



County of Dinwiddie, Virginia Circuit Court

Agreed-Upon Procedures

Period Covering July 1, 2016 - June 30, 2017

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Virginia Auditor of Public Accounts and the
County of Dinwiddie, Virginia Circuit Court Clerk
Dinwiddie, Virginia

We have performed the procedures enumerated below, which were agreed to by the County of Dinwiddie, Virginia Circuit Court Clerk and the Virginia Auditor of Public Accounts (the specified parties), solely to assist you with respect to the accounting records of the County of Dinwiddie, Virginia Circuit Court Clerk for the period July 1, 2016 through June 30, 2017. The County of Dinwiddie, Virginia Circuit Court Clerk is responsible for the circuit court's accounting records. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Sample sizes, where applicable, were determined using the AICPA Audit Sampling Audit Guide dated March 1, 2014, Chapter 3, Nonstatistical and Statistical Audit Sampling in Tests of Controls. Depending upon the size of the population, we used Table 3-1, Effect on Sample Size of Different Levels of Overreliance and Tolerable Rate of Deviation, using parameters of 10% Risk of Overreliance, 10% Tolerable Rate of Deviation, and no expected deviations or Table 3-5, Testing Operating Effectiveness of Small Populations.

Our procedures and findings are as follows:

APA Ref. 6-1 Planning

1. Accountant obtained the General Ledger Report (BR29) as of June 30, 2017, and compared account codes to the Circuit Court Financial Management System Users Guide, Appendix A for consistent application.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-2 Access Security

1. Accountant obtained from the Circuit Court Clerk a user access report as of June 30, 2017, for all the following automated systems used by the Clerk: case management system (CMS), financial management system (FMS), records management system (RMS), case imaging system (CIS).
2. Accountant obtained a description from management regarding the control, access, and security over user access to the automated systems noted above.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Clerk completes an online form, which requires the Clerk's personal identification number to access, for all new hires or current employees that require access to the FMS or CMS in order to fulfill duties of their employment. The form is then routed to Margaret Steele, the person in charge at the State level, who finalizes and ultimately grants individuals access to the FMS and CMS systems in Virginia. When a user no longer requires access to the FMS and CMS systems, the Clerk, who is the only individual with authorization to do so, revokes access within 24 hours. With regard to the RMS and CIS, the Clerk grants and revokes access as needed.

3. Accountant obtained a description from management regarding security over external access to records using Secure Remote Access (SRA) and Officers of the Court Remote Access (OCRA).

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: A log-in is required for OCRA and access is limited to government officials, government employees, and attorneys. Log-ins are only granted upon submission of a notarized agreement which should also include the user's signature. Members of the general public can be granted access too, via SRA after submission of a notarized agreement and payment of related fees.

The above procedures were limited to inquiry alone and no actual testing of controls was performed.

APA Ref. 6-3 Accounts Receivable

1. Accountant obtained the Interface Reports (IN05 and INJ5), specifically the 'Interface Case Not Found' and 'DMV Interface Exceptions' sections, as of June 30, 2017. If there are cases/records listed within these sections, accountant should inquire of management as to the procedures used by the Clerk in monitoring them and taking corrective action.

Accountant noted no such cases or records reported within these sections; therefore, no procedures were performed.

2. Accountant inquired of management regarding the use of the optional Time to Pay (TTP) feature. If the Clerk does not use the TTP feature, perform the following: Obtain the June 30, 2017, Individual Account Status Report (BU06), specifically the Missed Payments Section. Inquire of management as to the procedures used by the Clerk in monitoring the report and taking corrective action on the cases noted.

Per inquiry of Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA, the Court does utilize the Time to Pay (TTP) feature.

Results: We found no exceptions as a result of these procedures.

3. Accountant obtained the Concluded Cases without FMS Receivable Report (CR32) for June 2017. If cases other than those identified as either a master or a sub-account are noted, accountant will select a sample of those cases and obtain the Clerk's description of the reason the CMS case did not have a corresponding receivable account in FMS.

Accountant noted 1 concluded case without a FMS receivable. Per inquiry of Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA, all receivables are attached to a single case when multiple cases involving the same individual occur.

Results: We found no exceptions as a result of these procedures.

4. Accountant inquired of management as to whether the Clerk is using the Department of Taxation's Integrated Revenue Management System (IRMS) for Setoff Debt Collections. If the system is used:
 - a. Obtained a user access report that lists all certified staff who are able to log on with an active password and determined whether all staff are currently certified and authorized to have access.
 - b. Obtained the General Ledger Report (BR29) as of June 30, 2017.
 - c. Obtained from the Clerk the year-to-date statistical report for the period July 1, 2016, through June 30, 2017.
 - d. If any defaults are noted, obtain the Clerk's explanation.

Accountant noted no defaults; therefore, no procedures were performed.

Results: We found no exceptions as a result of these procedures.

5. Accountant inquired of management as to whether or not the Circuit Court utilized the services of the Virginia Department of Taxation for collection of delinquent accounts for the period from July 1, 2016 through June 30, 2017.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Circuit Court utilized the services of Virginia Department of Taxation for collection of delinquent accounts for the period from July 1, 2016 through June 30, 2017.

APA Ref. 6-4 Banking

1. Accountant requested a list of all banks used by the Clerk from the Circuit Court Clerk and compared banks used to the most recent qualified depository listing maintained by the Virginia Department of the Treasury pursuant to The Virginia Security for Public Deposits Act.
 - a. Obtained June 30, 2017 bank reconciliations for checking accounts included in list obtained from management.
 - b. Tested the reconciliation for clerical accuracy and agreed balances per the reconciliation to the bank statement and the June 30, 2017 ledger balance.
 - c. Performed a cash count of the Clerk's change fund during fieldwork.

Accountant noted that the Clerk's bank is a qualified depository per the June 2017 listing maintained by the Virginia Department of the Treasury.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-5 Daily Collections and Journal Vouchers

1. Accountant selected a random sample of 22 days (large population) from the period July 1, 2016, through June 30, 2017, to test as follows:
 - a. Agreed the computed revenue amount per the Cash Reconciliation Worksheet section of the Daily Report (BR02) to the deposit per the bank statement noting the deposit was intact and timely. (For the purposes of this report, timely is considered to be the next business day; however, we make no comment as to whether next business day would be considered timely under the Code of Virginia Section §17.1-271).
 - b. Obtained the Daily Report Cover Sheet section of (BR02) and determined whether it is signed by the Clerk and/or other assigned supervisory personnel.
 - c. For any days with differences between the original amount and the deposit amount, determined if 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, determined whether all copies of the receipt were retained.

Results: We found no exceptions as a result of these procedures.

2. Accountant randomly selected 2 months from the period July 1, 2016, through June 30, 2017, and obtained the month end journal voucher summary (Journal Voucher Report BR40) and tested a sample of Voided Receipts as follows:
 - a. Compared the computed revenue amount per the Cash Reconciliation Worksheet section of the Daily Report (BR02) to the deposit per the bank statement noting whether the deposit was intact and timely.
 - b. Determined whether the Clerk and/or other assigned supervisory personnel signed the Cover Sheet- Daily Report (BR02).
 - c. Determined if the Journal voucher was supported by documentation, performed correctly, and properly recorded on the Cash Reconciliation Worksheet section of the BR02.

d. Determined whether all copies of the receipt were retained.

Results: We found no exceptions as a result of these procedures.

3. Accountant obtained the General Ledger Fiscal Year-to-Date Report (BR-29) as of June 30, 2017, and if activity existed in the Account 411 Cash Over/Short, we obtained explanation from management regarding the nature of the activity.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: Activity is the result of drawer change errors.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-6 Disbursements

1. Accountant randomly selected 2 months from the period from July 1, 2016, through June 30, 2017, and obtained the month-end Disbursement Register Report (BR41) for each month. Accountant selected a haphazard sample of 22 disbursements and tested as follows:

- a. The disbursement was coded to the proper account.
- b. The disbursement was supported by proper documentation and appropriate procedures (case paper, transmittal).
- c. Inquired of management whether the Clerk's office issues manual checks.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Clerk's office does not issue manual checks.

Results: We found no exceptions as a result of these procedures.

2. For each of the 2 months selected above, if accountant identified disbursements made from accounts 415 Secure Remote Access and 416 Officer of the Court Access, inquire of management as to whether these disbursements were in accordance with Section §17.1-276 of the Code of Virginia.

Accountant noted no disbursements made from these accounts; therefore, no procedures were performed.

APA Ref. 6-7 Manual Receipts

1. Accountant obtained a description from management of security over unused manual receipts and the adequacy of supervisory review of manual receipts.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: Manual receipts are carbon copied: the white copy is given to the customer of the Court, the pink copy is attached to the daily report when it is entered into FMS, and the yellow copy is maintained in the "plain receipts" journal. All manual receipts are reviewed by the Clerk for completeness and accuracy and are then entered into the daily report once FMS is operational again.

2. Accountant haphazardly selected a sample of 7 manual receipts out of a population of 14 for the period from July 1, 2016, through June 30, 2017, and tested as follows:

- a. Traced to subsequent entry in FMS and determined whether entry agreed to the manual receipt.
- b. Determined whether receipt was entered no later than the next business day.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-8 Civil

1. Accountant selected a haphazard sample of 22 out of the large population of civil cases filed during the period from July 1, 2016, through June 30, 2017, and determined, by viewing the official receipt, whether:

- a. State taxes and fees were assessed and collected.

- b. Clerk's fees were assessed and collected.
- c. Specific fund and local fees were assessed and collected.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-9 Criminal

1. Accountant selected a haphazard sample of 22 out of the large population of criminal cases concluded with dispositions of guilty during the period from July 1, 2016, through June 30, 2017, and tested each case as follows by observing the FMS input document:
 - a. Fines and costs were assessed and entered into FMS.
 - b. Unpaid amounts were entered into the Judgment Docket.
 - c. The due date was properly calculated.
 - d. If a partial payment plan was set up, all applicable fields were properly completed in FMS (e.g. TTP Start, Term, Amount, and Incarcerated status).

Results: We found no exceptions as a result of these procedures.

2. Accountant randomly selected 2 months from the period July 1, 2016, through June 30, 2017, obtained the Court Appointed/Public Defender Reports (CR42), and tested a sample of local cases as follows by viewing the List of Allow-Costs, Financial Statement, and other documents as applicable:
 - a. Locality was billed for the cost
 - b. Defendant was assessed for the Attorney fees
 - c. Fine was assessed.

Results: We found no exceptions as a result of these procedures.

APA Ref. 6-10 Deeds/Land Records

1. Accountant selected a haphazard sample of 22 out of the large population of deeds / land records recorded during the period from July 1, 2016, through June 30, 2017, and available via the online public record website and tested as follows:
 - a. If taxes were not assessed, the instrument recorded is not taxable or is exempt from taxes.
 - b. State taxes have been assessed and collected based on the consideration paid of the property conveyed.
 - c. Local taxes (where applicable) have been assessed and collected in an amount equal to one-third of the amount of state recordation tax.
 - d. Additional tax (where applicable) has been assessed and collected on deeds of conveyance based on consideration.
 - i. One-half of taxes collected were paid to the State
 - ii. One-half of taxes collected were paid to the Treasurer of the locality.
 - e. 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: We found no exceptions as a result of these procedures.

2. Inquire of management to determine whether the Clerk uses a financial system for the receipt of taxes and fees on Deeds separate from the Financial Management System (FMS).

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Clerk does not use a financial system for the receipts of taxes and fees on Deeds separate from the Financial Management System (FMS).

APA Ref. 6-11 Wills and Administrations

1. Accountant selected a haphazard sample of 22 out of the large population of wills / administrations recorded during the period from July 1, 2016, through June 30, 2017, and tested as follows:
 - a. State tax was assessed and collected based on the value of the estate.
 - b. Local tax (where applicable) was assessed and collected based on the value of the estate.
 - c. Clerk's fees were assessed and collected for the following, as applicable:
 - i. For recording and indexing in the will book based on the number of pages recorded.
 - ii. For appointing and qualifying any personal representative, committee or other fiduciary. Ensured that fees were receipted at the time of qualification, not after.
 - iii. For transferring land to one person or persons before charged to the decedent.
 - iv. If a final inventory was required, inquire of management that additional probate taxes, if any were assessed appropriately in accordance with Section §58.1-1717 of the Code of Virginia.

Results: We found no exceptions as a result of these procedures.

- v. Inquire of management whether the Clerk uses a financial system for the receipt of taxes and fees on wills separate from the Financial Management System (FMS).

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: When final inventories are required and there are additional probate taxes, these are assessed appropriately in accordance with Section §58.1-1717 of the Code of Virginia. The Clerk does not use a financial system for the receipt of taxes and fees on wills separate from the Financial Management System (FMS).

APA Ref. 6-12 Liabilities

1. By tracing to subsequent disbursements, accountant determined that the balances of state and local revenues on hand at June 30, 2017, were properly disbursed to the State and Local Treasurers.

Results: We found no exceptions as a result of these procedures.

2. Using the June 2017 Liabilities Index (BR08) report, accountant selected a total haphazard sample of 22 items from among the large population 5XX series (excluding Account 511 Trust Funds) and inquired of management regarding the status of the accounts sampled and whether the Clerk was justified in holding the funds based on approved court orders, established retention requirements, pending case (future court date assigned) or other special circumstances.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Clerk is justified in holding the funds based on approved court orders, established retention requirements, pending case (future court date assigned), or other special circumstances.

3. Accountant inquired of management as to whether or not any of the funds above were invested. If funds were invested, accountant traced balances to applicable bank statement.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: Some of these funds are invested.

Results: We found no exceptions as a result of these procedures.

4. Using the June 30, 2017, Individual Account Status Report (BU06), if any accounts are listed as credit balances, sum uncertain restitution, or accounts under review, accountant will inquire of management as to the reason and obtain a description from management as to the procedures used by the Clerk in monitoring the report and taking corrective action.

Accountant noted no such accounts; therefore, no procedures were performed.

5. Accountant randomly selected 3 monthly remittances of sheriff's fees to the local Treasurer from the period July 1, 2016, through June 30, 2017, and determined, by obtaining subsequent disbursement documents, that the fees were remitted within the first ten days of the month.

Results: We found no exceptions as a result of these procedures.

6. Accountant obtained the June 30, 2017 Property Unclaimed over One Year Report (BR16) and the Clerk's corresponding Unclaimed Property Report.
 - a. Selected those accounts from the BR16, which were not reported to the Division of Unclaimed Property.
 - b. Obtained explanation from management regarding the reasons for holding the accounts.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: Accounts from BR16 were not reported to the Division of Unclaimed Property because following the escheatment notices which are sent after June 30, 2017 and the County of Dinwiddie, VA must wait 60 days after notice has been given per §55-210.26:1 of the Code of Virginia.

7. Using the June 30, 2017, Property Unclaimed over One Year Report (BR16), the Liabilities Index (BR08) and Individual Account Status (BU06) reports and the Clerk's corresponding Unclaimed Restitution Report, accountant determined whether all appropriate restitution accounts had been escheated to the Criminal Injuries Compensation Fund.

Accountant noted that there were no accounts other than those noted above; therefore, no additional procedures were performed.

APA Ref. 6-13 Trust Funds

1. Accountant obtained the Trust Fund Annual Report filed during the period from July 1, 2016, through June 30, 2017, and:
 - a. Determined that the Annual report was available to the public via online digital format.
 - b. Obtained official receipt documentation to determine whether the Clerk filed the Annual Report with the Chief Judge by the Oct. 1st deadline.

Results: We found no exceptions as a result of these procedures.

- c. Inquired of management as to whether the Annual Report conforms to Section §8.01-600 (G) of the Code of Virginia.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Annual Report conforms to Section §8.01-600 (G) of the Code of Virginia.

- d. Inquired of management regarding the propriety of inactivity in individual accounts – i.e. a lack of interest posting, if any.

Accountant noted no such inactivity, therefore, no additional procedures were performed.

2. Using the Annual Report, accountant performed the following testwork:
 - a. Selected a random sample of 4 out of a population of 14 new accounts since July 1, 2016, through June 30, 2017, and, by viewing the Final Order and CD Receipt, determined whether:
 - i. The receipt contained all pertinent information.
 - ii. The receipt amount agreed to the court order.

- iii. The court order is included in the Order Book (hardcopy or electronic) and does not contain confidential information.
 - iv. Funds were invest within 60 days of receipt.
 - v. 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.
- b. Selected a random sample of 4 out of a population of 15 disbursement accounts since July 1, 2016, through June 30, 2017, and, by viewing the Final Order and cashier's check, determined whether:
- i. The disbursement agrees to the Court Order.
 - ii. Funds were paid out within 60 days of the court order.

Results: We found no exceptions as a result of these procedures. Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Final Order for disbursement is sent to the General Receiver, who then disburses the funds. The Circuit Court receives no documentation of the date paid as it is the General Receiver's responsibility to pay within the required 60 days. As a result, no procedures were performed over the timing of payments in accordance with the 60-day requirement.

3. Accountant inquired of management as to whether or not the Court has ordered a financial institution to act as the General Receiver since the most recently completed audit.

Description obtained from Barrett Chappell, Jr., Clerk of the Circuit Court of the County of Dinwiddie, VA: The Court has ordered the Bank of Southside Virginia to act as the General Receiver.

This agreed-upon procedures engagement was conducted 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 the accounting records of the Clerk of the Circuit Court of the County of Dinwiddie, VA. 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.

This report is intended solely for the information and use of Clerk of the Circuit Court of the County of Dinwiddie, VA and the Virginia Auditor of Public Accounts and is not intended to be and should not be used by anyone other than those specified parties.

Dixon Hughes Goodman LLP

Chester, Virginia
September 11, 2017