

June 22, 2017

Chief Franco Fuda
Town of Bonneau
P.O. Box 70
Bonneau, SC 29431

Dear Chief Fuda,

The State Office of Victims Assistance (SOVA) is sending this notice to inform you that we have completed the SOVA Initial Audit for the Town of Bonneau Victim Assistance Program and a copy of the official report is attached for your review. According 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 Tiffany Boozer at 803-734-1048 and or fax requested information to 803.734.1708.

Sincerely,



Ethel Douglas Ford, CPM
Deputy Director

CC: Rembert Wrenn
Elizabeth Wrenn





**Department of Administration
State Office of Victim Assistance**

June 22, 2017

**Programmatic Review and
Financial Audit of the
Town of Bonneau
Victim Assistance Fines, Fees
and Assessment (FFA) Fund**

Contents

Introduction and Laws	Page
Preface	3
Audit Objectives	9
Results in Brief	9
 Objective(s), Conclusion (s), Recommendation(s), and Comments	
A. Victim Assistance Fines, Fees and Assessment (VAFFA) Fund Accountability	11
Did the Town maintain proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law?	
B. Victim Assistance Program.....	17
Are services provided to crime victims in accordance with State law?	
C. Reporting Requirements.....	20
Has the Town completed all reporting requirements in accordance with State law?	
D. Technical Assistance	23
Corrective Actions.....	24
Post-Audit Response	25

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

Introduction and Laws

PREFACE

This programmatic review and financial audit was initiated in response to the State Office of Victim Assistance's (SOVA) concerns regarding the Victim Assistance Fines, Fees and Assessment fund. In addition, there were a number of incomplete recommendations found during the 90 Day State Follow-up Audit issued on June 7, 2017. On February 14, 2017, the Director of SOVA issued a letter to the County Administrative Office and the Sheriff's Department, to inform them of the Town of Bonneau Victim Assistance Funds audit. The audit was conducted on March 22, 2017.

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.

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 non-profit organization's expenditures of victim assistance funds. 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.

Proviso 93.35

93.35 (DOA: State Victim Assistance Program)

A county or municipality may retain carry forward funds that were collected pursuant to Sections 14-1-206 (B) and (D), 14-1-207 (B) and (D), 14-1-208 (B) and (D), and 14-1-211 (B) of the 1976 Code, but no more than \$25,000 or 10% of funds collected in the prior fiscal year, whichever is higher. If a county or municipality does not spend at least 90% of the funds collected pursuant to Sections 14-1-206 (B) and (D), 14-1-207 (B) and (D), 14-1-208 (B) and (D), and 14-1-211 (B) on Article 16, Chapter 3, Title 16 first priority and/or second priority programs during the fiscal year that the funds are received then the county or municipality shall remit any unspent funds that are greater than the allowed carried forward funds, regardless of the year collected, to the State Victim Assistance Program (SVAP) with the Department of Public Safety, Office of Highway Safety and Justice Programs within 120 days after the end of the fiscal year. All funds must be accounted for in the annual audit for each county or municipality.

SOVA shall offer training and technical assistance to each municipality and county annually on acceptable use of both priority one and priority two funds and funds available for competitive bid.

Proviso 93.35 (cont.)

SOVA is authorized to transfer to the State Victim Assistance Program housed in the Department of Public Safety any state funds deemed available under SOVA authority to be placed in the competitive bid process.

The State Victim Assistance Program shall offer any funds remitted to it to non-profit organizations that provide direct victim services on a competitive bid process. These funds may be used by the non-profit for administrative costs and victim services.

***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 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.

Audit Objectives were;

- To determine if the Town maintained proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law.
 - To determine if services were provided to crime victims in accordance with State law.
 - To determine if the Town completed all reporting requirements in accordance with State law.
-

RESULTS IN BRIEF

Victim Assistance Fines, Fees and Assessment Fund Accountability

Did the Town maintain proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law?

No, the Town did not maintain proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law. The Victim Assistance Funds were comingled with the General Fund and were used to pay general operating expenses of the Town which is an unallowable expense. There were also no written policies and procedures in place as it relates to Victim Assistance expenditures.

Victim Assistance Program Are services provided to crime victims in accordance with State law?

No, the Town of Bonneau has not provided services to crime victims in accordance with State law. However, the Town has established updated policies and procedures and has a mutual agreement with the Berkeley County Sheriff's Department for the provision of services to crime victims. However, the mutual agreement is not in writing and the Town does not have a certified victim service provider to ensure services are provided to crime victims. Therefore, as of the issue date of this audit report the Town of Bonneau is to discontinue use of the VA Funds until further notice.

Reporting Requirements Has the Town completed all reporting requirements in accordance with State law?

No, the Town has not completed all reporting requirements in accordance with State law. The Town did not submit the requested financial reports for FY13, FY14 or FY15. In addition, the Chief was unaware of the balance within the Victim Assistance Fund.

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

**A. Victim Assistance Fines, Fees and Assessment (VAFFA) Fund
Accountability****Objective**

Did the Town maintain proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law?

Conclusion

No, the Town did not maintain proper accountability of the Victim Assistance Fines, Fees and Assessment Fund in accordance with State law. The Victim Assistance Funds were comingled with the General Fund and were used to pay general operating expenses of the Town which is an unallowable expense. Also, there were no written policies and procedures in place as it relates to Victim Assistance expenditures.

Background

SC Code of Laws Section 14-14-208 (B), 14-1-211 (B)

SC Code of Law Title 16; Article 15

South Carolina Victim Service Coordinating Council Approved Guidelines for Expenditures of Monies Collected for Crime Victim Service in Municipalities and Counties.

Discussion

In the State Auditor's Report issued on June 30, 2013, the auditor noted a number of recommendations for the Town of Bonneau as it relates to proper accountability of the Victim Assistance Funds. On June 7, 2017 SOVA completed a State 90 Day Follow-up Audit and upon completion, the auditor determined the Town failed to comply with multiple recommendations from the State Auditor's Office. This audit was initiated due to incomplete recommendations noted in the State Auditor's Office 90 Day Follow-up Audit Report and additional SOVA recommendations addressed in further in detail in this report.

Discussion Cont.

Prior to the State Auditor's Office 90 Day Follow-up Audit site visit on March 22, 2017, the SOVA auditor requested the following information from the Town of Bonneau:

1. Bank statements from July 2013 – January 2017
2. VA Fund account ledger from July 2013 – January 2017
3. VA Fund expenditure report from July 2013 – January 2017
4. Written copy of procedures used for requesting funds Victim Assistance Funds
5. Written copy of Victim Assistance program policies and procedures
6. State Treasurer's Revenue Remittance Forms (STRRF) from July 2013 – January 2017
7. Written copy of procedures used to ensure that fine guidelines are reviewed prior to sentencing
8. A copy of minimum fines guidelines currently used
9. Written copy of procedures used to ensure that the calculation formula is accurate and that the Municipal Court properly calculate and remit fine assessments, surcharges and fees in accordance with State law.
10. Written copy of procedures for the submission of the State Treasurer's Revenue Remittance Forms

The State Auditor's Report recommended the Town of Bonneau implement procedures to ensure that fines levied by the court adhere to applicable State law. As recommended, the Town corrected the fine calculation formula and established fine guideline procedures to ensure that fines are properly levied and collected in accordance with State law. However, as a result of manual errors related to the calculation and remittance of assessments, surcharges and fees, it was determined by the auditor the total assessed collections were underreported.

Discussion Cont.

Therefore, it was recommended the Town revise and submit an amended STRRF to include **\$38,916.11** due to the State Treasurer's Office and **\$8,215.36** respectively due to the Victim Assistance Fund.

During the audit site visit on March 22, 2017, the auditor interviewed the Clerk to determine if the revised STRRF had been submitted to the State Treasurer's Office. The Clerk informed the auditor that they were aware that the funds were owed, however; the funds had not been submitted to the State due to the Town's financial challenges.

The auditor asked the Clerk if any contact had been made with the State Treasurer's Office concerning possible arrangements or steps to rectify the issues submitting **\$38,916.11** for underreported funds. The Clerk stated no contact had been made as of March 22, 2017. Therefore, the auditor recommended that the Town of Bonneau make contact with the State Treasurer's Office to verify steps warranted to rectify issues concerning submitting the revised revenue remittance forms and to also inquire about installment payment options. The auditor also inquired on March 22, 2017 during the 90 Day Follow-up Audit site visit whether the **\$8,215.36** had been reimbursed into the Victim Assistance Fund and the Clerk stated she was not sure but would check her documentation and provide follow up.

On March 24, 2017, the auditor sent a follow up email requesting that reimbursement documentation regarding the Victim Assistance Fund be submitted to SOVA by March 31, 2017.

On March 31, 2017, the auditor received a call from the Clerk requesting additional time for submitting the outstanding documents including documentation for reimbursement and showing contact made with the State Treasurer's Office due to the Town's administration office having limited working hours. The auditor provided an extension to April 7, 2017. After review of the submitted bank statements, as of January 31, 2017, the general fund account ending balance was \$114,537.87. This means the funds were available for the reimbursement.

Discussion Cont.

On April 7, 2017 the auditor received a letter from the Clerk confirming **\$8,215.36** had not been reimbursed into the Victim Assistance Fund. Therefore, it is recommended that **\$8,215.36** is reimbursed into the Victim Assistance Fund.

Additionally, based on review of the Town of Bonneau's bank statements from July 2013 – January 2017 and interview with the Clerk during the State Auditor's Office 90 Day Follow-up site visit, the auditor confirmed during collection of the levied fines, the Town of Bonneau continued to commingle Victim Assistance Fines, Fees and Assessments and General Funds monies as indicated in the State Auditor's Report which resulted in improper accountability of the Victim Assistance Funds. The auditor recommended to the Clerk that the funds be placed in a separate account to maintain proper accountability.

Revenue Accountability

Based on review of the submitted bank statements and VA Fund ledger from July 2013 to June 2015, it appears the Town was using the Victim Assistance Funds to pay for the Town's general operating expenses which is unallowable. As of June 2015, according to submitted documentation, there should have been an accumulated balance of **\$103,214.21** in the VA Fund not to include the amount of **\$8,215.36** previously discussed owed to the Victim Assistance Fund. The auditor requested, but did not receive, the VA Fund ledger from July 2015 to June 2016. As a result, the auditor was unable to determine the current balance in the VA Fund as of June 2016. Therefore, it is recommended that a total of **\$111,429.57** is reimbursed into the Victim Assistance Fund. This is the **\$103,214.21** plus the owed amount of **\$8,215.36**.

During the State Auditor's Office 90 Day Follow-up site visit on March 22, 2017, the Clerk advised the auditor that the Town has a separate savings account that can be designated and repurposed for the Victim Assistance Fund. However, the funds cannot be transferred at this time as it would create a financial hardship for the Town and they would not be able to meet payroll. The Clerk then asked if the Town could be allowed additional time to establish and reimburse the VA Fund. According to the Clerk, the Town is waiting on their independent audit(s) to be completed. At that time their state appropriation will be released and the Town would be able to set the funds aside for reimbursement.

*Revenue Accountability
Cont.*

The auditor informed the Clerk that additional time cannot be granted; however, the Town will have 90 days from the issued date on this report to rectify all recommendations. Therefore, it is recommended that a separate account be established for the Victim Assistance Fund and at minimum; **\$111,429.57** transferred into the designated account.

Expenditure Accountability

Furthermore, to assess accountability of the VA Funds, the auditor inquired of both the Clerk and Chief the process for requesting funds for expenditures as it relates to the Victim Assistance Fund. Both informed the auditor that requests for expenditures were verbally made with the Clerk, an invoice is presented to the Clerk if necessary and the Clerk would approve or disapprove the expenditure and issue the check. Therefore, since the above process is not in a written format, it is recommended the Clerk establish a process and procedure in which all expenditure requests are made in writing and maintained on file for accountability purposes. This will ensure the Town has proper documentation available for auditing purposes and justification. In addition, both the Clerk and Chief informed the auditor there were no Victim Assistance Fund expenditures during the scope of this audit. The auditor then asked if the procedures were in written format. Both the Clerk and Chief confirmed they were not. Therefore, it is recommended the Town develop written process and procedures for Victim Assistance Fund expenditures.

**Recommendation(s)
and Comments**

A-1

It is recommended the Town of Bonneau contact the State Treasurer's Office to verify steps the Town will need to take to submit a revised revenue remittance form and if whether or not installment payments would be an option for the submission of the outstanding owed amount of \$38,916.11.

A-2

It is recommended that \$8,215.36 be reimbursed into the Victim Assistance Fund.

Recommendation(s) and
Comments Cont.

- A-3** It is recommended that a separate account be established for the Victim Assistance Fund and \$103,214.21 to be reimbursed into the VA Fund. Therefore, at minimum; \$111,429.57 should be transferred into the designated Victim Assistance Account as previously outlined.
- A-4** It is recommended the Clerk establish a written process and procedure for requesting funds.
- A-5** It is recommended the Town develop written process and procedures for the Victim Assistance Fund expenditures.

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

B. Victim Assistance Program

Objective

Are services provided to crime victims in accordance with State law?

Conclusion

No, the Town of Bonneau has not provided services to crime victims in accordance with State law. However, the Town has established updated policies and procedures and has a mutual agreement with the Berkeley County Sheriff's Department for the provision of services to crime victims. However, the mutual agreement is not in writing, the Town does not have a certified victim service provider to ensure services are provided to crime victims and the Town is required to reimburse the VA Fund a total of **\$111,429.57**. Therefore, as of the issue date of this audit report the Town of Bonneau is to discontinue use of the VA Funds until further notice.

Background

SC Code of Laws Section 14-14-208 (B), 14-1-211 (B)

SC Code of Law Title 16; Article 15

South Carolina Victim Service Coordinating Council Approved Guidelines for Expenditures of Monies Collected for Crime Victim Service in Municipalities and Counties.

Discussion

During the State Auditor's Office 90 Day Follow-up Audit site visit interview with the Chief on March 22, 2017, the Chief informed the auditor that he provides services to victims when necessary and the Town has a mutual agreement with the Berkeley County Sheriff's Office to provide assistance as well.

The Chief provided a copy of the victim assistance program procedural manual for review and upon review; the manual appeared to be outdated (issued in 2005). The auditor did not request an updated procedural manual; however on April 7, 2017 an updated victim assistance program procedural manual was submitted.

The updated manual included detailed process and procedures for ensuring services are provided to crime victims in accordance with State law.

Victim Statistics

Further assessment of services was conducted and victim related statistical data was requested from the Chief. The Chief stated that the Town does not maintain victim service data logs and added the Town has had only two victims since 2001. However, the Chief did provide the auditor with statistical data of dispatch records from January 1, 2013 to March 22, 2017. The auditor confirmed the Town had very few crime victims.

Job Description

Prior to the audit site visit, the auditor requested and received a copy of the VA job description. Upon review of the job description, the auditor observed the provision of educational programs for prevention is listed as an essential function and responsibility. However, prevention is considered an unallowable function for Victim Advocates paid out of the VA Fund. The auditor confirmed with the Chief during the site visit interview that he is not paid out of the fund. However, the auditor recommends the Town revise the existing job description and remove prevention related duties. Additionally, the auditor noted that the job description provided did not include the requirement of VSP certification within one year of employment in accordance with State law. Therefore it is recommended that the job description is revised to include VSP certification requirements.

Certification

The auditor also asked the Chief if he was Victim Service Provider (VSP) certified to assist victims as required by SC Code of Law 16-3-1620. The Chief stated he was not certified and further indicated there were no immediate plans for him to become certified. According to SC Code of Law 16-1-2000 victim advocates are required to be certified within 12 months after hire date to become certified. The Chief has worked for the Town over the 12 month certification requirement. Therefore, the auditor advised the Chief not to assist victims at this time as it would be a violation of victim's rights and of State law. The auditor provided further technical assistance and it was recommended the Town implement a contract with the county or a local municipality to provide victim services.

Since the Town does not have a written agreement for the provision of victim services, the Chief is not VSP certified and the Victim Assistance Fund is to reimbursed a total of **\$111,429.57**, as of the issue date of this report, the Town of Bonneau is to discontinue use of the VA Funds until further notice.

Recommendation(s)
and Comments

B-1

It is recommended the Town implement a contract with the Berkeley County Sheriff's Department or local municipality to ensure victim services are provide to crime victims in accordance with State law.

B-2

It is recommended the Town revise the existing job description to remove prevention related duties and include VSP certification requirements.

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

C. Reporting Requirements**Objective**

Has the Town completed all reporting requirements in accordance with State law?

Conclusion

No, the Town has not completed all reporting requirements in accordance with State law. The Town did not submit the requested financial reports for FY13, FY14 or FY15. In addition, the Chief was unaware of the balance within the Victim Assistance Fund.

Background

SC Code of Laws Section 14-14-208 (E)

SC Code of Law Title 16; Article 15

Discussion

According to South Carolina Code of Laws Section 14-1-208 (E) an annual independent external audit is required to be performed for each municipality to ensure fines and assessments are properly collected and remitted to the State Treasurer. Additionally, it must include a review of the accounting controls over the collection, reporting, and distribution of fines and assessments from the point of collection to the point of distribution and a supplemental schedule detailing all fines and assessments collected at the court level, the amount remitted to the municipal treasurer, and the amount remitted to the State Treasurer.

The State Auditor's Report issued on June 30, 2013 notes the Town not providing an independent audit financial statement which is required. There was no explanation given as to why the financial audit was not available. Therefore, the State Auditor's Office recommended the Town ensure its financial statements are prepared, include all required schedules, and shows they are independently audited in accordance with State law.

Annual Audits

According to the South Carolina State Treasurer's Delinquent Audit List for Municipalities dated March 29, 2017; the Town of Bonneau was still non-compliant for FY13, FY14 and FY15. During the State Auditor's Office 90 Day Follow-up audit site visit on March 22, 2017, the auditor interviewed the Clerk to determine the status of the outstanding audits. According to the Clerk, the Town obtained an independent auditor two years prior that was still working on the outstanding audits and reports would be available soon.

On March 24, 2017, the auditor sent a follow up email requesting several documents to include a copy of the Town's independent audit to be submitted to SOVA by March 31, 2017 or once it was made available.

As noted previously, on March 31, 2017, the Clerk contacted the auditor and requested additional time to submit the requested outstanding documents. The auditor provided an extension to April 7, 2017. On April 7, 2017 the auditor received several of the requested documents however, the independent audit was not included.

On April 5, 2017, the SOVA auditor contacted the independent auditor to inquire when the audit reports would be available. The independent auditor confirmed the reports for both FY13 and FY14 were mailed to the Town of Bonneau on Monday April 3, 2017.

As of the issue date of this report the Town has still failed to submit the requested financial audit reports for FY13, FY14 or FY15. Therefore, the auditor recommends the Town of Bonneau complete and submit a copy of the completed independent audit(s) from FY13, FY14 and FY15 to SOVA.

VA Fund Reporting

Also, during the State Auditor's Office 90 Day Follow-up site visit interview on March 22, 2017, the auditor inquired of the Chief information concerning the Victim Assistance Fund balance, expenditures and overall status of the VA Fund while providing technical assistance regarding the set-up of a potential contract. The auditor expressed the Victim Assistance Fund information would be necessary for the implementation of a contract at some point in determining initial payment, if any, and ongoing payment arrangements.

VA Fund Reporting Cont.

The Chief was unable to provide any information regarding the VA Fund and stated the Clerk maintains all of that information. The Chief confirmed he is not provided with any reports regarding the VA Fund and is therefore unaware of the overall status of the VA Fund. The auditor expressed the importance of knowing the status of the VA Fund to ensure the Town has adequate resources and to ensure services are provided to crime victims in accordance with State law as needed. Therefore it is recommended the Clerk provide the Chief with monthly, quarterly and year end reports regarding the VA Fund collections, balances and expenditures.

Recommendation(s)
and Comments

- C-1** **It is recommended the Town of Bonneau submit a copy of all completed independent audit(s) for FY13, FY14 and FY15 to SOVA.**
- C-2** **It is recommended the Clerk provide the Chief with monthly, quarterly and year end reports regarding the VA Fund collections, balances and expenditures.**

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

D. 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 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. Victim Service Contracts
11. Victim's Rights
12. VSP Certification
13. Technical Assistance Provided

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 Town of Bonneau was informed during the site visit conclusion that there appeared to have been some errors as noted in this report. The findings were reviewed with the Chief, Mayor, Clerk/Treasurer, and Judge. They were advised that this Programmatic Review will warrant the need for further review by Management and unless otherwise noted, the 90 Day window to correct all errors will begin 5 business days following the completion date noted on this final report.

SOVA completed the site visit on March 22, 2017 and issued the final report to the Town of Bonneau on June 22, 2017.

In September, 2017, the State Office of Victim Assistance will schedule to meet with applicable departments in the Town of Bonneau for the 90 Day Follow-up Audit to review errors found in this report to determine compliance.

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 Deputy Director:

**Ethel Douglas Ford, CPM
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

Henry McMaster, 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 Completed by:

Tiffany Boozer
Tiffany Boozer, Auditor

6-22-17
Date

Reviewed by:

Richelle A. Copeland
Richelle A. Copeland, Sr. Auditor

6-22-17
Date

Ethel Douglas Ford
Ethel Douglas Ford, CPM, Deputy Director

6/22/17
Date

