



ALAN WILSON  
ATTORNEY GENERAL

December 2, 2020

Chief Michael Bethea  
City of Mullins  
151 E Front Street  
Mullins, South Carolina 29574

Dear Chief Bethea

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 of the Victim Assistance Funds for the City of Mullins. 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.

Enclosed is a copy of our audit results. I am pleased to advise you that the City of Mullins has complied with all of the audit recommendations as outlined in this report. Please note that all DCVC audits and follow-up reports are public information and will be posted on our website at [www.sova.sc.gov](http://www.sova.sc.gov) under the auditing tab.

Should you have any further questions or concerns, please feel free to contact me or Teresa Green at 803-734-7108.

Sincerely,

Ethel Douglas Ford

Ethel Douglas Ford, CPM  
Assistant Deputy Director

Department of Crime Victim Compensation

cc: Holly Jackson  
Mayor William McMillan  
Felicia Sawyer



The Office of the Attorney General  
Department of Crime Victim  
Compensation

---

June 20, 2019

**Programmatic Review and  
Financial Audit of the  
City of Mullins  
Victim Assistance Fines, Fees  
and Assessment Fund**

December 2, 2020

**90 Day Follow-up  
Audit Review for the  
City of Mullins  
Victim Assistance Fines, Fees  
and Assessment Fund**

---

# Contents

---

<b>Introduction and Laws</b>	<b>Page</b>
Preface .....	4
Audit Objectives .....	11
Results in Brief .....	11
 <b>Objective(s), Conclusion (s), Recommendation(s), and Comments</b>	
A. Accountability.....	13
Did the City of Mullins deposit \$45,335.83 into a newly established separate account for Act 141 Victim Assistance Funds and submit to DCVC a copy of the deposit slip with the bank account information along with a current bank statement?	
B. Victim Services Policies and Procedures .....	15
Did the City of Mullins prepare written victim assistance policies and procedures and distribute to DCVC and all relevant parties?	
C. Fund and Contract Review.....	17
Did the City of Mullins properly account for all Act 141 funds and execute victim services contract in accordance with State law?	
D. Technical Assistance .....	20
Corrective Actions.....	21
Post-Audit Response and Appendix(s) .....	22-23

**Disclaimer: The recommendations included in sections A thru C of this report were developed by the Office of the Attorney General, Department of Crime Victim Compensation (DCVC). The DCVC 90 Day Follow-up Audit was conducted to determine if the entity is in compliance with recommendations as outline in the Initial Audit Report. In addition, all DCVC follow-up reviews (including this one) are conducted to ensure compliance with applicable laws and regulations.**

**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 as a Follow up audit review to the Department of Crime Victim Compensation's (DCVC) initial audit issued June 20, 2019 regarding the Victim Assistance Fines, Fees, and Assessment fund. On December 5, 2019, the Assistant Deputy Director issued a letter to the Mullins City Administrator's Office, Chief, and Mayor informing them of the City of Mullins 90 Day Follow up Victim Assistance Fund audit. This audit is a follow up on previous recommendations from the June 20, 2019 audit and to address any new concerns regarding the Victim Assistance Fines, Fees, and Assessments. On December 16, 2019, the auditor forwarded a list of pre requested audit documents to the City Administrator to determine if all previous recommendations were addressed and complied with. All documents were received as of January 3, 2020. As a result of receiving the documents, the auditor conducted a telephone audit interview with the City Administrator on January 8, 2020 informing her that the pre requested audit documents submitted provided the required information for completing this audit without an on site visit. Therefore, the auditor would move forward with conducting this follow up audit with the information received.

---

### ***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 referral 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.

*Act 96 (cont.)*

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 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.

*Proviso 59.15 (cont.)*

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*

These funds may be used by the nonprofit for administrative costs and victim services.

**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 *Proviso 98.9* 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.

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.



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

SC Code of Law  
Title 14 (excerpts cont.)

- **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 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, &D:** (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 A, 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 the law.

#### **Audit Objectives were:**

- To determine if the City of Mullins deposited **\$45,335.83** into a newly established separate account for Act 141 Victim Assistance Funds and submitted to DCVC a copy of the deposit slip with the bank account information along with a current bank statement
- To determine if the City of Mullins prepared written victim assistance policies and procedures, and distributed to DCVC and all relevant parties.
- To determine if the City of Mullins properly accounted for all Act 141 funds and executed a victim services contract in accordance with State law.

### **RESULTS IN BRIEF**

#### *Accountability*

Did the City of Mullins deposit **\$45,335.83** into a newly established separate account for Act 141 Victim Assistance Funds and submit to DCVC a copy of the deposit slip with the bank account information along with a current bank statement?

Yes, the City of Mullins opened the new bank account on March 21, 2019 and deposited **\$45,335.83** on June 25, 2019.

***Victim Services Policies  
and Procedures***

**Did the City of Mullins prepare written victim assistance policies and procedures and distribute to DCVC and all relevant parties?**

**Yes, the City of Mullins prepared and distributed written victim assistance policies and procedures. The procedures were submitted to DCVC on December 17, 2019.**

***Fund and Contract Review***

**Did the City of Mullins properly account for all Act 141 funds and execute victim services contract in accordance with State law?**

**Yes, the City of Mullins properly accounted for all Act 141 funds. In addition, the City of Mullins executed a victim services contract with Marion County.**

---

---

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

---

**A. Accountability**

**Objective**

Did the City of Mullins deposit \$45,335.83 into a newly established separate account for Act 141 Victim Assistance Funds and submit to DCVC a copy of the deposit slip with the bank account information along with a current bank statement?

---

**Conclusion**

Yes, the City of Mullins deposited \$45,335.83 into a newly established separate account for Act 141 Victim Assistance Funds and submitted to DCVC a copy of the deposit slip with the bank account information along with a current bank statement. (See Appendix A Programmatic Review and Financial Audit for the City of Mullins Victim Assistance Fines, Fees, and Assessment Fund issued June 20, 2019 for previous recommendations.)

---

**Background**

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

SC Code of Laws Section 114-1-211 (B)

SC Code of Laws Title 16, Article 15

---

**Discussion**

On January 10, 2019, the Department of Crime Victim Compensation (DCVC) initiated a Programmatic and Financial Audit for the City of Mullins. This audit was initiated due to a note in the budget file dated April 26, 2012 stating as of January 2010, the City of Mullins did not hold court, have elected officials or collect fines, fees, and assessments. However, a year later during the budget and desk audit review on April 15, 2013, it was noted in the DCVC budget file that the City of Mullins held court and had a police department. Due to this conflicting information, the City of Mullins was placed on the audit list. It was later determined that the conflicting information was due to the police department being displaced because of a fire.

However, the audit was necessary to determine proper accountability and use of the Victim Assistance Fines, Fees, and Assessment Funds.

During the DCVC initial audit, the DCVC Auditor noted the following:

- The City of Mullins comingled Victim Assistance Funds with their General Fund.
- The City of Mullins wasn't sure of the correct balance in their Victim Assistance account

As a result of the funds being comingled, the City of Mullins was advised to establish a separate account for the Victim Assistance Funds. On March 21, 2019, the City Administrator sent an email to the auditor stating that the city had opened a new bank account for the victim assistance funds. However, there was not a balance in the account at that time because the city was unsure of the amount to place in the account.

Therefore, the auditor was tasked with determining the correct balance that should be in the victim assistance account. In an effort to accomplish this task, the auditor used the City of Mullins Supplementary Schedules, general ledgers, and expense reports for FY09 through FY18 to determine the revenue and expenses for the victim assistance fund. This calculation is summarized in Appendix A page 18 of the Programmatic Review and Financial Audit of the City of Mullins Victim Assistance Fines, Fees, and Assessments Fund Issued June 20, 2018. Based on the revenue and expenditures, the balance was determined to be \$45,335.83.

Based on this information, the auditor recommended the City of Mullins deposit \$45,335.83 into a newly established separate account for Act 141 Victim Assistance Funds and submit to DCVC a copy of the deposit slip with the bank account information along with a current bank statement. On July 5, 2019, the auditor received via email a copy of the bank statement showing the city deposited the above stated amount on June 25, 2019 into the newly established account. Therefore, the city is compliant and there are no other issues.

**Recommendation(s)**  
**and Comments**

---

No further recommendation.

---

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

---

**B. Victim Services Policies and Procedures**

**Objective** Did the City of Mullins prepare written victim assistance policies and procedures and distribute to DCVC and all relevant parties?

---

**Conclusion** Yes, the City of Mullins prepared written victim assistance policies and procedures and distributed to DCVC and all relevant parties.

---

**Background** SC Code of Laws Section 14-1-208 (B)  
SC Code of Laws Section 1-14-207  
SC Code of Laws Title 16, Article 15

---

**Discussion** According to the Programmatic Review and Financial Audit of the City of Mullins' Victim Assistance Fines, Fees, and Assessment fund issued June 20, 2019 (See Appendix A), the auditor requested a copy of the victim assistance policies and procedures. However, the documents were not received by the auditor prior to the DCVC initial audit site visit. During the site visit, the Captain of Operations advised the auditor as of April 2018, the City of Mullins did not have a victim advocate. The auditor was further advised that although the city has maintained a dual advocate in the past, they have decided to execute a contract with the Marion County Sheriff's Office for victim services. The auditor was informed that officials are awaiting the outcome of the initial audit to further pursue the contract. Upon further review, it was determined that the city did have policies and procedures in place. The procedures include the responding officer giving the victim a copy of the victims' rights form which includes the case number, bond date, and the contact numbers for the Marion County Victim Assistance program. However, they were not in written format. The auditor was provided a copy of the form and advised that the city use LawTrak to track victims.



Consequently, the auditor recommended the City of Mullins prepare written victim assistance policies and procedures and distribute to all relevant parties and submit a copy to DCVC. However, as of the issue date of the initial DCVC audit dated June 20, 2019, the procedures were not submitted to the auditor.

As part of the pre requested audit documents for this 90 Day Follow up audit, the auditor requested a copy of the written procedures. At the time of the request, the Human Resource Manager advised that the policies and procedures had changed and the city had executed a contract with the Marion County Sheriff's Office for victim services. However, she stated she would prepare the written policies and procedures and submit to the auditor. On December 17, 2019, the auditor received a copy of the new written policies and procedures. Therefore, the City of Mullins is compliant and there are no other issues.

**Recommendation(s)**  
**and Comments**

---

No further recommendation.

---

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

---

**C. Fund and Contract Review****Objective**

Did the City of Mullins properly account for all Act 141 funds and execute a victim services contract in accordance with State law?

---

**Conclusion**

Yes, the City of Mullins properly accounted for all Act 141 funds and executed a victim services contract in accordance with State law.

---

**Background**

City of Mullins, Human Resource Manager

Programmatic Review and Financial Audit of the City of Mullins Victim Assistance Fines, Fees, and Assessment Fund issued June 20, 2019 (Appendix A)

Victim Assistance signed contract

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

---

**Discussion**

According to the Programmatic Review and Financial Audit of the City of Mullins' Victim Assistance Fines, Fees, and Assessment Fund issued June 20, 2019, the auditor was advised that although the city has maintained a dual advocate in the past, they have decided to implement a contract with the Marion County Sheriff's Office for victim services. The city is awaiting the outcome of this audit to further pursue that contract. In the meantime, the city would continue to submit monthly State Treasurer Revenue Remittance Forms (STRRF) and make monthly deposits into the newly established victim services bank account.

After receiving the notification of the follow up audit, the City of Mullins' Human Resource Manager called and advised the auditor that the city had already executed a victim services contract with Marion County.

The auditor advised the City of Mullins Human Resource Manager to forward a copy of the check that was released to the county for the execution of the contract. These documents were received on December 5, 2019.

Please see below several noted items related to the pre requested audit documents.

- Submitted STRRF for April 2019 through December 2019
- Copy of current contract with the county for victim services
- Copies of monthly and quarterly reports submitted by the county as a part of the contract

The STRRFs and copy of the contract was received on December 16, 2019 and the reports on January 3, 2020.

**Victim Assistance Fund Review**

The Programmatic Review and Financial Audit for the City of Mullins' Victim Assistance Fines, Fees, and Assessment Fund issued June 20, 2019 shows a balance of \$45,335.83 as of March 2019. The victim assistance contract shows an inception date of August 14, 2019. Therefore, it is necessary to reconcile the account up to date of the funds transferred using the submitted STRRFs. The calculation of the fund is summarized in the following chart:

<b>Summary of Victim Assistance Funds Collected</b>	
<b>Total required in Victim Assistance Fund as of March 2019</b>	<b>\$ 45,335.83</b>
<b>Collected funds April 2019</b>	<b>790.79</b>
<b>Collected funds May 2019</b>	<b>743.09</b>
<b>Collected funds June 2019</b>	<b>645.24</b>
<b>Total collected funds April 2019-June 2019</b>	<b>\$2,179.12</b>
<b>Total to transfer to county at execution of the contract</b>	<b>\$ 47,514.95</b>

**Contract Review:**

According to a copy of the victim services contract submitted for review, the City of Mullins notated the following information:

- Transfer \$47,514.95 in the victim services funds to Marion County. No property was purchased by the city with these funds. Therefore, only funds will be transferred.
- Provide funds collected in pursuant to S.C. Code Ann 14-1-211 that are retained by the City of Mullins for the purpose of providing services for victims of crimes including those required by law.

In consideration of the above, Marion County documented and stated they will do the following:

- Provide the City of Mullins with the services of a victim advocate for the purposes of assistance, notification of release of offenders, notification of court appearances, assistance with reimbursement forms, and other counseling services, as well as other services as mandated by S.C. Code 16-3-1505 to be provided by the law enforcement agency.
- Employ the Victim Advocates while they are providing services to the City of Mullins
- Provide the City of Mullins with monthly, quarterly, and year end reports regarding the number of victims, types of victims, and services provided to the victims.

The auditor received documentation that all of the above conditions were met. The contract was notarized and signed on August 14, 2019. Therefore, the City of Mullins is compliant and there are no further issues.

**Recommendation(s)  
and Comments**

---

No further recommendation.

---

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

---

**D. Technical Assistance****Documentation Provided**

During the audit process, technical assistance and support was 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 City of Mullins City Administrator was informed at the conclusion of the audit telephone interview on January 8, 2020 that all findings will be reviewed with management. They were advised they would be in compliance unless there were other findings once the audit was discussed with management. Otherwise, there are no further issues.**

**The DCVC auditor completed the audit telephone interview on January 8, 2020 and issued the final audit report to the City of Mullins on December 2, 2020.**

---

# Official Post-Audit Response

---

**The County/Municipality 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**

**Due to complications related to Covid-19 and our office teleworking typed names will serve as signatures for the purpose of this report and correspondence letter(s).**

**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](http://www.sova.sc.gov)**

---

## **Appendix A**

---

**Programmatic Review and Financial Audit of the City of Mullins Victim Assistance Fines, Fees, and Assessment Fund Issued June 20, 2019**





The Office of the Attorney  
General Department of Crime  
Victim Compensation

---

June 20, 2019

Programmatic Review and  
Financial Audit of the  
City of Mullins  
Victim Assistance Fines, Fees and  
Assessment Fund

---

# Contents

---

<b>Introduction and Laws</b>		<b>Page</b>
Preface .....		4
Audit Objectives .....		10
Results in Brief .....		10
 <b>Objective(s), Conclusion (s), Recommendation(s), and Comments</b>		
A. Accountability.....		12
Did the City of Mullins have proper accountability of ACT 141 Victim Assistance Fines, Fees, and Assessment Funds (VAFFA)?		
B. Victim Assistance Program .....		20
Did the City of Mullins provide assistance to crime victims in accordance with State law?		
C. Reporting Requirements.....		22
Did the City of Mullins maintain Victim Assistance Fines, Fees, and Assessment (VAFFA) Fund reporting requirements as it relates to State law?		
D. Police Department Status .....		24
Did the City of Mullins have a police department and hold court during the audit scope of FY09 through FY18?		
E. Technical Assistance .....		26
Corrective Actions.....		27

**Post-Audit Response ..... 28**

**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 10, 2019, the Assistant Deputy Director of the DCVC issued a letter to the County Administrator's Office and the Chief of Police informing them of the City of Mullins Victim Assistance Fund audit. The audit was conducted on February 21, 2019.

---

### ***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 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.

***Proviso 59.15 (cont.)***

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.

***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.

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.

**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. 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

SC Code of Law  
Title 14 (excerpts cont.)

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 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.



**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.**

**(D) (1) The supplementary schedule must include the following elements:**

**(a) all surcharges collected by the clerk of court for the general sessions, magistrate, 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 the law.

#### **Audit Objectives were:**

- To determine if there is proper accountability of ACT 141 Fines, Fees, and Assessment (VAFFA) Funds.
- To determine if services are provided to crime victims in accordance with State law.
- To determine if the City of Mullins has maintained VAFFA Fund reporting requirements as it relates to State laws.
- To determine if the City of Mullins had a police department and held court during the audit scope which is FY09 through FY18.

---

### **RESULTS IN BRIEF**

#### ***Accountability***

Did the City of Mullins have proper accountability of ACT 141 Victim Assistance Fines, Fees, and Assessment (VAFFA) Funds?

No, the City of Mullins did not maintain proper accountability of ACT 141 VAFFA Funds.

#### ***Victim Assistance Program***

Did the City of Mullins provide assistance to crime victims in accordance with State law?

Yes, the City of Mullins provided services to crime victims in accordance with State law. The City of Mullins established and implemented policies and procedures as it relates to the Victim Assistance Program.

***Reporting Requirements***

**Did the City of Mullins maintain Victim Assistance Fines, Fees and Assessment (VAFFA) Fund reporting requirements relating to State law?**

**Yes, the City of Mullins completed all reporting requirements in accordance with State law. The city is current with all annual financial audits as required by State law, and compliant with required monthly submission of the State Treasurer Revenue Remittance Forms (STRRF).**

***Police Department Status***

**Did the City of Mullins have a police department and hold court during the audit scope of FY 09 through FY 18?**

**Yes, the City of Mullins had a police department and held court during the audit scope of FY 09 through FY 18.**

---

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

---

**A. Accountability**

**Objective** Did the City of Mullins have proper accountability of ACT 141 Victim Assistance Fines, Fees, and Assessment (VAFFA) Funds?

---

**Conclusion** No, the City of Mullins did not maintain proper accountability of ACT 141 VAFFA Funds.

---

**Background** SC Code of Laws Section 14-14-208 (B)  
SC Code of Laws Section 114-1-211 (B)  
SC Code of Law Title 16, Article 15

---

**Discussion** According to the Department of Crime Victim Compensation (DCVC) audit files, a note dated April 26, 2012 states as of January 2010, the City of Mullins did not hold court, have elected officials, or collect fines, fees, and assessments. However, a year later during the desk audit on April 15, 2013, it was noted in the DCVC audit file that the City of Mullins held court and had a police department. Because of this new conflicting information, the City of Mullins was placed on the audit list. It was later determined that the conflicting information was due to the police department being displaced because of a fire. However, it was necessary to conduct the DCVC initial audit to determine proper accountability and use of the Victim Assistance Fines, Fees, and Assessment Funds. The auditor set the scope of the audit from July 1, 2009 through June 30, 2018 because of issues noted in the file dating back to January 2010 that were never resolved due to various reasons.

The auditor requested the documents below as a part of the pre requested audit documents:

- VAFFA Expenditure Reports from July 1, 2009 through June 30, 2018
- Copy of Financial Statements year ending June 2009, June 2010, June 2011, June 2012, June 2013, June 2014, June 2015, June 2016, June 2017, and June 2018

- **Victim Assistance Bank Account Statements for July 1, 2009 through June 30, 2018**
- **State Treasurer Revenue Remittance Forms from July 1, 2009 through June 30, 2018**

On February 5, 2019, the City of Mullins' Interim City Administrator inquired about submitting the audit reports for FY09 through FY18 due to the large quantity of pages. Therefore, the auditor advised the administrator to submit the Supplementary Schedules for FY09 through FY18 instead of the entire audit report. On February 7, 2019, the auditor received the Supplementary Schedules for FY09, and FY12 through FY18. In addition, the auditor received the State Treasurer Revenue Remittance Forms for FY16 through FY18. On February 8, 2019, the auditor received Victim Assistance Expenditures for FY14 through FY18, the STRRFs for August 2013 through October 2013, December 2013 and FY14 through FY15. Also the bank account statements for August 2017 through December 2017 and January 2018 through May 2018 were received and reviewed as well.

Upon reviewing the received documents, the DCVC Auditor determined the following:

- **The Victim Assistance funds were not maintained in a separate account.**
- **The Supplementary Schedules were accurate when balanced with the submitted State Treasurer Revenue Remittance Form.**
- **The expenditures fluctuated from year to year.**

During the audit site visit on February 20, 2019, the auditor requested additional documentation to include but not limited to: the Annual Audit Supplemental Schedules for FY10 through FY11 and detailed victim assistance expense reports from FY09 through FY18.

#### **Bank Account Information**

Prior to the audit site visit on February 20, 2019, the auditor requested and received the bank account statements and Supplementary Schedules for the Victim Assistance Fund.

However, the auditor was not able to determine if the bank account statements submitted included the amounts shown on the Supplementary Schedules. Therefore, during the site visit interview with the Clerk of Court and Town Administrator, the auditor inquired whether the City of Mullins had a separate bank account for the Victim Assistance Fund. The auditor advised city officials that although a separate bank account was not mandatory, it was a best practice or they could choose to have a separate ledger for the fund even if they do not have a separate bank account. They were reminded of the law as it relates to not comingling the funds. It was confirmed that the city did not have a separate bank account containing just the Victim Assistance Fund and they could not confirm if there was a separate ledger. The ledger is maintained by the city's accountant.

Therefore, on March 5, 2019, the city's accountant confirmed account information by stating the following: *the City only records all police/court fines in one general ledger account, and this includes victims advocate. The victims advocate revenue portion is not broken out separately on the ledger, only in the back schedule of the financial statements annually and the monthly SC treasurer reports.*

On March 21, 2019, the Town Administrator sent an email notifying the auditor that the city had opened a new bank account for the Victim Assistance Funds. However, there was a zero balance in the account at this time because the city was unsure of the amount to place in the account. Therefore the auditor was tasked with determining the account amount for the fund. The auditor advised that bank verification was needed for the new account but city officials could send verification after the auditor determined the accurate account balance to be deposited into the Victim Assistance account.

### **Fund Revenue**

Prior to the audit site visit on February 20, 2019, the auditor received the STRRF for August 2013 through October 2013, December 2013, FY14 through FY18, and Supplementary Schedules for FY09 and FY12 through FY18. In addition, during the audit site visit, the auditor received Supplementary Schedules for FY10 through FY11. Upon review of the acquired documents, the auditor concluded the revenue was correct that was reported on the Supplementary Schedules. The STRRF for FY 09 through FY13 were not available

for verification due to a fire in the city that destroyed the city's documentation according to city officials.

Therefore, since the STRRF for FY14 through FY18 were determined to be accurate with the Supplementary Schedules, the auditor accepted the Supplementary Schedules as confirmed revenue for FY09 through FY13. As a result, this information was used to determine revenue for the Victim Assistance Fund. Also, the revenue for the remaining years was verified from the STRRF along with the Supplementary Schedules.

### **Expenditure Procedures**

During the audit site visit on February 20, 2019, the auditor interviewed both the Clerk of Court and the City of Mullins Interim Administrator to determine the procedures for requesting Victim Assistance Fines, Fees and Assessment Funds. The auditor was advised the city was not currently disbursing these funds. In addition, the city did not currently have a treasurer and their accounting services are outsourced. Upon return to the office, the auditor inquired about and received contact information for the City's Accountant. On February 21, 2019, the DCVC Auditor spoke with the City's Accountant regarding the city's accounting procedures. The City's Accountant advised that the city forwarded all invoices to their office after they are coded by the City's Clerk. The City's Accountant is then responsible for entering the invoices and producing the expenditure reports.

The DCVC Auditor determined during the site visit interview that the Clerk of Court and the Interim City Administrator did not have a good understanding of the Victim Assistance Fines, Fees, and Assessment Fund. Therefore, the auditor provided technical assistance by informing them of how the funds are collected, distributed, and accounted for within the municipality. The auditor further advised that the city is required to put procedures in writing for requesting and distributing these funds and providing copies to all relevant parties for future reference.

### **Expenditure Reports**

During the site visit, the DCVC Auditor advised city officials they were to submit the remaining available requested detailed expense reports with supporting documentation for FY09 through FY18.

On February 22, 2019, the auditor received an email with expenditure reports and supporting documentation for years 2011 through 2018. The DCVC Auditor reviewed the reports and documentation and verified all expenses were allowable.

However, upon review, the auditor noted various fluctuations in the expenses in the account over the years for the advocate's salary. As a result, the auditor requested additional salary information from the Interim City Administrator for review.

The Interim City Administrator provided victim advocate salary information for the years within the audit scope of FY09 through FY18. The auditor also further inquired about the advocate's salary fluctuations and was advised by the Interim City Administrator that this was due to personnel changes. These salary amounts are outlined on page 18 of the Schedule A Chart.

During FY09 through FY12, Supplementary Schedules noted the Victim Assistance Fund expense exceeded the revenue collected. However, in an effort to avoid carrying a negative balance forward, the city showed expenses equal to the revenue amounts. The city allocated the Victim Advocate salary at 50% from FY09 through FY12. However, the city was unable to provide time and activity reports to justify the 50%. According to the DCVC budget log and documentation received, the city was given a percentage of 5% for the victim advocate due to the dual roles of this position in August 2014. Therefore, in an effort to assist the city, DCVC allowed the 5% to be considered for FY09 through FY12. This resulted in an adjustment in the fund for the remaining 45% that was used for salary. During this timeframe, the city's records for FY09 through FY12 retained in the police department were destroyed in a fire, and the police department was displaced. The timeline for the fire and the displacement of the police department is outlined in this audit report. The auditor further noted, in FY15 through FY18 that the city did not account for the Victim Advocate's salary expense. Again, in an effort to assist the city and maintain consistency, the auditor calculated the expense amount for the above years and adjusted the Victim Assistance Fund by the 5% given to the city in August 2014. These amounts are shown in the Schedule A Chart on line (f) on page 18.

### **Fund Accounting**

Since the city was not able to show a current balance in the Victim Assistance account, the DCVC Auditor was tasked with determining the balance for the account by reconciling the STRRF



and expenses. The balance in the Victim Assistance Account at the end of this audit scope which was from FY09 through FY18 should have been **\$41,160.81**.

The above amount is summarized in the Schedule A Chart as outlined below and shown on the following pages:

- Line (a) represents the revenue on the Supplementary Schedule that was used to confirm the amount of money collected
- Line (b) represents the expenditures on the Supplementary Schedule
- Line (c) represents the yearly carryforward balance found on the Supplementary Schedule
- Line (d) represent the Victim Assistance account carryforward balance at the end of the fiscal year on the Supplementary Schedule
- Line (e) represents the yearly Victim Advocate's salary paid by the city
- Line (f) represents the amount of Victim Advocate's yearly salary based upon the allowable 5% expenditure provided by DCVC in August 2014
- Line (g) represents the adjusted yearly carryforward balance (Difference between (c) Carryforward balance for the fiscal year reported on Supplementary Schedule and ( f) Expense calculated based on the 5% given by DCVC in August 2014)
- Line (h) represents the balance that should be in the Victim Assistance Account each fiscal year during the audit scope which is FY09 through FY18.

The information above outlines each section on the Schedule A Chart and explains how the auditor determined as of June 30, 2018 that **\$41,160.81** is the amount that should initially be in the Victim Assistance Account.

**City of Mullins**  
**Summary of Victim Assistance Fund**  
**Schedule A Chart**

<b>Audit scope</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
<b>Explanation:</b>										
<b>(a) Revenue on the Supplementary Schedule that was used to confirm the amount of money collected</b>	\$7,418.99	\$9,006.11	\$6,650.95	\$5,103.28	\$5,850.00	\$4,379.00	\$8,392.00	\$7,997.00	\$5,963.00	\$4,014.00
<b>(b) Expenditures on the Supplementary Schedule</b>	\$7,418.99	\$9,006.11	\$6,650.95	\$5,103.28	\$5,850.00	\$4,379.00	\$665.00	\$508.00	\$275.00	\$404.00
<b>(c) Yearly carryforward balance found on the Supplementary Schedule</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,727.00	\$7,489.00	\$5,688.00	\$3,610.00
<b>(d) Victim Assistance account carryforward balance at the end of the fiscal year on the Supplementary Schedule</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,727.00	\$15,216.00	\$20,904.00	\$24,514.00
<b>(e) Yearly Victim Advocate's salary paid by the city</b>	\$46,098.00	\$45,914.00	\$50,599.90	\$47,171.34	\$46,808.08	\$48,217.58	\$48,011.45	\$47,452.02	\$40,633.90	\$14,324.16
<b>(f) Amount of Victim Advocate's yearly salary based upon the allowable 5% expenditure provided by DCVC</b>	\$2,304.90	\$2,295.70	\$2,530.00	\$2,358.57	\$2,340.40	\$2,410.88	\$2,400.57	\$2,372.60	\$2,031.70	\$716.21
<b>(g) Adjusted yearly carryforward balance (difference between (c) Carryforward balance for the fiscal year reported on Supplementary Schedule and (f) expense calculated based on the 5% given by DCVC in August 2014)</b>	\$5,114.09	\$6,710.41	\$4,120.96	\$2,744.71	\$3,509.60	\$1,968.12	\$5,326.43	\$5,116.40	\$3,656.31	\$2,893.79
<b>(h) Balance that should be in the Victim Assistance Account each fiscal year during the audit scope which is FY09 through FY18.</b>	\$5,114.09	\$11,824.50	\$15,945.46	\$18,690.17	\$22,199.77	\$24,167.89	\$29,494.31	\$34,610.71	\$38,267.02	\$41,160.81

- This chart outlines how the auditor determined the amount to be placed in the Victim Assistance Fund.
- The following chart on page 19 outlines the revenue noted from the State Treasurer Revenue Remittance Forms for July 2018 to March 2019.

To determine the total amount of funds for the Victim Assistance Account as of March 31, 2019, the auditor added the amounts collected for FY 19 as outlined below to the balance of \$41,160.81 to get a final amount. Therefore, the total amount required to be in the Victim Assistance Account as of March 31, 2019 is \$45,335.83. The additional revenue added to the \$41,160.81 is summarized below in the Additional Revenue Chart:

**Additional Revenue Chart**

<b>Date</b>	<b>Victim Assistance Funds Retained</b>
July 2018	\$ 127.26
August 2018	\$ 185.30
September 2018	\$ 141.54
October 2018	\$ 708.47
November 2018	\$ 563.87
December 2018	\$ 116.41
January 2019	\$ 624.83
February 2019	\$ 1,039.07
March 2019	\$ 668.27
<b>Total</b>	<b>\$ 4,175.02</b>
<b>Balance as of FY18 (June 30, 2018)</b>	<b>+\$41,160.81</b>
<b>Total Required to be in the Victim Assistance Fund as of March 31, 2019</b>	<b>= \$45,335.83</b>

**Recommendation(s)  
and Comments**

**It is recommended the City of Mullins deposit \$45,335.83 into the newly established account for ACT 141 Victim Assistance funds and submit to DCVC a copy of the deposit slip with bank account information along with a current bank statement after the deposit.**

---

**Objective(s), Conclusions), Recommendation(s), and Comments**

---

**B. Victim Assistance Program****Objective**

Did the City of Mullins provide services to crime victims in accordance with State law?

---

**Conclusion**

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

---

**Background**

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

SC Code of Laws Section 1-14-207

SC Code of Law Title 16; Article 15

Proviso 117.51, 98.9, 93.35

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 February 20, 2019, the auditor requested a copy of the victim assistance policies and procedures. However, the documents were not received by the auditor. During the site visit, the auditor was advised of information regarding victim services provided by the sheriff's office.

The Captain of Operations stated as of April 2018, the city did not have a victim advocate. However, services for crime victims were provided by the Marion County Sheriff's Office. Although the city has maintained a dual role advocate in the past, they have chosen not to fill this position at this time. The city is awaiting the conclusion of this audit to pursue a contract with the Marion County Sheriff's Office. Therefore, the county would provide the victim assistance needed for the City of Mullins.

The auditor inquired about whether the city has policies and procedures for providing services to crime victims and was advised the city does have policies and procedures in place. However the auditor was informed they were not in writing. The auditor recommended the city prepare written policies and procedures, distribute to all relevant parties, and submit a copy to DCVC. Currently, the responding officer gives the victim a copy of the victims' rights forms which includes the case number, bond date, and phone numbers to contact Marion County for victim assistance. The City Administrator provided a copy of this information to the auditor and stated that LawTrak is used to track victims.

Upon return to the office, the auditor requested and received a copy of statistical reports for the past two years. According to the statistical reports, the city assisted eleven victims for FY17 and eleven victims for FY18.

**Recommendation(s)**  
**and Comments**

It is recommended that the City of Mullins prepare written Victim Assistance policies and procedures, distribute to all relevant parties, and submit a copy to DCVC.

---

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

---

**C. Reporting Requirements****Objective**

Did the City of Mullins maintain Victim Assistance Fines, Fees and Assessment Fund reporting requirements as it relates to State law?

---

**Conclusion**

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

---

**Background**

South Carolina Office of the State Treasurer  
Submitted State Treasurer Revenue Remittance Form's  
South Carolina Code of Laws Section 14-1-208 (E)  
South Carolina Code of Laws Section 14-1-208 (B)

---

**Discussion****Annual Financial Audit**

South Carolina Code of Laws Section 14-1-208 (E) states: *To ensure that fines and assessments imposed pursuant to this section and Section 14-1-209(A) are properly collected and remitted to the State Treasurer, the annual independent external audit required to be performed for each municipality pursuant to Section 5-7-240 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 Supplementary Schedule Form detailing all fines and assessments collected at the court level, yje amount remitted to the municipal treasurer and the amount remitted to the State Treasurer.*

According to the South Carolina State Treasurer's website, the City of Mullins is not listed on the delinquent audit list for municipalities. The city provided the auditor with the annual independent audit reports from July 1, 2009 through June 30, 2017 and all associated Supplemental Schedules. As of the site visit February 20, 2019, the city had only a draft for the audit dated June 30, 2018.

### **State Treasurer's Revenue Remittance (STRRF)**

**Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended states: *The city treasurer must remit 11.16 percent of the revenue generated by the assessment imposed in subsection (A) to the municipality 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. Assessments paid in installments must be remitted as well.***

**On February 8, 2019 and February 9, 2019, the City of Mullins submitted the requested STRRFs for August 2013 through October 2013, December 2013, and FY14 through FY18 to the auditor for review. The auditor randomly selected a sample of 12 months to assess whether the STRRF was submitted in accordance with State law. Based on the submission dates provided on the selected sample, there were no occurrences of STRRF being submitted after the fifteenth day of each month as outlined by State law. Therefore, the City of Mullins is compliant.**

---

### **Recommendation(s) and Comments**

---

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

---

**D. Police Department Status**

**Objective** Did the City of Mullins have a police department and hold court during the audit scope of FY09 through FY18?

---

**Conclusion** Yes, the City of Mullins had a police department and held court during the audit scope which is FY09 through FY18?

---

**Background** DCVC Audit Department File Log  
  
City of Mullins Interim City Administrator

---

**Discussion** According to the DCVC audit file there was a note dated April 26, 2012 stating as of January 2010 the city did not hold court, have elected officials, or collect fines, fees, and assessments. However, as of April 15, 2013, the DCVC audit file notates the City of Mullins holding court and having a police department. As a result of the conflicting information, the DCVC Auditor inquired about the status of the City of Mullins' Police Department during the scope of this audit which is FY09 through FY18.

During the site visit on February 20, 2019, the DCVC Auditor inquired if the police department was in operation during the scope of this audit (specifically FY10 through FY11). The auditor was advised the police department was displaced for a while due to a series of events outlined below. However, the department has always been in operation. The auditor requested a timeline of the events affecting the police department due to the fire. On February 22, 2019, the auditor received an e-mail from the Interim City Administrator with the following information regarding the city's police department:



**Police Department Timeline from Interim City Administrator:**

Summer of 2011	The Police Department moved from 157 E Front Street due to poor building conditions including mold exposure and roof caving in
Summer of 2011	The Police Department moved into City Hall at 151 E Front Street
April 2012	Left due to Fire and smoke damage to City Hall
April 2012	Moved into temporary trailers in the Parking lot of City Hall
	Moved into the Fire Department Rescue Building
	Moved into a vacant store front on Main Street
September 2014	Moved back into remodeled City Hall at 151 E Front Street

For further verification, the auditor requested a copy of the financial audit and STRRF for FY10 through FY11. The auditor was advised the town did not have copies of the STRRF. As a result, the auditor called the State Treasurer's Office to inquire if the statements were available through their office. The auditor was advised the State Treasurer's Office could research and find the statements. However, they stated it would be time consuming. Therefore, based upon the accuracy of the Supplementary Schedules for previous years, the auditor determined that from FY10 through FY11 that the Supplementary Schedules would be used to verify and confirm the revenue. The auditor received from the Clerk of Court a copy of the requested financial audits which included the Supplementary Schedules. Therefore, the City of Mullins is compliant.

---

**Recommendation(s)**  
**and Comments**

---

**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. 2019 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 City of Mullins was informed at the conclusion of the site visit that there were some errors as noted in this report. The findings were discussed with the Interim City Administrator, Clerk of Court, Chief of Police and the Captain of Operations. They were advised that this Financial and Programmatic Audit Review will warrant the need for further review 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 20, 2019 and issued the final report to the City of Mullins on June 20, 2019.**

**On September 20, 2019, the Department of Crime Victim Compensation will schedule to meet with applicable departments in the City of Mullins for the 90 Day Follow-up Audit Review for errors found and noted in this report.**

---

## **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 City of Mullins was informed at the conclusion of the site visit that there were some errors as noted in this report. The findings were discussed with the Interim City Administrator, Clerk of Court, Chief of Police and the Captain of Operations. They were advised that this Financial and Programmatic Audit Review will warrant the need for further review 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 20, 2019 and issued the final report to the City of Mullins on June 10, 2019.**

**On September 10, 2019, the Department of Crime Victim Compensation will schedule to meet with applicable departments in the City of Mullins 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](http://www.sova.sc.gov)**



ALAN WILSON  
ATTORNEY GENERAL

This Programmatic Review and Financial Audit was completed by:

Teresa Green  
Teresa Green, Auditor

6/20/19  
Date

Reviewed by:

Dexter L. Boyd  
Dexter Boyd, Sr. Auditor

6/20/19  
Date

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

6/20/19  
Date

Scott Beard  
Scott Beard, DCVC Deputy Director

6/20/19  
Date



ALAN WILSON  
ATTORNEY GENERAL

This Programmatic Review and Financial Audit was completed by:

<u>Teresa Green</u>	<u>December 1, 2020</u>
Teresa Green, Auditor	Date

Reviewed by:

<u>Dexter Boyd</u>	<u>December 1, 2020</u>
Dexter Boyd, Sr. Auditor	Date

<u>Ethel Douglas Ford</u>	<u>December 1, 2020</u>
Ethel Douglas Ford, CPM, DCVC Assistant Deputy Director	Date

<u>D. Scott Beard</u>	<u>December 1, 2020</u>
D. Scott Beard, DCVC Deputy Director	Date