards reimbursement of the unallowable cost spent purchasing the current victim advocate's vehicle. Therefore, a total credit of (**\$3,183.97**) is available for use towards the reimbursement of unallowable expenditures as outlined in the initial audit. During the 90 Day Follow-up Audit review, the City of Liberty elected the additional credit to be applied towards the outstanding reimbursement of \$2,622.78 for unallowable debit card/gas purchases. Again, as stated in Objective A, because the city failed to restrict vehicle usage to only providing direct services to crime victims as requested multiple times by the SOVA Auditor; any salary credit remaining will be forfeited and remain in the victim's assistance fund.

Recommendation(s)
and Comments

B-1

No further recommendations at this time.

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 97.9
3. Copy of a Sample Budget
4. Sample Staff Hired Report
5. Sample Time and Activity Report
6. Sample Expenditure Report
7. Victim Advocate Procedural Manual
8. Copy of 2013 Approved Guidelines
9. 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 nonprofit organization has ninety days to rectify the error. An error constitutes an entity or nonprofit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or nonprofit 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 nonprofit 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 nonprofit organization that they are in noncompliance 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 nonprofit organization’s subsequent fiscal year appropriation.”

SOVA completed the 90 Day Follow-up Audit site visit on March 8, 2016.

All recommendations were not complied with by the 90 Day Follow-up audit; however, the City of Liberty submitted additional documentation while the audit was being prepared to ensure compliance.

Therefore, the City of Liberty is considered to be in compliance. There are no further actions at this time.

Official Post-Audit Response

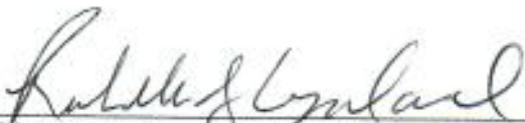
The County/City has 5 business days from the date listed on the front of this report to provide a written response to the SOVA Director:

**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:

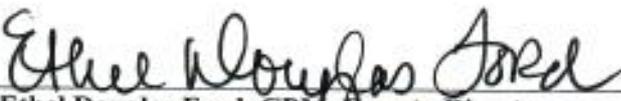
www.sova.sc.gov

Programmatic Review and Financial Audit of the City of Liberty was completed by:

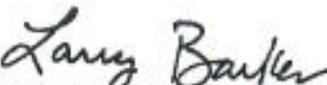

Richelle A. Copeland, CGAP, Sr. Auditor

9/13/16
Date

Reviewed by:


Ethel Douglas Ford, CPM, Deputy Director

9/13/16
Date


Larry Barker, Ph.D. Director

9/13/16
Date

