

**COUNTY OF PRINCE WILLIAM,
VIRGINIA**

AGREED-UPON PROCEDURES

For the Year Ended June 30, 2019

***And Independent Accountant's Report on
Applying Agreed-Upon Procedures***

Independent Accountant's Report 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, 2019. 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:** We developed an understanding of the internal control procedures as they relate to all daily, weekly, and monthly required financial procedures based on interviews with management and by performing walkthroughs over the procedures.

Results: We interviewed management and performed walkthroughs over procedures to develop an understanding of the internal control procedures over compliance as they relate to all daily, weekly, and monthly required financial procedures. During our procedures, in addition to the access security controls over the automated systems used by the Clerk, we noted the Clerk typically performs Internal Control procedures related to the cash receipts, disbursements, and accounts receivable processes. Procedures performed without exception.

2. **Procedure:** We reviewed the *General Ledger Report ("BR29")* for the year ended date of June 30, 2019 for unusual accounts codes (i.e., account codes not covered in the Chart of Accounts in the Circuit Court Financial Accounting System (FAS) User's Guide), activity (i.e., activity not covered in the manuals available through the Office of the Executive Secretary Supreme Court of Virginia), or negative ending balances.

Results: We noted no unusual account codes or activity. We noted three (3) account codes with negative balances: 402 unspecified funds, 411 Over/short account, and 495 operational expense.

3. **Procedure:** We determined all the automated systems used by the Clerk and ensured that the Clerk has developed and maintained control and security over the Circuit Court's automated information systems. We selected a sample of one (1) user for each system and determined whether the system has password protected access.

Results: We noted that the Clerk's office uses Tyler Eagle Recorder ("TER") as its main automated system used for recording and indexing. We also noted that Clerk's office uses the Commonwealth of Virginia's (the "Commonwealth") reporting system, Financial Accounting System ("FAS"). We noted that TER does not interface with FAS, which requires a manual interface and batch updates to process information from TER to FAS. We noted that access to FAS is provided by the Supreme Court of Virginia and employee access to TER is requested and provided on an as-needed basis. We also noted that access to both of these systems is password protected. For the one (1) user for each system tested, no exceptions were noted.

4. **Procedure:** We obtained the *Interface Reports* (IN05 and INJ5), specifically the "Interface Case Not Found" and "DMV Interface Exceptions" sections and reviewed these report sections for the last business day for the year ended June 30, 2019 and determined whether the Clerk is monitoring them and taking corrective action as needed.

Results: We noted the last business day of the year for the year ended June 30, 2019 was June 28, 2019. We noted that there was not an "Interface Case Not Found" section on the INJ5 report. We noted there was not an "DMV Interface Exceptions" section on the IN05 report or INJ5 report. We noted four (4) cases for testing from the "Interface Case Not Found" section of the IN05 report and reviewed documentation that the Clerk had justified not taking any corrective action to clear the system errors, no exceptions were noted.

5. **Procedure:** We obtained the *Individual Account Status Report* (BU06), specifically, the "Missed Payments" section and determined whether the Clerk has the optional Time to Pay ("TTP") default feature. If we determined that the Clerk was without the optional TTP default feature, we selected a sample of five (5) cases from the report for the last business day for the year ended June 30, 2019 and determined whether the Clerk properly monitored the report and took corrective action.

Results: We noted that the Clerk uses the optional TTP as a default feature based on inquiry of management; thus, no further procedures were performed.

6. **Procedure:** We obtained the *Concluded Cases without FAS Receivable Report* (CR32) and selected a sample of five (5) guilty cases without corresponding FAS receivable accounts, concentrating on cases other than those identified as master or sub-accounts. We reviewed the reason the CMS does not have a corresponding receivable account in FAS to determine propriety.

Results: We noted that there were no concluded guilty cases without a corresponding FAS receivable.

7. **Procedure:** We determined whether the Clerk uses the Department of Taxation's Integrated Revenue Management System ("IRMS") for Setoff Debt Collections and selected a sample of one (1) user for each system to determine whether the system has password protected access. In addition, we obtained the "Statistical Year to Date 30 Day Delinquent Report for fiscal year 2019" from the Clerk and selected a sample of ten (10) accounts to determine the propriety of the default account by scanning the payments made to date and the total amount of the delinquent report.

Results: We noted that the Clerk uses the Department of Taxation's IRMS for Setoff Debt Collections, and the one (1) user for each system tested was tested without exception.

Additionally, the ten (10) accounts tested from the "Statistical Year to Date 30 Day Delinquent Report for fiscal year 2019" were tested without exception.

8. **Procedure:** We determined the method of collection for delinquent accounts. If the Virginia Department of Taxation or Commonwealth's Attorney in-house collection is used, no further work was deemed necessary.

Results: We noted that the Clerk uses the Virginia Department of Taxation for collection of delinquent accounts; thus, no further procedures were deemed necessary.

9. **Procedure:** We identified all banks used by the Clerk and determined whether 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. We determined whether the Clerk reported the bank accounts as public funds using the Virginia Department of Treasury SPDA Public Funds search for each bank account's 2019 Q2 balance.

Results: We obtained a listing of all banks used by the Clerk's office and noted that all were listed on the qualified depository listing maintained by the Virginia Department of Treasury. Additionally, for the three (3) bank accounts held by the Clerk, we determined that the 2019 Q2 balance was properly reported.

10. **Procedure:** We obtained the June 2019 bank reconciliation for each bank account and determined that each reconciliation was mathematically correct, the bank balance per the reconciliation agreed to the bank statement for June 2019, and the bank reconciliation was reviewed.

Results: No exceptions noted.

11. **Procedure:** We performed an unscheduled cash count of the Clerk's change funds.

Results: We were unable to perform an unscheduled cash count as a result of the engagement period being outside the scope of the audit. As an alternative procedure, we obtained the daily cash count log sheet and reviewed the log for a change amount and signature on June 26, 2019. No exceptions noted.

12. **Procedure:** We selected a sample of ten (10) days of daily collection for the year ended June 30, 2019 and determined that (a) the computed revenue amount per the Cash Reconciliation Worksheet section of the *Daily Report* (BR02) agrees to the deposit per the bank statement and was deposited intact and timely; (b) the Clerk and/or other assigned supervisory personnel signed the *Cover Sheet - BR02*; (c) for any days with differences between the original amount and the deposit amount the correcting journal voucher(s) was supported by proper documentation, performed correctly, and properly recorded on the Cash Reconciliation Worksheet section of the BR02; (d) if the difference is the result of a voided receipt, that 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: The ten (10) days were tested without exception. We noted that the Clerk does not use a separate financial system to receipt taxes and fees.

13. **Procedure:** We obtained the *BR40 Journal Voucher* report for the period of July 1, 2018 through June 30, 2019 and selected a sample of ten (10) voided receipts and determined that: (a) the journal voucher was supported by proper documentation, performed correctly, and properly recorded on the Cash Reconciliation Worksheet section of the BR02 and (b) all copies of the receipt were retained.

Results: The ten (10) voided receipts were tested without exception.

14. **Procedure:** We obtained the *General Ledger Fiscal Year - to - Date Report* (BR29) for the period of July 1, 2018 through June 30, 2019 and determined if activity existed in the Account 411 Cash Over/Short. Based on the activity and any trends noted in the account, determine whether selecting a sample of transactions is necessary. If needed, select a sample of five (5) transactions and determine whether the transactions were accurate and properly classified.

Results: We noted that there were thirty-eight (38) transactions during the period from July 1, 2018 through June 30, 2019 and did not note any unusual activity or trends. Sampling was determined not to be necessary.

- 15. Procedure:** We obtained the June 30, 2019 *Disbursement Register Report* (BR41) and selected a sample of ten (10) disbursements and determined that: (a) the disbursement is coded to the proper account; (b) the disbursement is supported by proper documentation and appropriate procedures [e.g., case papers, transmittal], and (c) if the clerk uses a manual check-writing system, the disbursement was recorded in FAS timely. Additionally, we selected a sample of one (1) non-reverting fund disbursement and determined propriety in accordance with Section 17.1-276 of the *Code of Virginia*.

Results: The ten (10) disbursements were tested without exception. The one (1) non-reverting fund disbursement was tested without exception.

- 16. Procedure:** We obtained the Manual Receipts procedure manual for civil and criminal transactions and determined whether unused manual receipts are maintained by the supervisor/manager in the respective department. Additionally, we selected a sample of ten (10) manual receipts and (a) traced to the subsequent entry in FAS and ensured the entry agrees to the manual receipt and (b) determined whether the receipt was entered no later than the next business day.

Results: We noted that unused manual receipts are maintained by the supervisor/manager in the respective department. The ten (10) manual receipts were tested without exception.

- 17. Procedure:** We selected a sample of ten (10) civil cases filed during the period July 1, 2018 through June 30, 2019 and determined whether: (a) state taxes and fees were properly assessed and collected; (b) Clerk's fees were properly assessed and collected, and (c) specific fund and local fees were properly assessed and collected.

Results: The ten (10) civil cases were tested without exception.

- 18. Procedure:** We selected a sample of ten (10) criminal cases concluded with dispositions of guilty during the period from July 1, 2018 through June 30, 2019, and determined whether: (a) fines and costs were properly assessed and entered into FAS; (b) for cases not paid in full, unpaid amounts were entered into the Judgment Docket; (c) for cases paid in full, a satisfied judgment was entered into the Judgment Docket; (d) the due date was properly calculated, and (e) if a partial payment plan was set up, all applicable fields were properly completed in FAS (e.g. TTP Start, Term, Amount, and Incarcerated status).

Results: The ten (10) criminal cases were tested without exception.

- 19. Procedure:** We selected a sample of ten (10) local criminal cases from the Court Appointed/Public Defender Report (CR42) during the period from July 1, 2018 and June 30, 2019 and determined whether: (a) the locality was billed for the cost; (b) the defendant was properly assessed for the Attorney fees, and (c) the fine was properly assessed.

Results: The ten (10) local criminal cases were tested without exception.

- 20. Procedure:** We selected a sample of ten (10) deeds/land records recorded during the period from July 1, 2018 and June 30, 2019 and determined whether: (a) state taxes have been properly assessed and collected based on the greater of the assessed value or the consideration paid for the property conveyed; (b) local taxes (where applicable) have been properly assessed and collected in an amount equal to one-third of the amount of state recordation tax; (c) additional tax has been properly assessed and collected on deeds of conveyance based on the greater of the assessed value or the consideration paid; (d) Clerk's fees for recording, indexing, and plat fees were properly charged and collected; (e) fees for transferring land were properly assessed and collected, and (f) if the Clerk uses a separate financial system to receipt taxes and fees we determined whether the assessment was properly reported in the FAS.

Results: The ten (10) deeds/land records were tested without exception.

21. Procedure: We selected a sample of ten (10) wills/administrations recorded during the period from July 1, 2018 and June 30, 2019 and determined whether: (a) state tax was assessed and collected based on the value of the estate as recorded on the confidential Probate Tax Return; (b) local tax (where applicable) was assessed and collected based on the value of the estate as recorded on the confidential Probate Tax Return; (c) Clerk's fees were assessed and collected for recording and indexing in the Will Book based on the number of pages recorded; (d) 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 properly calculated, billed, and receipted on final inventories, and (g) if the Clerk uses a separate financial system to receipt taxes and fees we determined whether the assessment was properly recorded in FAS.

Results: The ten (10) wills/administrations were tested without exception.

22. Procedure: We determined whether the balances of state and local revenues on hand at audit end date were properly disbursed to the state and local Treasurers.

Results: We obtained the "Balance of State and Local Revenues on Hand as of June 30, 2019 and corroborated that revenues were properly remitted to the appropriate state and local agencies. We also agreed the remittance amount to the FVC bank check. We noted that all revenue accounts had a balance equal to the submitted reports to their respective agencies as of June 30, 2019. No exceptions were noted.

23. Procedure: We obtained the *Liabilities Index* (BR008) report for the year ended June 30, 2019 and selected a sample of ten (10) liabilities from accounts with balances from each 5XX series (excluding those with future court dates and Account 511 Trust Funds) and determined 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. Additionally, if the Clerk had invested the funds, we agreed said funds to the applicable bank statement.

Results: The ten (10) liabilities were tested without exception. Additionally, we noted no invested funds.

24. Procedure: We obtained the *Individual Account Status Report* (BU06) for the year ended June 30, 2019 and selected a sample of five (5) accounts listed as appeals, credit balances, sum uncertain restitution, or accounts under review, and determined whether the Clerk is properly monitoring the report and taking corrective action as needed.

Results: For the five (5) accounts tested, we noted four (4) accounts where corrective action was not taken, but were properly monitored.

25. Procedure: We selected three (3) monthly remittances of sheriff's fees to the local Treasurer and determined whether the fees are remitted within the first ten days of the month.

Results: The three (3) monthly remittances were tested without exception.

26. Procedure: We obtained the *June 30th Property Unclaimed Over One Year Report* (BR16) and the Clerk's corresponding Unclaimed Property Report for the year ended June 30, 2019 and selected a sample of ten (10) accounts from the BR16, which were not reported to the Division of Unclaimed Property, and determined whether the Clerk is justified in holding these accounts based on court order, established retention requirements, pending case (future court date assigned) or other special circumstances.

Results: The ten (10) accounts were tested without exception.

27. Procedure: We obtained the *June 30th Property Unclaimed Over One Year Report* (BR16), the BR08 and the (BU06) reports and the Clerk's corresponding Unclaimed Restitution Report for the year ended June 30, 2019 and determined whether all appropriate restitution accounts have been properly escheated to the Criminal Injuries Compensation Fund.

Results: We noted that all appropriate restitution accounts had properly been escheated to the Criminal Injuries Compensation Fund for the year ended June 30, 2019.

- 28. Procedure:** We obtained the Trust Fund Annual Report filed for the year ended June 30, 2019 and determined whether: (a) it is available to the public via hardcopy Trust Fund Order Book or digital format; (b) the Clerk filed the 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, and we investigated any negative ending balances in any of the 9XX series accounts; (d) the ending balance agrees to the applicable bank statement balance(s), and if they did not agree we selected a sample of individual accounts from the report and agreed the system balance to the bank balance; (e) the report conforms to Section 8.01-600(G) of the *Code of Virginia*, and (f) we determined the propriety of inactivity in individual accounts.

Results: We noted that the Trust Fund Annual Report is available to the public through the Clerk's accounting Department in digital format. We noted that the June 30, 2019 Annual Report was filed prior to the October 1st deadline. We noted that the Annual Report balance was recorded in the correct FAS accounts and no negative ending balances were noted. We noted the Annual Report ending balance was reconciled to the applicable bank statements. Additionally, we noted that the Annual Report conforms to Section 8.01-600(G) of the *Code of Virginia*.

- 29. Procedure:** We obtained the June 30, 2019 Annual Report and selected a sample of ten (10) new accounts, and determined whether: (a) the receipt contained all pertinent information; (b) the receipt amount agreed to the court order; (c) the court order is included in the Order Book (hardcopy or electronic) and does not contain confidential information; (d) appropriate Clerk's fees were deducted; (e) funds were invested within 60 days of receipt, and (f) the Clerk is justified in holding the account and if the account is being held pursuant to Section 8.01-600 of the *Code of Virginia*.

Results: The ten (10) new accounts were tested without exception.

- 30. Procedure:** We obtained the June 30, 2019 Annual Report and selected a sample of ten (10) trust fund interest postings, and determined whether: (a) the journal voucher was supported by proper documentation (bank statement, interest notification or other official bank documentation); (b) interest was posted promptly; (c) the correct amount of interest was posted to the account (if the Clerk consolidates funds, we recalculated the interest allocation.); (d) if the Clerk assesses Clerk's fees, we determined whether appropriate fees were deducted, and (e) the Clerk is justified in holding the account and if the account is being held pursuant to Section 8.01-600 of the *Code of Virginia*.

Results: The ten (10) trust fund interest postings were tested without exception.

- 31. Procedure:** We obtained the June 30, 2019 Annual Report and selected a sample of ten (10) disbursements, and determined whether: (a) the disbursement agrees to the court order; (b) the check was posted to the proper subsidiary trust fund account; (c) appropriate Clerk's fees were deducted; (d) deducted fees agree to the journal voucher recording the deduction; (e) funds were paid out within 60 days of the court order, and (f) the disbursement was recorded promptly in FAS.

Results: For the sample of ten (10) disbursements tested, we noted one (1) disbursement that was not paid within 60 days of the court order.

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, 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, 2019. 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, 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.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Tysons Corner, Virginia
May 3, 2022