

**COUNTY OF PRINCE WILLIAM,
VIRGINIA**

AGREED-UPON PROCEDURES

For the Year Ended June 30, 2023

***And Report of Independent Accountant on
Applying Agreed-Upon Procedures***

Report of Independent Accountant on Applying Agreed-Upon Procedures

Clerk, Prince William Circuit Court
Prince William, Virginia

Board of Supervisors
County of Prince William, Virginia

Compensation Board
Commonwealth of Virginia

Auditor of Public Accounts
Commonwealth of Virginia

We have performed the procedures enumerated below on the Clerk of the Prince William Circuit Court's (the "Clerk") assertion that the Clerk has complied with the requirements of Chapter 6, *Audit of Circuit Court Clerks* specified in the Commonwealth of Virginia's Auditor of Public Accounts' (the "APA") *Specifications for Audits of Counties, Cities, and Towns* (the "Specifications"), as of and for the year ended June 30, 2023. The Clerk is responsible for maintaining effective internal controls over compliance.

The County of Prince William, Virginia (the "County") and the APA have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the Clerk has complied with the Specifications. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

1. **Procedure:** Obtain the annual disclosure form(s) filed by the Circuit Court Clerk. Determine whether: (a) the form was complete; (b) the form was filed by the February 1, 2023 deadline; and (c) that the accurate form was filed according to the type of filer. Additionally, inquire of management as to whether the Clerk has a spouse or other relative residing in the same household, who occupies a direct supervisory and/or administrative position at the same "governmental agency" and receives an annual salary of \$35,000 or more.

Results: The disclosure form was tested without exception. Additionally, per inquiry with Penny Whitney, Senior Deputy Clerk, the Clerk did not have a spouse or other relative residing in the same household, who occupies a direct supervisory and/or administrative position at the County and receives an annual salary of \$35,000 or more.

2. **Procedure:** Identify the following items from the *General Ledger Report* ("BR29") for the year ended date of June 30, 2023: (a) account codes used but not identified in the Chart of Accounts in the Circuit Court Financial Accounting System (FAS) User's Guide and (b) negative ending balances.

Results: We did not observe any account codes used but not identified in the FAS User's Guide. We observed two (2) account codes with negative balances: 201 Fines and Forfeitures, 411 Over/short account.

3. **Procedure:** Compare the 2022 fiscal year revenue to the 2023 fiscal year revenue per the BR-29 report for accounts 1XX, 2XX and 3XX and identify all accounts with variances greater than 5% and more than 1% of all 2023 fiscal year revenue.

Results: We identified the following accounts with variances greater than 5% and more than 1% of all current year receipts: 014 REGIONAL CONGESTION RELIEF, 015 REGIONAL WMATA CAPITAL FEE, 036 DEED PROCESSING FEE, 038 DEEDS OF CONVEYANCE, 039 DEEDS AND CONTRACTS, 213 COUNTY GRANTEE TAX, 220 GRANTOR TAX and 301 DEEDS.

4. **Procedure:** Identify the date upon which funds held as of June 30, 2023, were remitted to the State and Local Treasurers.

Results: We observed that the balance of state and local revenues on hand at June 30, 2023 were remitted to the State and Local Treasurers on July 2, 2023.

5. **Procedure:** Inquire of management as to the automated systems used by the Clerk and select a sample of one (1) user for each system and observed the user logging in to determine whether the system access is password protected.

Results: Procedure performed without exception.

6. **Procedure:** Select a sample of five (5) employees with access to the Clerk's systems during the year ended June 30, 2023, and compare the employees' access level within the system to that documented in the employees' files.

Results: Procedure performed without exception.

7. **Procedure:** Obtain a report of employees terminated during the year ended June 30, 2023, select a sample of the lesser of 10% or twenty-five (25) terminated employees, and identify the number of days elapsed between termination of employment and removal of system access.

Results: For a sample of one (1) terminated employee, system access was removed 6 days after the termination date.

8. **Procedure:** Obtain the *Interface Reports* (IN05 and INJ5) for the month ended June 30, 2023, and identify system errors noted and inquire of management as to the reason(s) for not taking corrective action to clear such errors.

Results: We obtained the *Interface Reports* (IN05 and INJ5) for the month ended June 30, 2023, and identified three (3) system errors on the "Interface Case Not Found" section on the IN05 report. We did not identify a "DMV Interface Exceptions" section on the IN05 report or INJ5 report. Per inquiry of management, these system errors are a result of predating a 2009 system transition and the Clerk has been instructed to ignore these system errors.

9. **Procedure:** Obtain the *Individual Account Status Report* (BU06) for the year ended June 30, 2023, and identify accounts listed as appeals, credit balances, sum uncertain restitution, and accounts under review. Inquire of management as to the reason(s) for not taking corrective action on such accounts. Select a sample of the lesser of 10% or twenty-five (25) appealed cases listed and determine whether the Judge ordered the costs stayed during the appeal. Inquire of management as to whether the optional Time to Pay (TTP) default feature is used. If the TTP feature is not used, select a sample of the lesser of 10% or twenty-five (25) cases from the "Missed Payments" section of the BU06 report and obtain management's corrective action taken on those accounts.

Results: We obtained the BU06 as of June 30, 2023, and identified three (3) accounts listed as credit balance partials and identified two (2) accounts listed under review. Per inquiry of management, corrective action has not been taken on one of the credit balance cases because the amount of restitution ordered on these accounts are different. When accounts are ordered joint and several, they should be for the same amounts. However, the Court ordered different amounts on these accounts. Therefore, until they are paid in full, they will always show a false interest credit on the accounts that have less restitution credit assessed. The other two credit balance cases have actions that are being taken with OES to correct these

amounts. For one of the cases under Accounts Under Review, the defendant contacted the office regarding fines and costs and a motion for community service in lieu of costs. Per inquiry of management, the second account under review has ongoing hearings to monitor payment. The accounts were put under review, so no additional interest or collection fees were assessed while the account was reviewed and updated. The account was given credit for the community service on June 3, 2023 and was paid in full. We noted no appealed cases listed. We noted the Clerk uses the optional Time to Pay (TTP) as a default feature based on inquiry of management; thus, no further procedures were performed.

10. **Procedure:** Obtain the June 30, 2023 *Concluded Cases without FAS Receivable Report* (CR32) and select a sample of five (5) guilty cases without corresponding receivable in FAS. Inquire of management as to the reason no receivable exists. Inquire of management as to whether a private vendor system for financial accounting and/or case management is used and, if so, how the Clerk verifies that all guilty cases have corresponding receivable accounts.

Results: We obtained the June 30, 2023 *Concluded Cases without FAS Receivable Report* (CR32) and observed that there were no concluded guilty cases without a corresponding FAS receivable. Additionally, we inquired with management that there is no private vendor system used for financial accounting and/or case management.

11. **Procedure:** Inquire of management as to whether the Department of Taxation's Integrated Revenue Management System ("IRMS") is used. Identify if there is activity in FAS Account 405 for the year ended June 30, 2023. Select a sample of ten (10) defaults from the year-to-date statistical report for the year ended June 30, 2023, and, for each sample, determine that the payments to date are less than the total amount due.

Results: We inquired with Penny Whitney, Senior Deputy Clerk, who stated that the Clerk uses the Department of Taxation's Integrated Revenue Management System. We identified that there was activity in the FAS Account 405 for the year ended June 30, 2023. We selected a sample of ten (10) defaults from the year-to-date statistical report for the year ended June 30, 2023 and noted no exceptions.

12. **Procedure:** Inquire of management as to the method used for collection for delinquent accounts.

Results: We inquired of Penny Whitney, Senior Deputy Clerk, who stated that the Clerk uses the Virginia Department of Taxation for collection of delinquent accounts.

13. **Procedure:** Identify all banks used by the Clerk and determine if they are listed on the most recent qualified depository listing maintained by the Virginia Department of the Treasury pursuant to The Virginia Security for Public Deposits Act. Determine whether the Clerk has reported the bank accounts as public funds using the Virginia Department of Treasury SPDA Public Funds search.

Results: We obtained a listing of all banks used by the Clerk's office and observed that all were listed on the qualified depository listing maintained by the Virginia Department of Treasury. Additionally, the bank accounts held by the Clerk were reported as public funds.

14. Select a minimum of two (2) bank reconciliations, including the June 2023 bank reconciliation, for each bank account and determine: (a) the reconciliation is mathematically correct; (b) the "Adjusted Balance per Bank" and the "System Balance" agree; (c) all deposits in transit were deposited timely (within two business days) per the subsequent bank statement; (d) reconciling items were appropriate and resolved timely (within next month); (e) the bank account was reconciled timely (within one month of the receipt of the account statement), and (f) the reconciliation was reviewed and approved by the Clerk or Clerk designee.

Results: Procedure was performed without exception.

- 15. Procedure:** Select a sample of ten (10) days and : (a) agree the computed revenue amount per the Cash Reconciliation Worksheet of the *Daily Report* (BR02) to the deposit per the bank statement and noting the deposit was intact and timely (next business day); (b) determine whether the Clerk and/or other assigned supervisory personnel signed the BR02; (c) for any days with differences between the original amount and the deposit amount, determine if the correcting journal voucher(s) was supported by proper documentation, performed correctly, and properly recorded on the Cash Reconciliation Worksheet of the BR02; (d) if the difference is the result of a voided receipt, ensure all copies of the receipt were retained; and (e) if the Clerk uses a separate financial system to receipt taxes and fees the secondary receipting system receipts for the day's collections were entered into FAS.

Results: Procedure was performed without exception.

- 16. Procedure:** Using the month-end voucher summary reports (Journal Voucher BR40) select a sample of ten (10) voided receipts and determine whether: (a) the journal voucher was supported by proper documentation, performed correctly, and recorded on the Cash Reconciliation Worksheet section of the BR02; and (b) all copies of the receipt were retained.

Results: Procedure was performed without exception.

- 17. Procedure:** Identify the number of transactions recorded in Account 411 of the *General Ledger Fiscal Year-to-Date Report* (BR29) for the year ended June 30, 2023.

Results: We identified fifteen (15) transactions for the year ended June 30, 2023.

- 18. Procedure:** Using all month-end *Disbursement Register Reports* (BR41) for the year ended June 30, 2023, select a sample of ten (10) non-reverting fund disbursements throughout the period and determine whether: (a) the disbursement is in accordance with Section 17.1-276 of the *Code of Virginia* and (b) the disbursement is supported by documentation. Obtain a list of employees from the Clerk and determine if the Clerk disbursed any non-reverting funds directly to employees as cash bonuses or payroll. Select a sample of ten (10) disbursements and determine: (a) the Clerk obtained an appropriation from the locality and (b) the Clerk withheld applicable federal, state, social security, and Medicare taxes.

Results: Procedure was performed without exception for non-employee non-reverting funds. We identified no disbursements of non-reverting funds directly to employees as cash bonuses or payroll.

- 19. Procedure:** Using all month-end *Disbursement Register Reports* (BR41) for the year ended June 30, 2023, select a sample of ten (10) disbursements throughout the period (excluding non-reverting and trust funds) and determine whether: (a) the disbursement is coded to the proper account; (b) the disbursement is supported by documentation, and (c) if the clerk uses a manual check-writing system, determine the number of days it took to be recorded in FAS.

Results: Procedure was performed without exception. We noted that the Clerk does not use a manual check-writing system.

- 20. Procedure:** Using all month-end *Disbursement Register Reports* (BR41) for the year ended June 30, 2023, select a sample of three (3) monthly remittances of sheriff's service fees, account 234, to the local Treasurer and determine if the fees were remitted within the first ten days of the month.

Results: Procedure was performed without exception.

- 21. Procedure:** Obtain the Manual Receipts procedure manual for civil and criminal transactions and inquire as to the supervisory review of manual receipts. Select a sample of ten (10) manual receipts and determine that the manual receipt agrees to the entry in FAS. Determine whether the manual receipt was entered into FAS no later than the next business day.

Results: We inquired of Penny Whitney, Senior Deputy Clerk, who stated that manual receipts are maintained and reviewed by the supervisor/manager in the respective department. Procedure performed without exception.

- 22. Procedure:** Select a sample of ten (10) civil cases filed during the year ended June 30, 2023, and determine whether: (a) taxes and fees were assessed and collected based on file type and/or amount of the suit; and (b) the Clerk's fees were receipted.

Results: Procedure was performed without exception.

- 23. Procedure:** Select a sample of criminal cases concluded with disposition of guilty during the year ended June 30, 2023 as follows: twenty (20) if total population is less than 1,000, twenty-five (25) if population is between 1,001 and 4,999, or thirty (30) if population is greater than 5,000. For cases selected determine whether: (a) fines and costs were assessed and entered into FAS; (b) unpaid amounts were entered into the Judgment Docket; (c) for cases paid in full, a satisfied judgment was entered into the Judgment Docket. For cases selected if time to pay is granted determine whether: (a) the DC-210 establishing due date was completed and signed by the defendant; (b) the due date was entered into FAS, and (c) for a partial payment plan, all applicable fields were completed in FAS (e.g. TTP Start, Term, Amount, and Incarcerated status).

Results: Procedure was performed without exception.

- 24. Procedure:** Select a sample of ten (10) local cases from *the Court Appointed/Public Defender Report* (CR42) for the year ended June 30, 2023, and determine whether: (a) locality was billed for the cost; (b) the court appointed/ public defender fee was assessed and entered into FAS, and (c) the locality was billed for the public defender fee or paid the court-appointed attorney DC-40 invoice.

Results: Procedure was performed without exception.

- 25. Procedure:** Select a sample of the lesser of twenty-five (25) or 10% criminal juries commenced during the year ended June 30, 2023 and determined whether the defendant was appropriately assessed jury costs.

Results: For the sample of five (5), the procedure was performed without exception.

- 26. Procedure:** Select a sample of ten (10) deeds/land records recorded during the year ended June 30, 2023, and determine whether: (a) the instrument recorded is not taxable or is exempt from taxes; (b) state taxes have been properly assessed and collected based on the consideration paid for the property conveyed; (c) local taxes have been assessed and collected in an amount equal to one-third of the amount of state recordation tax; (d) additional tax has been assessed and collected on deeds of conveyance based on consideration; (e) the Clerk's fees for recording, indexing, and plat fees were charged and collected; (f) fees for transferring land to one person or persons before charged to another were assessed and collected.

Results: Procedure was performed without exception.

- 27. Procedure:** Select a sample of ten (10) wills/administrations recorded during the period from July 1, 2022 and June 30, 2023, and determine whether: (a) state tax was assessed and collected based on the value of the estate; (b) local tax was assessed and collected based on the value of the estate; (c) Clerk's fees were assessed and collected for recording and indexing in the Will Book based on the number of pages recorded; (d) the Clerk's fees were assessed and collected for appointing and qualifying any personal representative, committee or other fiduciary; (e) fees for transferring land were assessed and collected; (f) additional tax was calculated, billed, and receipted on final inventories, and (g) if the Clerk uses a separate financial system to receipt taxes and fees on wills, determine whether the assessment was recorded in FAS.

Results: Procedure was performed without exception.

- 28. Procedure:** Obtain the June 30, 2023 *Liabilities Index* (BR008) report, and select a sample of ten (10) accounts from the 5XX series (excluding Account 511 Trust Funds) and determine the status of the account and whether the Clerk is justified holding the funds based on approved court orders, established retention requirements, pending case (future court date assigned) or other special circumstances. For any of the funds the Clerk has invested, trace and agree interest posted to the applicable bank statement.
- Results:** Procedure was performed without exception.
- 29. Procedure:** Using the June 30, 2023 Individual Account Status Report (BU06) inquire as to the reason for any accounts listed as appeals, credit balances, sum uncertain restitution or accounts under review.
- Results:** We identified two (2) accounts listed in the report. In one instance, management explained that the case is being corrected with the assistance of the Office of the Executive Secretary. For the second account, the account was placed under review until the account holder satisfies the payment due to multiple courts and completes probation.
- 30. Procedure:** Using the June 30, 2023 *Property Unclaimed Over One Year Report* (BR16) and the Clerk's corresponding Unclaimed Property Report for the year ended June 30, 2023, and select a sample of ten (10) non-restitution accounts from the BR16, which were not reported to the Division of Unclaimed Property. Inquire of the Clerk as to the reason for holding these accounts (based on court order, established retention requirements, pending case (future court date assigned) or other special circumstances).
- Results:** Per inquiry of Penny Whitney, Senior Deputy Clerk, and inspection of related documentation, all ten (10) non-restitution accounts sampled from the BR16 were held based on court order.
- 31. Procedure:** Obtain the June 30, 2023 *Property Unclaimed Over One Year Report* (BR16) and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund for the year ended June 30, 2023. Compare the reports and select a sample of ten (10) outstanding restitution disbursements on BR16 that were not escheated and determine if they were re-issued to the victim. Additionally, Obtain the June 30, 2023 *Liabilities Index* (BR08) and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund. Compare the restitution accounts (account 517) with balances listed on the BR08 report to the Unclaimed Restitution Report and select a sample of ten (10) not escheated and determine if funds were disbursed.
- Results:** We did not identify any accounts that were not escheated.
- 32. Procedure:** Determine the following for the Trust Fund Annual Report filed during the year ended June 30, 2023: (a) it is available to the public via hardcopy Trust Fund Order Book or digital format; (b) the Clerk filed the Annual Report with the Chief Judge by the October 1st deadline; (c) the balance agrees to the FAS 9XX accounts where the funds are recorded and Account 511 Trust Fund balances, investigate any negative ending balances in any of the 9XX series accounts; (d) the ending balance agrees to the applicable bank statement balance(s); (e) the report conforms to Section 8.01-600(G) of the *Code of Virginia*, and (f) inquire of management as to the reason for inactivity in individual accounts. Additionally, select a sample of ten (10) accounts with past due expected disbursement dates and inquire of management as to the reason for holding the funds.
- Results:** Procedure performed without exception. Additionally, we inquired with Penny Whitney, Senior Deputy Clerk, about the ten (10) sampled accounts with past due disbursement dates and confirmed that all were past due for one of the following reasons: (a): infant settlement funds held in escrow pending the minor child reaching the age of 18, (b) funds were disbursed timely following the minor reaching the age of 18, or (c) the minor has not contacted the Clerk's office to arrange the disbursement of funds.

- 33. Procedure:** Using the Trust Fund Annual Report filed during the year ended June 30, 2023 select a sample of ten (10) new accounts, and determine whether: (a) the receipt amount agreed to the court order; (b) the court order is included in the Order Book (hardcopy or electronic) and does not contain confidential information; (c) the account is traceable to the Annual Report by name or case number; (d) appropriate Clerk's fees were deducted; (e) funds were invested within 60 days of receipt; (f) the account is being held pursuant to Section 8.01-600 of the *Code of Virginia*; (g) the account was reported as public funds, and (h) the distribution date is supported.

Results: Procedure performed without exception.

- 34. Procedure:** Select a sample of ten (10) individual trust accounts from the detailed individual account section of the BR30 for the year ended June 30, 2023 and determine whether: (a) the correct amount of interest, per the bank statement, was posted to the account (If the Clerk consolidates funds, re-calculate the interest allocation); (b) interest was posted within the next month, and (c) if the Clerk collects 5% of interest as Clerk's Fees, the 5% was calculated correctly.

Results: Procedure performed without exception.

- 35.** Select a sample of ten (10) trust account disbursements from the BR30 report for the year ended June 30, 2023, and determine whether: (a) the disbursement was made in accordance with the terms of the court order; (b) the check was posted to the subsidiary trust fund account; (c) appropriate Clerk's fees were deducted; (d) deducted fees agree to the journal voucher recording the deduction.

Results: Procedure performed without exception.

We were engaged by the County to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the Clerk has complied with the requirements of Chapter 6, *Audit of Circuit Court Clerks* specified in the Specifications, as of and for the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Prince William County, Virginia's Board of Supervisors, the Clerk of the Prince William Circuit Court, the Compensation Board of the Commonwealth of Virginia and the Auditor of Public Accounts of the Commonwealth of Virginia and is not intended to be, and should not be, used by anyone other than those specified parties.

Cherry Bekaert LLP

Tysons Corner, Virginia
September 12, 2024