



ALAN WILSON
ATTORNEY GENERAL

September 29, 2017

Chief Jay Hayes
Town of Lyman
81 Groce Rd.
Lyman, SC 29365

Dear Chief Hayes,

The Office of the Attorney General, Department of Crime Victim Compensation (DCVC) is sending this notice to inform you that we have completed the DCVC programmatic review and financial audit for the Town of Lyman Victim Assistance Program. A copy of the official report is attached for your review. According to Proviso 117.51, DCVC 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.

Please be advised that all DCVC audits and follow-up reports are public information. I am requesting that you respond to the findings, in writing, within the next ten business days. Please note that, at the end of ten business days, this report will be posted on the DCVC website at www.sova.sc.gov under the DCVC auditing tab.

Should you have any further questions or concerns, please feel free to contact me or Tiffany Boozer, Auditor, at 803.734.1900.

Sincerely,

Burke O. Fitzpatrick
Director of Crime Victim Services Division

CC: Gregg Miller



**The Office of the Attorney General
Department of Crime Victim
Compensation**

September 29, 2017

**Programmatic Review and
Financial Audit For the
Town of Lyman
Victim Assistance 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, Fee and Assessment (VAFFA Fund Accountability.....	11
Did the Town of Lyman maintain proper accountability of the Victim Assistance Fines, Fees and Assessment fund in accordance with State law?	
B. Victim Assistance Program.....	18
Were services provided to crime victims in accordance to State law?	
C. Reporting Requirements.....	20
Has the Town of Lyman completed all reporting requirements in accordance with State law?	
D. Technical Assistance	22
Corrective Actions.....	23
Post-Audit Response and Appendix(s)	24

Acronyms:
FFA – Fines, Fees, and Assessment
DCVC – Department of Crime Victim Compensation
VAFFA – Victim Assistance Fines, Fees and Assessment

Introduction and Laws

PREFACE

This programmatic review and financial audit was initiated in response to the Department of Crime Victim Compensation (DCVC) concerns regarding the Victim Assistance Fines, Fees and Assessment fund. On July 5, 2017, the Director of DCVC issued a letter to the County Administrative Office and the Sheriff's Department informing them of the Town of Lyman's Victim Assistance fund audit. The audit was conducted on August 10, 2017.

Governing Laws and Regulations

Proviso 117.51

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 93.27

93.27 (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 ten percent of funds collected in the prior fiscal year, whichever is higher. If a county or municipality does not spend at least ninety percent 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,

Proviso 93.27 cont.

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.

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.

Proviso 98.9

98.9 (TREAs: 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.

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.

Proviso 98.9 cont.

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: Additional Assessment, General Sessions or Family Court (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. The revenue retained by the county must be used for the provision of services for the victims of crime including those required by law. All unused funds must be carried forward from year to year and used exclusively for the provision of services for 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: Additional Assessment, Magistrate's Court (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. 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. The revenue retained by the county must be used for the provision of services for the victims of crime including those required by law.

All unused funds must be carried forward from year to year and used exclusively for the provision of services for 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. 14-1-208: Additional Assessment, Municipal Court (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. The revenue retained by the municipality must be used for the provision of services for the victims of crime including those required by law. All unused funds must be carried forward from year to year and used exclusively for the provision of services for 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. 14-1-211: General Sessions Court Surcharge (subsection A, B, & C):** 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, for the purpose of providing services for the victims of crime, including those required by law. 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. For the purpose of funds allocation and expenditure, these funds are a part of the general funds of the city or county. 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. 14-1-211: General Sessions Court Surcharge (subsection D):** 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 pursuant to Section 5-7-240 and each county pursuant to Section 4-9-150 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.

Introduction and Legislative

AUDIT OBJECTIVES

The South Carolina State Legislative Proviso 117.51 mandates Department of Crime Victim Compensation to conduct an audit which shall include both a programmatic review and financial audit of any entity or nonprofit 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 of Lyman 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 of Lyman 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 of Lyman did not maintain proper accountability of the Victim Assistance Fines, Fees and Assessment fund in accordance with State law. The Town of Lyman maintained separate reporting of the Victim Assistance funds; however, the Town did not have written procedures in place as it relates to expenditures. Furthermore, initially there appeared to be a total of **\$50,724.88** in unallowable expenditures from the Victim Assistance fund in FY10.

RESULTS IN BRIEF (cont.)

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

Yes, the Town of Lyman has provided services to crime victims in accordance to State law. The Town of Lyman has established policies and procedures as it relates to the Victim Assistance Program.

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

Yes, the Town of Lyman has completed all reporting requirements in accordance with State law. The Town is current with all annual financial audits as required by State law and appears to be compliant with monthly submission of State Treasurer Revenue Remittance Forms (STRRF) as required.

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

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

Objective

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

Conclusion

No, the Town of Lyman did not maintain proper accountability of the Victim Assistance Fines, Fees and Assessment fund in accordance with State law. The Town of Lyman maintained separate reporting of the Victim Assistance funds and written procedures as it relates to expenditures; however, initially there appeared to be a total of **\$50,724.88** in unallowable expenditures from the Victim Assistance fund in FY10.

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

According to the DCVC Audit Department files, an anonymous complaint was reported on March 17, 2010 siting misuse of funds related to the unauthorized expenditures. More specifically, the complaint stated that computers were purchased for police officers using the Victim Assistance fund which is unallowable. As a result of this complaint, the Town of Lyman was placed on the audit list and an audit initiated to determine proper accountability and use of the Victim Assistance Fines, Fees and Assessment funds. During the preliminary review of departmental files from the Town of Lyman, the auditor determined that 2010 files were no longer on file. Therefore, the auditor set an initial audit scope of July 1, 2014 through June 30, 2017.

Discussion Cont.

Upon further review and consultation with management, a decision was made to extend the scope of the audit to account for the period of time regarding the complaint and notification of unauthorized funds. At the time of the complaint, no additional follow up was provided. Therefore, the audit scope was extended to reflect July 1, 2010 through June 30, 2017 as a result of the initial complaint.

Prior to the audit site visit on August 10, 2017, the DCVC auditor requested the following information from the Town of Lyman:

1. Victim Assistance Fines, Fees and Assessment Expenditure Reports from July 1, 2014 – June 30, 2017
2. State Treasurer’s Revenue Remittance Forms from July 1, 2014 – June 30, 2017
3. Copy of the Town’s Annual Financial Audit from FY14 - FY16
4. Victim Assistance Fund Bank Statements and/or Victim Assistance Account Ledger Documentation from July 1, 2014 – June 30, 2017
5. List of all local governing entities and non-profit organizations receiving Fines, Fees and Assessments funds
6. Victim Staff Hired Report
7. Victim Advocate Job Description
8. Victim Assistance Statistical Reports from FY14 – FY16
9. Copy of the Victim Assistance Operational Policies and Procedures
10. Requested documentation regarding previous South Carolina State Law Enforcement Division investigation(s) related to the Town of Lyman, if applicable.

On July 26, 2017, the auditor received all of the pre-requested documentation as outlined above.

Discussion Cont.

During the audit site visit on August 10, 2017, the auditor requested and received additional documentation to include: the annual audit supplemental schedules, general fund revenue and expense reports and detailed victim assistance expense reports from FY10 through FY13.

Expenditure Procedures

During the audit site visit on August 10, 2017, the auditor interviewed both the Chief and Victim Advocate to determine the procedures for requesting Victim Assistance Fines, Fees and Assessment funds. The Victim Advocate stated she maintains a Town issued credit card on hand primarily for the use of gas purchases. Once used all purchase receipts are given directly to the Chief for accountability purposes. However, as it relates to all other program expenditures, a verbal request is made directly to the Chief, but there were no written procedures in place for accountability purposes.

Once the verbal request is made by the Victim Advocate, the Chief stated he then approves or disapproves the expenditure(s) after reviewing the approved guidelines. If approved, he will then code the expenditure(s) and submit a request to the Treasurer to be processed for payment.

The auditor observed the Town of Lyman has proper separation of duties in place as it relates to the Victim Assistance Fines, Fees and Assessment fund. The auditor inquired whether the stated procedures were in a written format for additional accountability purposes and was informed by the Victim Advocate that the above procedures were not in written format. Therefore, the auditor recommended that the Town of Lyman establish written procedures for expenditures related to the Victim Assistance fund for further accountability purposes. The auditor contacted the Chief on September 2, 2017 and requested that the procedures be submitted to DCVC by September 8, 2017. On September 5, 2017; the auditor received the requested written process and procedures detailing the Victim Assistance fund request for expenditures. Therefore, the auditor has no further recommendations as it relates to the Town of Lyman's expenditure procedures.

**Victim Assistance
Fund Accounting**

As noted above, prior to the audit site visit on August 10, 2017, the auditor requested and reviewed the victim assistance account ledger documentation.

Fund Accounting (cont.)

During the site visit interview with the Treasurer the auditor inquired whether the Town of Lyman had a separate bank account for the Victim Assistance fund. The Treasurer confirmed that the Town did not have a separate bank account; however the Town maintained a separate accounting of the funds. According to the Treasurer, all transactions are processed through the general fund and are then identified and reported in separate journals according to the specific account. Therefore, the auditor has no further recommendations as it relates to the Town of Lyman's Victim Assistance fund accountability practice.

**Victim Assistance
Revenue Accountability**

Prior to the audit site visit on August 10, 2017, the auditor requested and received a number of documents to include: expenditure reports, annual financial audits, VA fund ledger documentation and State Revenue Remittance Forms to assess revenue accountability of the Victim Assistance Fines, Fees and Assessment fund. Furthermore, during the audit site visit, the auditor received a complete revenue and expense report from June 30, 2010 through June 30, 2017, along with expenditure details for the revised scope of the audit and supplementary schedules from 2010 through 2014 from the audited financial statement. Upon review of the audited submitted supplemental schedule for FY2010, the Town auditor noted a total of **\$52,203** in expenditures listed for equipment purchases in the fiscal year ending June 30, 2010. The Treasurer provided the auditor with a detailed listing of the 2010 expenditures; however, he was unable to provide further details about the expenditures and stated that the Chief would be the best source for additional information. As a result, during the initial assessment, the auditor met with the Chief to review the expenditures in question and while doing so, they both identified unallowable expenditures. The DCVC auditor however, calculated a total of **\$50,724.88** in unallowable expenditures from the Victim Assistance Fund from FY2009 through 2010. Please see unallowable expenditure details below:

Unallowable Expenditures		
FY July 2009 - June 2010		
Date	Description	Amount
9/16/2009	Lawmen's Holster, Belt	\$ 1,267.51
9/23/2009	Lawmen's Safety Glock 22	\$ 2,192.03
9/30/2009	4 Rising Tech Computers	\$ 4,843.51
10/14/2009	Protective Vests	\$ 8,755.96
10/21/2009	Design Lab, Inc	\$ 4,025.58
10/21/2009	Phonetree	\$ 3,018.00
10/21/2009	Nicholson Lawtrak Software *	\$20,000.00
1/20/2010	Lawmen's Sights	\$ 651.61
1/27/2010	Lowe's - Kennel Bed	\$ 130.86
1/27/2010	Light-N-Up - K-9 Cage	\$ 450.00
3/3/2010	Rising Tech - 9 Cell Batt	\$ 214.00
4/14/2010	Lawmen's Back up Weapons	\$ 4,395.82
5/26/2010	Lawmen's Glocks	\$ 780.00
Total Unallowable Expenditures		\$50,724.88
*Further details below		

*Revenue Accountability
(cont.)*

As noted above and upon further review of the VA fund expenditures, the auditor also noted a Lawtrak Software payment in the amount of \$20,000 dated for October 21, 2009. Therefore, on August 22, 2017, the auditor sent an email to the Treasurer to confirm whether the \$20,000 payment was the total cost of the initial set up of the Lawtrak Software and requested supporting documentation. The auditor also informed the Treasurer that it is unallowable for the total amount of the software installation to be taken solely from the Victim Assistance fund and that the victim assistance module would be the only allowable portion.

On the same day, the auditor received the Lawtrak Software payment documentation as requested and determined that the \$20,000 spent from the Victim Assistance Fund was the total Lawtrak software fee which is unallowable. The submitted documentation did not include an itemized break down per module cost for the Victim Assistance portion.

*Revenue Accountability
(Cont)*

Therefore, on August 24, 2017, the auditor contacted the software company to determine the module percentage apportioned towards the victim assistance module. The auditor spoke with a representative from the software company and was advised he would check the records and give a call back regarding the percentage amount.

On the same day, the auditor received a call back from the software company's contact person who confirmed that at that time in 2009 and 2010, their company did not separate out victim assistance module fees. However, the contact informed the auditor that the average percentage for the victim assistance module fee is 25 percent of the initial set up cost. Therefore, the auditor used the suggested 25 percent to determine the amount that would be allowed from the Victim Assistance fund since the fees were not itemized and separated at the time of installation. As indicated above, the Town of Lyman paid an initial set up cost of \$20,000 for the Lawtrak Software. Based on the suggested percentage of 25 percent, **\$5,000** would be the allowable amount to be paid from the Victim Assistance fund. The remaining **\$15,000** of the initial set up total cost would be considered unallowable and will be required to be reimbursed into the Victim Assistance Fund. Therefore, the Town of Lyman would be responsible for a total reimbursement of **\$45,724.88** into the Victim Assistance fund.

The auditor also noted on the detail documentation of the 2010 account that there was an expenditure reclassification adjustment entered by the independent auditor for the Town of Lyman from the general fund as a credit to the Victim Assistance fund in the amount of **\$16,239.66** to offset unallowable expenditures. Therefore, the auditor used the credited amount to offset the total reimbursement of **\$45,724.88** noted above. As a result of the credit adjustment, it is recommended that the Town of Lyman reimburse a total of **\$29,485.22** into the Victim Assistance fund due to unallowable expenditures.

**South Carolina State
Law Enforcement
Division (SLED)**

On July 26, 2017, in addition to all other requested documentation, the auditor received a letter from the Chief providing information regarding an ongoing South Carolina State Law Enforcement Division (SLED) investigation into their agency. According to the letter, the open investigation is related to a former employee regarding missing funds. The letter also provided contact information for the SLED agent handling the case.

On August 7, 2017, the auditor called and spoke with the SLED agent to determine if the ongoing investigation was related to the Victim Assistance fund. According to the agent, the investigation is ongoing at this time and appears not to involve the Victim Assistance funds.

**Recommendation(s)
and Comments**

A-1

It is recommended that the Town of Lyman reimburse a total of \$29,485.22 into the Victim Assistance fund due to unallowable expenditures noted within the report.

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

B. Victim Assistance Program**Objective**

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

Conclusion

Yes, the Town of Lyman has provided services to crime victims in accordance to State law. The Town of Lyman has established policies and procedures in place as it relates to the Victim Assistance Program.

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

Prior to the initial audit site visit on August 10, 2017, the auditor requested and reviewed the following documentation as it relates to this objective.

1. Victim Advocate Job Description
2. Victim Assistance Statistical Reports from FY14 - FY16
3. Copy of Victim Assistance operational policies and procedures.

On July 26, 2017 the auditor received and reviewed the above documentation as requested. The auditor noted that the victim assistance program procedural manual was current (effective as of January 2017) and included the detailed process and procedures for ensuring services are provided to crime victims in accordance with State law.

Discussion Cont.

Furthermore, the auditor reviewed the submitted job description and confirmed that the essential functions and responsibilities of the Victim Advocate are in compliance with program guidelines. The auditor also confirmed during the audit site visit interview with the Chief and Victim Advocate that the Advocate is full-time and is paid out of the fund at 100 percent and that the Victim Advocate does not perform any other duties unrelated to victim advocacy. The Town of Lyman does not have an independent human resource department, however according to the Victim Advocate her job description was approved by the Town Counsel and both the Chief and Town Administrator/Treasurer has a copy on file.

To further assess services provided to crime victims, the auditor reviewed the submitted statistical data and interviewed the Victim Advocate concerning types of services provided to crime victims. Based on select statistical data from FY16-17, there were an estimated 73 victim related cases. During the site visit interview, the auditor confirmed that the Victim Advocate provides services to all victim related cases to include but not limited to: assistance with victim impact statements, completion of compensation application(s), victim transport, and forensic interviews, etc.

Lastly, the auditor inquired whether the Victim Advocate was up to date with the Victim Service Provider (VSP) certification to assist victims as required by SC Code of Law 16-3-1620. The Victim Advocate confirmed that she is certified on both national and state level and is current with her certification.

Recommendation(s)
and Comments

No further recommendations

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

C. Reporting Requirements**Objective**

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

Conclusion

Yes, the Town of Lyman has completed all reporting requirements in accordance with State law. The Town is current with all annual financial audits as required by State law and appears to be compliant with monthly submission of State Treasurer Revenue Remittance Forms (STRRF) as required.

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 that 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 supplementary 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.

According to the South Carolina State Treasurer's website, the Town of Lyman is not listed on the delinquent audit list for municipalities. Furthermore, the Town provided the auditor with both the annual independent audit reports from July 1, 2010 through June 30, 2017 and all associated supplemental schedules.

Discussion Cont.

According to Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended, requires that the Town remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a timely manner prescribed by the State Treasurer.

On July 26, 2017, the Town of Lyman submitted the requested STRRFs from FY14 through FY16 to the auditor for review. The auditor randomly selected a sample of 15 months to evaluate compliance as it relates to this objective. Based on the submission date provided on the selected sample, it appears that there were no occurrences of STRRF's submitted after the required date of the 15th as outlined by State law.

Recommendation(s)
and Comments

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 97.9
3. Copy of the Legislative Proviso 93.27
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 2017 Approved Guidelines
10. Additional Approved Guidelines
11. 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 Lyman was informed at the site visit conclusion that there appeared to have been some errors as noted in this report. The findings were reviewed with the Chief, Treasurer/Town Administrator and Victim Advocate. 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 10 business days following the completion date noted on this final report.

DCVC completed the site visit on August 10, 2017 and issued the final report to the Town of Lyman on September 29, 2017.

In December 2017, The Department of Crime Victim Compensation will schedule to meet with applicable departments in the Town of Lyman for the 90 Day Follow-up Audit Review of errors found in this report.

Official Post-Audit Response

The County/City has 10 business days from the date listed on the front of this report to provide a written response to the DCVC Assistant Deputy Director:

**Ethel Douglas Ford, CPM
1205 Pendleton St., Room 401
Columbia, SC 29201**

At the end of the ten day response period, this report and all post-audit responses (located in the Appendix) will become public information on the Department of Crime Victim Compensation (DCVC) website:

www.sova.sc.gov



ALAN WILSON
ATTORNEY GENERAL

Programmatic Review Completed by:

Tiffany Boozer
Tiffany Boozer, DCVC Auditor

9/28/17
Date

Reviewed by:

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

9/28/17
Date

Ethel Douglas Ford
Ethel Douglas Ford, CPM, DCVC Assistant Deputy Director

9/28/17
Date

Burke Fitzpatrick
Burke Fitzpatrick, Director of South Carolina Crime Victim Services

9-20/17
Date