



ALAN WILSON
ATTORNEY GENERAL

March 18, 2024

Mayor Horney Mitchell
Town of Gifford
236 Walker Street
Gifford, SC 29923-0189

Dear Mayor Mitchell,

The Office of the Attorney General, Department of Crime Victim Compensation (DCVC), is sending this notice to inform you that we have completed the Follow-up Audit to the Town of Gifford DCVC Initial Auditor's Report. A copy of the official report is attached for your review. This is in conformance with Act 96 [PART IV] which requires DCVC to conduct a programmatic review and financial audit on any governmental entity or non-profit organization receiving victim assistance funding to ensure that these 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 <https://www.scag.gov/inside-the-office/crime-victim-services-division/crime-victim-compensation/auditing>.

Should you have any further questions or concerns, please feel free to contact me or Mignon Lee-Thompson, Senior Auditor, at 803.734.1900.

Sincerely,

Debbie Curtis, Deputy Director
Department of Crime Victim Compensation

Cc: Vikki Woods



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

June 1, 2021

**Programmatic Review and Financial Audit of the
Town of Gifford Victim Assistance Fines, Fees,
and Assessment Fund**

March 18, 2024

**Follow-up Audit Review for the Town of Gifford
Victim Assistance Fines, Fees, and Assessment
Fund**

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Acronyms:

VAFFA – Victim Assistance Fines, Fees, and Assessment

DCVC – Department of Crime Victim Compensation

SCLEVA – South Carolina Law Enforcement Victim Advocate

CVST – Department of Crime Victim Services Training, Provider Certification, and Statistical Analysis

Introduction and Laws

PREFACE

This follow-up Programmatic Review and Financial Audit was initiated in response to recommendations made in the Department of Crime Victim Compensation's (DCVC) initial audit report issued on June 1, 2021, regarding the Victim Assistance Fines, Fees, and Assessment fund (See Appendix A). On September 5, 2023, the Deputy Director of DCVC issued a letter to the Town of Gifford officials informing them that DCVC would be conducting a follow-up audit review. The Programmatic Review and Financial Audit site visit was on October 24, 2023. The town officials were notified via phone and email on December 11, 2023, of the DCVC Auditor's findings. The follow-up report was issued via mail to the Town of Gifford's mayor, and the town clerk on March 19, 2024.

Governing Legislation and Regulations

ACT 96 [PART IV]

SECTION 13. B. Chapter 1, Title 14 of the 1976 Code is amended by adding:

"Section 14-1-211.6. (A) 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) and (D), 14-1-207(B) and (D), 14-1-208(B) and (D), and 14-1-211(B), the State Auditor shall notify the Office of the Attorney General, South Carolina Crime Victim Services Division. The division is authorized to conduct an audit, which must 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 division to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed in collaboration with the Victim Services Coordinating Council. The Victim Services Coordinating Council, in collaboration with the director of the division, shall develop these guidelines to ensure any expenditure that meets the parameters of Article 15, Chapter 3, Title 16 is an allowable expenditure.

(B) 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 Office of the Attorney General, South Carolina Crime Victim Services Division within thirty days of the budget's approval by the governing body of the entity or nonprofit organization. Failure to comply with this provision shall cause the division to initiate a programmatic review and a financial audit of the entity's or nonprofit organization's expenditures of victim assistance funds. Additionally, the division will place the name of the noncompliant entity or nonprofit organization on its website, where it shall remain until such time as the noncompliant entity or nonprofit organization is in compliance with the terms of this section.

(C) Any entity or nonprofit organization receiving victim assistance funding must cooperate and provide expenditure and program data requested by the division. If the division 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 division. 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 division shall assess and collect a penalty in the amount of the unauthorized expenditure plus fifteen hundred dollars against the entity or nonprofit organization for improper expenditures. This penalty which includes the fifteen hundred dollars must be paid within thirty days of the notification by the division to the entity or nonprofit organization that the entity or nonprofit organization is in noncompliance with the provisions of this section. All penalties received by the division shall be credited to the general fund of the State. If the penalty is not received by the division within thirty days of the notification, the political subdivision must deduct the amount of the penalty from the entity's or nonprofit organization's subsequent fiscal year appropriation."

Proviso 59.15

59.15. (AG: State Crime Victim Compensation)

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

Proviso 59.15 (cont.)

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 Office of the Attorney General 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.

The State Crime Victim Compensation Department 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.

The State Crime Victim Compensation Department is authorized to transfer to the State Victim Assistance Program any state funds deemed available under Crime Victims Compensation authority to the State Victim Assistance Programs 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.

A county or municipality may be exempt from the remittance requirements of this proviso upon submission of a plan to the State Crime Victim Compensation Department that meets the statutory requirements for the use of funds. A county or municipality must submit the report within 60 days after the end of the fiscal year. The State Crime Victim Compensation Department will review the submitted plan and advise the county or municipality of plan compliance with statutory requirements.

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

Proviso 98.9 (cont.)

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
Title14 [excerpts]**

Courts – General Provisions

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

- **Section 14-1-206, subsection(s) A, B & D:** (A) 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. (B) The county treasurer must remit 35.35 percent of the revenue generated by the assessment imposed in the county to be used for the purposes set forth in subsection (D) and 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 manner prescribed by the State Treasurer. (D) 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.
- **Section 14-1-207 Subsection(s) A, B & D:** (A) 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. (B) The county to be used for the purposes set forth in subsection (D) and 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 manner prescribed by the State Treasurer. (D) All unused funds must be carried forward from year to year and used exclusively for the provision of services for victims of crime.

SC Code of Law
Title 14 (excerpts cont.)

All unused funds must be separately identified in the governmental entity's adopted budget as funds unused and carried forward from previous years.

- **Section 14-1-208 Subsection(s) A, B & D:** (A) 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. (B) 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 and make reports on a form and in a manner prescribed by the State Treasurer. (D) 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.
- **Section 14-1-206,207,208 Subsection(s) E:** To ensure that fines and assessments imposed are properly collected and remitted to the State Treasurer, the annual independent external audit required to be performed for each county and municipality 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 Uniform Supplemental Schedule Form detailing all fines and assessments collected by the clerk of court for the court of general sessions, magistrate court of the county and at the court level, the amount remitted to the county and municipal treasurers, and the amount remitted to the State Treasurer.
- **Section 14-1-211 Subsection A & B:** (A) 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 magistrates and municipal courts in this State. (B) The revenue collected must be retained by the jurisdiction which heard or processed the case and paid to the city or county treasurer,

- **Section 14-1-211 Subsection B & D:** (B) 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 the requirements contained in this provision. 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 appropriated for the exclusive purpose of providing victim services required by Chapter 3, Article 15 of Title 16; specifically, those service requirements that are imposed on local law enforcement, local detention facilities, prosecutors, and the summary courts. First priority must be given to those victims' assistance programs which are required by Chapter 3, Article 15 of Title 16 and second priority must be given to programs which expand victims' services beyond those required

by Chapter 3, Article 15 of Title 16. 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.

- (D) (1) The supplementary schedule must include the following elements:
 - (a) all surcharges collected by the clerk of court for the general sessions, magistrate's, 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.

Introduction

AUDIT OBJECTIVES

The South Carolina State Legislative ACT 96 (PART IV) mandates the Department of Crime Victim Compensation to conduct an audit that 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 Gifford implemented written policies and procedures to ensure STRRFs are submitted by the 15th of each month in accordance with state law and that policies and procedures have been distributed to all relevant personnel.
- To determine if the Town of Gifford implemented written policies and procedures to ensure court fees are accurately recorded and readily available for review in accordance with state law and policies and procedures have been distributed to all relevant personnel.
- To determine if the Town of Gifford contacted the State Treasurer's office in reference to underreported funds.
- To determine if the Town of Gifford implemented written policies and procedures to ensure Victim Assistance revenue is accounted for and deposited in accordance with state law and whether the town reimbursed **\$37,649.49** into the Victim Assistance Fund to correct the account balance.

RESULTS IN BRIEF

State Treasurer Revenue Remittance Forms

Did the Town of Gifford implement written policies and procedures to ensure that STRRFs are submitted by the 15th of each month in accordance with state law? Have the policies and procedures been distributed to all relevant personnel?

Yes, the Town of Gifford has implemented written policies and procedures to ensure that STRRFs are submitted by the 15th of each month in accordance with state law. All policies and procedures have been distributed to all relevant personnel.

General Account Records

Did the Town of Gifford implement written policies and procedures ensuring court fees are accurately recorded and readily available for review in accordance with state law? Have policies and procedures been distributed to all relevant personnel?

Yes, the Town of Gifford has implemented written policies and procedures to ensure court fees are accurately recorded in accordance with state law. All policies and procedures have been distributed to all relevant personnel.

State Treasurer's Office

Did the Town of Gifford make contact with the State Treasurer's office regarding underreported funds and submit written proof of contact to DCVC?

Yes, the Town of Gifford contacted the State Treasurer's office regarding underreported funds, and written proof was submitted to DCVC.

Victim Assistance Fines, Fees, and Assessment Fund

Did the Town of Gifford implement written policies and procedures to ensure that Victim Assistance revenue is accounted for, and deposited in accordance with state law? Additionally, did the town deposit \$37,649.49 into the Victim Assistance Fund to correct the account balance?

Yes, the Town of Gifford established and implemented policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with state law. All policies and procedures have been distributed to all relevant personnel. However, the town did not deposit \$37,649.49 into the Victim Assistance Fund to correct the account balance.

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

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

Did the Town of Gifford implement written policies and procedures to ensure that STRRFs are submitted by the 15th of each month in accordance with state law? Have policies and procedures been distributed to all relevant personnel?

Conclusion

Yes, the Town of Gifford has implemented written policies and procedures to ensure that STRRFs are submitted by the 15th of each month in accordance with state law. All policies and procedures have been distributed to all relevant personnel.

Background

DCVC Initial Audit Report issued June 1, 2021

Discussion

This is a DCVC follow-up audit report regarding the Town of Gifford's non-compliance with recommendations made in the DCVC initial audit report dated June 1, 2021 (see Appendix A). The town officials were notified by the Deputy Director of DCVC's intent to initiate a Programmatic Review and Financial Audit of the Victim Assistance Fund on September 5, 2023, via mailed letter.

In the DCVC initial audit report dated June 1, 2021, the DCVC Auditor recommended that the town develop written policies and procedures to ensure that STRRFs are submitted by the 15th of each month in accordance with state law.

The DCVC Auditor spoke with the clerk on September 26, 2023, and informed her that a pre-requested audit document list would be sent via email and to set up an audit site visit date. The audit site visit was scheduled for October 24, 2023. The DCVC Auditor emailed the clerk the pre-requested audit document list on September 26, 2023. The pre-requested document list included a request for written policies and procedures to ensure STRRFs are submitted by the 15th of each month in accordance with state law, as recommended by the DCVC Auditor in the DCVC initial audit report dated June 1, 2021. The pre-requested audit documents were due by October 9, 2023. The DCVC Auditor did not receive policies and procedures by the due date.

During the audit site visit on October 24, 2023, the DCVC Auditor asked the clerk if policies and procedures had been developed. She stated that the town needed guidance in developing the policies and procedures. The DCVC Auditor provided technical assistance and advised the clerk that written policies and procedures were required to be developed, distributed to all relevant personnel, and submitted to DCVC by the completion of the follow-up audit report. The DCVC Auditor received policies and procedures on December 11, 2023. The Town of Gifford is compliant with the recommendation made by the DCVC Auditor in the audit report dated June 1, 2021.

Recommendation(s)

No Further Recommendations

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

B. Account Records**Objective**

Did the Town of Gifford implement written policies and procedures to ensure the court fees are accurately recorded and readily available for view in accordance with state law? Have the policies and procedures been distributed to all relevant personnel?

Conclusion

Yes, the Town of Gifford has implemented written policies and procedures to ensure that the court fees are accurately recorded in accordance with state law. All policies and procedures have been distributed to all relevant personnel.

Background

DCVC Initial Audit Report issued June 1, 2021

Discussion

This is a DCVC follow-up audit report regarding the Town of Gifford's non-compliance with recommendations made in the DCVC initial audit report dated June 1, 2021 (see Appendix A). The town officials were notified by the Deputy Director of DCVC's intent to initiate a Programmatic Review and Financial Audit of the Victim Assistance Fund on September 5, 2023, via mailed letter.

In the Town of Gifford's State Auditor's Report dated June 30, 2015, the State Auditor noted in the report that the town treasurer did not keep records of court activity, which did not allow for reconciliation of court collection activity, court docket adjudication and deposit activity. In the DCVC initial audit report dated June 1, 2021, the DCVC Auditor recommended that the town accurately record court activity in a way that makes those records available for review in accordance with state law. Additionally, the DCVC Auditor recommended that written policies and procedures be developed, distributed to all relevant personnel, and submitted to our office.

The DCVC Auditor spoke with the clerk on September 26, 2023, and informed her that a pre-requested audit document list would be sent via email. The DCVC Auditor also set up an audit site visit date at that time. The audit site visit was scheduled for October 24, 2023. The DCVC Auditor emailed the clerk the pre-requested audit document list on September 26, 2023.

The pre-requested document list included a request for written policies and procedures to ensure court fees are accurately recorded and readily available for viewing in accordance with state law. The pre-requested documents were due by October 9, 2023. The DCVC Auditor did not receive the policies and procedures by the due date.

During the audit site visit on October 24, 2023, the DCVC Auditor asked the clerk if policies and procedures had been developed. She stated that the town needed guidance in developing the policies and procedures. The DCVC Auditor provided technical assistance and advised the clerk that written policies and procedures were required to be developed, distributed to all relevant personnel, and submitted to our office by the completion of the follow-up audit report. The DCVC Auditor received policies and procedures on December 11, 2023. The Town of Gifford is compliant with the recommendation made by the DCVC Auditor in the audit report dated June 1, 2021.

Recommendation(s)

No further recommendation

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

C. State Treasurer's Office**Objective**

Did the Town of Gifford make contact with the State Treasurer's office regarding underreported funds and submit written proof of contact to DCVC?

Conclusion

Yes, the Town of Gifford did make contact with the State Treasurer's office in reference to underreported funds and written proof was submitted to DCVC.

Background

DCVC Initial Audit Report issued June 1, 2021

Discussion

This is a DCVC follow-up audit report regarding the Town of Gifford's non-compliance with recommendations made in the DCVC initial audit report dated June 1, 2021 (see Appendix A). The town officials were notified by the Deputy Director of DCVC's intent to initiate a Programmatic Review and Financial Audit of the Victim Assistance Fund on September 5, 2023, via mailed letter.

In the DCVC initial audit report dated June 1, 2021, the DCVC Auditor recommended that the town officials contact the State Treasurer's office for reference on the underreported funds owed in the amount of **\$215,180.00** and submit written proof of contact to DCVC.

The DCVC Auditor spoke with the clerk on September 26, 2023, and informed her that a pre-requested audit document list would be sent via email and to set up an audit site visit date. The audit site visit was scheduled for October 24, 2023. The DCVC Auditor emailed the clerk the pre-requested audit document list on September 26, 2023. The pre-requested document list included written proof that the town contacted the State Treasurer's office in reference to the underreported funds as recommended by the DCVC Auditor in the DCVC initial audit report dated June 1, 2021. The pre-requested documents were due by October 9, 2023.

The DCVC Auditor received a letter from the clerk signed by the mayor on September 27, 2023, as supporting documentation indicating that the town had contacted the State Treasurer's office regarding the underreported funds. However, the letter was not addressed to the State Treasurer's office, so the DCVC Auditor could not determine if the town had contacted the State Treasurer's office. During the audit site visit on October 24, 2023, the DCVC Auditor asked the mayor to whom the letter was addressed and who the contact person was. The mayor stated that the letter was sent to the State Treasurer's office and provided the DCVC Auditor with the name of the contact person. The DCVC Auditor verified the information with the State Treasurer's office. The Town of Gifford is compliant with the recommendation made by the DCVC Auditor in the audit report dated June 1, 2021.

Recommendation(s)

No further recommendation

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

D. Victim Assistance Fund**Objective**

Did the Town of Gifford establish and implement policies and procedures to ensure that Victim Assistance revenue is accounted for and deposited in accordance with state law? Additionally, did the town deposit **\$37,649.49** into the Victim Assistance Fund to correct the account balance?

Conclusion

Yes, the Town of Gifford established and implemented policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with state law. All policies and procedures have been distributed to all relevant personnel. However, the town did not deposit **\$37,649.49** into the Victim Assistance Fund to correct the account balance.

Background

DCVC Initial Audit Report issued June 1, 2021

Discussion

This is a DCVC follow-up audit report regarding the Town of Gifford's non-compliance with recommendations made in the DCVC initial audit report dated June 1, 2021 (see Appendix A). The town officials were notified by the Deputy Director of DCVC's intent to initiate a Programmatic Review and Financial Audit of the Victim Assistance Fund on September 5, 2023, via mailed letter.

In the DCVC initial audit report dated June 1, 2021, the DCVC Auditor recommended that the town establish and implement policies and procedures to ensure that Victim Assistance revenue is accounted for and deposited timely in accordance with state law. Additionally, the town was required to establish a separate account to ensure accountability and transparency of its Victim Assistance Funds and reimburse **\$37,649.49** into the Victim Assistance Fund to correct the account balance for unallowable expenditures for FY 14-19.

The DCVC Auditor spoke with the clerk on September 26, 2023, to inform her that a pre-requested audit document list would be sent via email and to set up an audit site visit date. The audit site visit was scheduled for October 24, 2023. The DCVC Auditor emailed the clerk the pre-requested audit document list on September 26, 2023. The pre-requested document list included a request for written policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with state law and supporting documentation that the town reimbursed **\$37,649.49** into the Victim Assistance account. The pre-requested documents were due by October 9, 2023.

The DCVC Auditor received written policies and procedures to ensure Victim Assistance revenue is accounted for and deposited in a timely manner, STRRFs, the town's general ledger for Victim Assistance, and the Victim Assistance bank statements for FY 19-23 on September 27, 2023. After reviewing the submitted documents, the DCVC Auditor determined that the town did not reimburse **\$37,649.49** to the Victim Assistance account as recommended in the DCVC initial audit dated June 1, 2021. The DCVC Auditor also determined that the town had an additional **\$25,297.84** in unallowable expenditures for FY 21-23. There was also a discrepancy between the STRRFs (what was collected) and the deposits that were put into the Victim Assistance account in the amount of **\$2,822.38**. As of September 21, 2023, the account balance was **\$31,265.03**. However, the account balance should have been **\$97,034.74** as of September 21, 2023.

During the DCVC follow-up audit site visit, the DCVC Auditor reviewed the DCVC initial audit with the mayor. The DCVC Auditor asked the mayor if the town had a plan to reimburse the Victim Assistance fund. The mayor stated that he believed that the town could provide invoices to offset the reimbursement amount of **\$37,649.49** as noted in the DCVC initial audit dated June 1, 2021.

The DCVC Auditor agreed to review any invoices the town could submit. The town did not submit any additional invoices. At that time, the DCVC Auditor also informed the mayor and the clerk that there were discrepancies between the STRRFs and the bank deposits as well as unallowable expenditures for FY 21-23.

During the site audit visit the mayor inquired about Proviso 59.15. The DCVC Auditor explained to the mayor and the clerk that due to the unallowable expenditures for FY 21-23, the town did not meet the 90% spending requirement per Proviso 59.15. The DCVC Auditor also explained that the Victim Assistance fund is required to be reimbursed before funds can be remitted to the State Victim Assistance Program (SVAP).

The DCVC Auditor called the town's officials on December 11, 2023, and notified them of the total reimbursement to Victim Assistance. The DCVC Auditor also followed up with an email on December 11, 2023. At the conclusion of this audit report, the town had not reimbursed the Victim Assistance fund. Therefore, the Town of Gifford is non-compliant as it relates to this recommendation.

Recommendation(s)

It is recommended that the Town of Gifford reimburse **\$65,769.22** into the Victim Assistance account to correct the balance for unallowable expenditures for FY 14-23.

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

E. Technical Assistance**Documentation Provided**

During the audit process, technical assistance and support were provided and the following documents were online for review.

1. Legislation - Act 96 (PART IV)
2. Proviso 98.9
3. Proviso 59.15
4. Sample Budget
5. Sample Staff Hired Report
6. Sample Time and Activity Report
7. Sample Expenditure Report
8. Victim Advocate Procedural Manual
9. Approved Guidelines

Other Matters

There are no other matters.

Corrective Action

Act 96 (C) states:

“Any entity or nonprofit organization receiving victim assistance funding must cooperate and provide expenditure and program data requested by the division. If the division 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 division. 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 division shall assess and collect a penalty in the amount of the unauthorized expenditure plus fifteen hundred dollars against the entity or nonprofit organization for improper expenditures. This penalty which includes the fifteen hundred dollars must be paid within thirty days of the notification by the division to the entity or nonprofit organization that the entity or nonprofit organization is in noncompliance with the provisions of this section. All penalties received by the division shall be credited to the general fund of the State. If the penalty is not received by the division within thirty days of the notification, the political subdivision must deduct the amount of the penalty from the entity's or nonprofit organization's subsequent fiscal year appropriation.”

The Town of Gifford was informed at the conclusion of the Programmatic Review and Financial Audit that there appeared to have been some errors noted in this report. The findings were discussed with the mayor and the clerk. The mayor was advised that this Financial and Programmatic Audit Review will warrant the need for further discussion with management. Unless otherwise noted, the 90-day window to correct all errors will begin ten business days following the completion date noted in this report.

DCVC issued the final report to the Town of Gifford on March 19, 2024.

Appendix(s)

**Appendix A – Town of Programmatic Review and Financial Audit of the Town of Gifford
Victim Assistance Fines, Fees, and Assessment Fund Issued June 30, 2021**



ALAN WILSON
ATTORNEY GENERAL

June 1, 2021

Chief Robert Vick
Town of Gifford
236 Walker Street
Gifford, SC 29923

Dear Chief Vick:

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 Initial Programmatic Review and Financial Audit of the Victim Assistance Funds for the Town of Gifford. A copy of the official report is attached for your review. This is in conformance with Act 96 [PART IV] which requires DCVC to conduct a programmatic review and financial audit on any governmental entity or non-profit organization receiving victim assistance funding to ensure that these 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 Dexter L. Boyd, Senior Auditor, at 803.734.1900.

Sincerely,

Ethel Douglas Ford, CPM
Assistant Deputy Director

cc: Mayor Horney Mitchell
Katina Taylor
Javoundra Brooks Creech



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

February 23, 2021

**Follow-up Audit Review for the
Town of Gifford's Municipal Court
State Auditor's Report**

June 1, 2021

**Programmatic Review and
Financial Audit of the
Town of Gifford Victim
Assistance Fines, Fees and
Assessment Fund**

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Acronyms:

- VAFFA – Victim Assistance Fines, Fees, and Assessment**
- DCVC – Department of Crime Victim Compensation**
- SCLEVA – South Carolina Law Enforcement Victim Advocate**
- CVST – Department of Crime Victim Services Training, Provider Certification, and Statistical Analysis**

Introduction and Laws

PREFACE

This programmatic review and financial audit was initiated in response to the Department of Crime Victim Compensation's (DCVC) concerns regarding the Victim Assistance Fines, Fees and Assessment fund. On January 29, 2020, the DCVC Assistant Deputy Director issued a letter to the Town of Gifford informing them of the Victim Assistance fund audit. This audit was conducted on February 27, 2020.

Governing Legislation and Regulations

ACT 96 [PART IV]

SECTION 13. B. Chapter 1, Title 14 of the 1976 Code is amended by adding:

"Section 14-1-211.6. (A) 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) and (D), 14-1-207(B) and (D), 14-1-208(B) and (D), and 14-1-211(B), the State Auditor shall notify the Office of the Attorney General, South Carolina Crime Victim Services Division. The division is authorized to conduct an audit, which must 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 division to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed in collaboration with the Victim Services Coordinating Council. The Victim Services Coordinating Council, in collaboration with the director of the division, shall develop these guidelines to ensure any expenditure that meets the parameters of Article 15, Chapter 3, Title 16 is an allowable expenditure.

ACT 96 (cont.)

(B) 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 Office of the Attorney General, South Carolina Crime Victim Services Division within thirty days of the budget's approval by the governing body of the entity or nonprofit organization. Failure to comply with this provision shall cause the division to initiate a programmatic review and a financial audit of the entity's or nonprofit organization's expenditures of victim assistance funds. Additionally, the division will place the name of the noncompliant entity or nonprofit organization on its website, where it shall remain until such time as the noncompliant entity or nonprofit organization is in compliance with the terms of this section.

(C) Any entity or nonprofit organization receiving victim assistance funding must cooperate and provide expenditure and program data requested by the division. If the division 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 division. 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 division shall assess and collect a penalty in the amount of the unauthorized expenditure plus fifteen hundred dollars against the entity or nonprofit organization for improper expenditures. This penalty which includes the fifteen hundred dollars must be paid within thirty days of the notification by the division to the entity or nonprofit organization that the entity or nonprofit organization is in noncompliance with the provisions of this section. All penalties received by the division shall be credited to the general fund of the State. If the penalty is not received by the division within thirty days of the notification, the political subdivision must deduct the amount of the penalty from the entity's or nonprofit organization's subsequent fiscal year appropriation."

Proviso 59.15

59.15. (AG: State Crime Victim Compensation)

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.

Proviso 59.15 (cont.)

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, to the State Victim Assistance Program (SVAP) with the Office of the Attorney General 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.

The State Crime Victim Compensation Department 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.

The State Crime Victim Compensation Department is authorized to transfer to the State Victim Assistance Program any state funds deemed available under Crime Victims Compensation authority to the State Victim Assistance Programs 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.

A county or municipality may be exempt from the remittance requirements of this proviso upon submission of a plan to the State Crime Victim Compensation Department that meets the statutory requirements for the use of funds. A county or municipality must submit the report within 60 days after the end of the fiscal year. The State Crime Victim Compensation Department will review the submitted plan and advise the county or municipality of plan compliance with statutory requirements.

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.

Proviso 98.9 (cont.)

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

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

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

***SC Code of Law
Title 14 [excerpts]***

Courts – General Provisions

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

- **Section 14-1-206, subsection(s) A, B & D:** (A) 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. (B) The county treasurer must remit 35.35 percent of the revenue generated by the assessment imposed in the county to be used for the purposes set forth in subsection (D) and 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 manner prescribed by the State Treasurer. (D) 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.

- **Section 14-1-207 Subsection(s) A, B & D:** (A) 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.

SC Code of Law
Title 14 (excerpts cont.)

(B) The county to be used for the purposes set forth in subsection (D) and 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 manner prescribed by the State Treasurer. (D) 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.

- **Section 14-1-208 Subsection(s) A, B & D:** (A) 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. (B) 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 and make reports on a form and in a manner prescribed by the State Treasurer. (D) 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.
- **Section 14-1-206,207,208 Subsection(s) E:** To ensure that fines and assessments imposed are properly collected and remitted to the State Treasurer, the annual independent external audit required to be performed for each county and municipality 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 Uniform Supplemental Schedule Form detailing all fines and assessments collected by the clerk of court for the court of general sessions, magistrate court of the county and at the court level, the amount remitted to the county and municipal treasurers, and the amount remitted to the State Treasurer.

SC Code of Law
Title 14 (excerpts cont.)

Section 14-1-211 Subsection A & B: (A) 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 magistrates and municipal courts in this State. (B) The revenue collected must be retained by the jurisdiction which heard or processed the case and paid to the city or county treasurer,

Section 14-1-211 Subsection B & D: (B) 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 the requirements contained in this provision. 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 appropriated for the exclusive purpose of providing victim services as required by Chapter 3, Article 15 of Title 16; specifically, those service requirements that are imposed on local law enforcement, local detention facilities, prosecutors, and the summary courts. First priority must be given to those victims' assistance programs which are required by Chapter 3, Article 15 of Title 16 and second priority must be given to programs which expand victims' services beyond those required by Chapter 3, Article 15 of Title 16. 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.

- (D) (1) The supplementary schedule must include the following elements:
- (a) all surcharges collected by the clerk of court for the general sessions, magistrate's, 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.

Introduction

AUDIT OBJECTIVES

The South Carolina State Legislative ACT 96 (PART IV), mandates the 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 State law.

Audit Objectives were:

- To determine if the Town of Gifford implemented policies and procedures to ensure the State Treasurer's Revenue Remittance Forms (STRRFs) are submitted by the fifteenth day of each month in compliance with State law.
 - To determine if the Town accurately recorded court activity in a way to make those records available for review in accordance with State law.
 - To determine if the Town of Gifford implemented a process to ensure timely filing and payment of amounts due to the State Treasurer's Office.
 - To determine if the Town established and implemented policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law. Also, did the Town establish a separate general ledger account to ensure the transparency of its Victim Assistance funds and determine cumulative balances due to Victim Assistance?
-

RESULTS IN BRIEF

*Timely Submission of State
Treasurer's Revenue
Remittance Forms*

No, the Town of Gifford did not implement policies and procedures to ensure STRRFs are submitted by the fifteenth of each month in compliance with State law.

*General Ledger Account
Records*

No, the Town did not accurately record court activity in a way to make those records available for review in accordance with State law.

Under Reported Amounts

No, the Town of Gifford did not implement a process to ensure timely filing and payment of amounts due to the State Treasurer's Office.

Victim Assistance Fund

No, the Town did not establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law. Also, the Town did not establish a separate general ledger account to ensure the transparency of its Victim Assistance funds and determine cumulative balances due to Victim Assistance.

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

A. Timely Submission of State Treasurer's Revenue Remittance Forms

Objective Did the Town of Gifford implement policies and procedures to ensure the State Treasurer's Revenue Remittance Forms (STRRFs) are submitted by the fifteenth day of each month in compliance with State law?

Conclusion No, the Town of Gifford did not implement policies and procedures to ensure STRRFs are submitted by the fifteenth of each month in compliance with State law.

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

Discussion During the State Follow-up Audit for the Town of Gifford dated February 23, 2021 (see Appendix A), it was recommended that the Town implement policies and procedures to ensure the State Treasurer's Revenue Remittance Forms (STRRFs) are submitted by the fifteenth day of each month in compliance with State law. This recommendation originated from the Town of Gifford's State Auditor's Report dated June 30, 2015 where it was noted none of the twelve STRRFs tested were submitted to the State Treasurer as required by law. The Town did not comply with the recommendations from the State Auditor's report. Therefore, it was noted again in the State Follow up Audit report that the Town continued to be non-compliant. Since the Town continued non-compliance, the recommendation was rolled over into the DCVC initial audit for the Town of Gifford.

On March 11, 2021 the DCVC Auditor spoke with the Clerk of Court and Mayor and reviewed with them the State Follow-up Audit for the Town of Gifford. The DCVC Auditor reviewed each of the remaining recommendations and notified the Town what is required in order to comply with the audit. In addition, the auditor made a request for policies and procedures to be implemented by the Town to ensure the STRRF's are submitted by the fifteenth day of each month in compliance with State law.

As of the completion of this audit, the Town had not submitted the requested information and is still non-compliant as it relates to this recommendation.

Recommendation(s)
and Comments

A-1

It is recommended the Town of Gifford implement policies and procedures to ensure the STRRFs are submitted by the fifteenth day of each month in compliance with State law and distribute to all relevant parties.

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

B. General Ledger Account Records

Objective Did the Town accurately record court activity in a way to make those records available for review in accordance with State law?

Conclusion No, the Town did not accurately record court activity in a way to make those records available for review in accordance with State law.

Background Section 14-1-208 (E)(4) of the 1976 South Carolina Code of Laws

Discussion In preparation for this audit, the Town of Gifford's Municipal Court State Auditor's Report dated June 30, 2015 was reviewed. It was noted in the report that the Town Treasurer did not keep records of court activity which allowed for reconciliation of court collection activity, court docket adjudication and deposit activity. The State Auditor recommended the Town accurately record court activity in a way to make those records available for review in accordance with State law. During the DCVC State Follow-up audit, the DCVC Auditor requested copies of the records that accurately recorded court activity. However they were not submitted by the Town. Therefore, the Town was found to be non-compliant as it relates to this recommendation.

On February 23, 2021, the State Follow-up audit was issued and the recommendation above was rolled over into the DCVC initial audit. On March 11, 2021, the DCVC Auditor discussed the results of the State Follow-up audit with the Mayor and Clerk of Court. They were advised of the Town's requirements regarding the recommendation for the Town to keep records of court activity in a way that would be available for review in accordance with State law. The DCVC Auditor requested copies of the records again; however, as of the conclusion of this audit report, the documents have not been received. Therefore, the Town of Gifford is still in non-compliance as it relates to this recommendation.

Recommendation(s)
and Comments

B-1

It is recommended the Town accurately record court activity in a way to make those records available for review in accordance with State law. Also, the Town is required to develop and provide policies and procedures and distribute to all relevant parties.

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

C. Under Reported Amounts

Objective	Did the Town of Gifford implement a process to ensure timely filing and payment of amounts due to the State Treasurer?
Conclusion	No, the Town of Gifford did not implement a process to ensure timely filing and payment of amounts due to the State Treasurer.
Background	Section 14-1-208(B) of the 1976 South Carolina Code of Laws
Discussion	While preparing this audit, the Town of Gifford Municipal Court State Auditor's Report dated June 30, 2015 was reviewed. The State Auditor obtained a copy of the Town's summary schedule of court collections. Tests were performed to determine the Town's under reported court collections. As a result, a total of \$215,180.00 was determined to be owed to the State Treasurer's Office. As a part of the pre-requested audit documents as well as during the audit site visit, the DCVC Auditor requested written documentation to show contact or a plan of action to repay funds owed to the State. However, the documentation was not submitted by the Town. Therefore, the recommendation was rolled over into the DCVC initial audit. On March 11, 2021, the DCVC Auditor spoke with the Mayor and Clerk of Court regarding the amount owed to the State. The Clerk of Court stated the Town had been in contact with the State Treasurer's Office regarding this issue and the funds were being withheld from the Town's fiscal year appropriations until the funds are repaid. Written correspondence was requested by the DCVC Auditor to verify the payment plan. However, as of the completion of this audit, those documents have not been received. Therefore, the Town is non-compliant regarding this recommendation.

Recommendation(s)
and Comments

C-1

It is recommended the Town of Gifford submit written documentation to DCVC showing either contact with the State Treasurer's Office regarding the funds owed or a payment plan to repay the funds owed to the State Treasurer's Office.

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

D. Victim Assistance Funds**Objective**

Did the Town establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law? Also, did the Town establish a separate general ledger account to ensure the transparency of its Victim Assistance funds and determine cumulative balances due to Victim Assistance?

Conclusion

No, the Town did not establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law. Also, the Town did not establish a separate general ledger account to ensure the transparency of its Victim Assistance funds and determine cumulative balances due to Victim Assistance.

Background

Section 14-1-211(B) of the 1976 South Carolina Code of Laws

Discussion

While conducting this audit, a review of the Town of Gifford's State Auditor's Report dated June 30, 2015 noted that the Town did not make monthly deposits into the Victim Assistance Fund. In addition, the audit noted the Town did not track deposits, disbursements or cash balances other than by the bank statements. Also, there were no revenue, expenses or fund balances that existed in the general ledger. The State Auditor recommended the Town establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law. Also, the Town is required to establish a separate general ledger account to ensure the transparency of its Victim Assistance funds and determine cumulative balances due to Victim Assistance.

During the State Follow-up audit, while reviewing the recommendation made by the State Auditor, copies of the policies and procedures as well as the general ledger for the Victim Assistance Fund were requested to verify if the Town had complied with the recommendation above. The requested information was not received. Therefore, the recommendation was rolled over into the DCVC initial audit.

After issuing the State Follow-up Audit Report on February 23, 2021, the DCVC Auditor spoke with the Mayor and Clerk of Court on March 11, 2021 to discuss the audit results and let them know what is required in order for the Town to be in compliance. The Mayor and Clerk of Court were advised that the Town was required to establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited according to State law. Also, the Town was required to establish a general ledger and determine cumulative balances due to Victim Assistance. In an effort to assist the Town with determining funds owed to the Victim Assistance Fund, the DCVC Auditor used bank statements and the State Treasurer's Revenue Remittance Forms (STRRFs) to determine the correct account balance.

At the beginning of the scope of this audit, January 1, 2014, the Victim Assistance account balance was \$356.08. According to STRRFs submitted by the Town from January 2014 through December 2019, the Town of Gifford collected a total of \$37,352.24 in Victim Assistance Funds. As noted previously by the State Auditor, funds were not being deposited into the account according to State law. In addition, according to bank statements submitted by the Town, the Town expended \$26,137.23 from the Victim Assistance account from January 2014 through December 2019. However, the Town did not submit any supporting documentation as requested showing any of the funds expended were for direct victim assistance as required by law. Since the Town was unable to provide any supporting documentation for the expenditures from the Victim Assistance Fund, it was determined that none of the expenditures are allowable. As of December 31, 2019, the Victim Assistance account balance was \$58.83. However, the account balance should have been \$37,708.32 (beginning account balance of \$356.08 plus total collections of \$37,352.24).

Therefore, it is recommended the Town of Gifford deposit \$37,649.49 into the Victim Assistance account to correct the account balance. In addition, the Town is required to establish and implement policies and procedures to ensure Victim Assistance revenue is accounted for and deposited timely in accordance with State law. Also, the Town is to establish a separate general ledger account for accountability and transparency of its Victim Assistance Funds.

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

E. Technical Assistance**Documentation Provided**

During the site visit, technical assistance and support was provided and the following documents were reviewed and explained in detail. Also, copies were provided to appropriate officials and agency representatives:

1. Legislation - Act 96 (Part IV)
2. Proviso 98.9
3. Proviso 93.27
4. Sample Budget
5. Sample Staff Hired Report
6. Sample Time and Activity Report
7. Sample Expenditure Report
8. Victim Advocate Procedural Manual
9. Approved Guidelines

Other Matters

There are no other matters.

Corrective Action

Act 96 (C) states:

"Any entity or nonprofit organization receiving victim assistance funding must cooperate and provide expenditure and program data requested by the division. If the division 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 division. 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 division shall assess and collect a penalty in the amount of the unauthorized expenditure plus fifteen hundred dollars against the entity or nonprofit organization for improper expenditures. This penalty which includes the fifteen hundred dollars must be paid within thirty days of the notification by the division to the entity or nonprofit organization that the entity or nonprofit organization is in noncompliance with the provisions of this section. All penalties received by the division shall be credited to the general fund of the State. If the penalty is not received by the division within thirty days of the notification, the political subdivision must deduct the amount of the penalty from the entity's or nonprofit organization's subsequent fiscal year appropriation."

The Town of Gifford was informed at the conclusion of the site visit that there appeared to have been some errors as noted in this report. The findings were discussed with the Mayor and Town Clerk. They were advised that this Financial and Programmatic Audit Review will warrant the need for further review and discussion with management. Unless otherwise noted, the 90 Day window to correct all errors will begin ten business days following the completion date noted on this report.

DCVC completed the site visit on February 27, 2020 and issued the final report to the Town of Gifford on June 1, 2021.

In August 2021 the Department of Crime Victim Compensation will schedule to meet with applicable departments in the Town of Gifford for the 90 Day Follow-up audit review for errors found and noted 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

This Programmatic Review and Financial Audit was completed by:

Dexter L. Boyd
Dexter L. Boyd, Senior Auditor

5/1/2021
Date

Reviewed by:

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

5/27/2021
Date

D. Scott Beard
D. Scott Beard, DCVC Deputy Director

5/27/2021
Date

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

Deputy Director:

**Debbie Curtis
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:

<https://www.scag.gov/inside-the-office/crime-victim-services-division/crime-victim-compensation/auditing/>



ALAN WILSON
ATTORNEY GENERAL

This Programmatic Review and Financial Audit was completed by:

Mignon Lee-Thompson
Mignon Lee-Thompson, Senior Auditor

3/18/2024
Date

Reviewed by:

Dexter L. Boyd
Dexter Boyd, Audit Manager

3/18/2024
Date

Debbie Curtis
Debbie Curtis, Deputy Director

3.18.2024
Date