

**COUNTY OF PRINCE WILLIAM,
VIRGINIA**

AGREED-UPON PROCEDURES

For the Year Ended June 30, 2020

***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, 2020. 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. We obtained and reviewed the annual disclosure form(s) filed by the Circuit Court Clerk for the 2019 Calendar Year and determined whether: (a) the form was complete; (b) filed by the February 1, 2020 deadline; and (c) the accurate form was filed according to the type of filer. Additionally, we determined through inquiry and observation 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 one (1) form was tested without exception. Additionally, we noted 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.

- 3. Procedure:** We reviewed the *General Ledger Report* (“BR29”) for the year ended date of June 30, 2019 for unusual account 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.
- 4. Procedure:** We compared the prior year revenue to the current year revenue and determined propriety of all accounts with variances greater than 5% and more than 1% of all current year receipts.

Results: We noted there were two (2) accounts with variances greater than 5% and more than 1% of all current year receipts and we determined the propriety for those variances.
- 5. Procedure:** We verified whether the balance of state and local revenues on hand at June 30, 2020 were timely disbursed to the State and Local Treasurers.

Results: We noted that the balance of state and local revenues on hand at June 30, 2020 were timely disbursed to the State and Local Treasurers.
- 6. 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 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 the 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.
- 7. Procedure:** We selected a sample of five (5) employees and reviewed the eAccess system or vendor access reports for appropriate access levels to determine whether access is appropriate for internal access to systems including financial, case management, imaging, recording and indexing.

Results: The five (5) employees were tested without exception.
- 8. Procedure:** We obtained a list of terminated employees during the period July 1, 2019 through June 30, 2020 and selected a sample of the lesser of 10% or twenty-five (25) employees who had their access to FAS terminated to determine whether their access was removed within three (3) working days of termination.

Results: The one (1) terminated employee were tested without exception.
- 9. Procedure:** We obtained the Interface Reports (IN05 and INJ5), specifically the ‘Interface Case Not Found’ and ‘DMV Interface Exceptions’. We reviewed these report sections for the end of the month for the year ended June 30, 2020 and determined whether the Clerk took corrective action to clear all system errors noted.

Results: We noted the last business day of the year for the year ended June 30, 2020 was June 30, 2020. 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 two (2) cases for testing from the “Interface Case Not Found” section of the IN05 report and determined that the clerk was justified in not taking any corrective action to clear the system errors.

- 10. 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 end of the month for the year ended June 30, 2020 and determined whether the Clerk properly monitored the report and took corrective action.

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

- 11. 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 and determined the propriety. Additionally, if the Clerk uses a private vendor system for financial accounting and/or case management, we determined how the Clerk verifies all concluded guilty cases have corresponding receivables.

Results: We noted that there were no concluded guilty cases without a corresponding FAS receivable. Additionally, we noted that a private vendor system is not used for financial accounting and/or case management.

- 12. 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 20120" 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.

- 13. 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.

- 14. 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 2020 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 2020 Q2 balance was properly reported.

- 15. Procedure:** We selected two (2) bank reconciliations, including the June 2020 bank reconciliation, for each bank account and determined whether: (a) each reconciliation is mathematically correct; (b) the "Adjusted Balance per Bank" and the "System Balance" agree to supporting documentation; (c) all deposits in transit were deposited timely per the subsequent bank statement; (d) reconciling items were appropriate and resolved timely; (e) the bank account was reconciled timely, and (f) the reconciliation was reviewed and approved by the Clerk or Clerk designee.

Results: The two (2) bank reconciliations for each bank account were tested without exception.

16. 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 30, 2020. No exceptions noted.

17. Procedure: We selected a sample of ten (10) days of daily collection for the year ended June 30, 2020, and determined whether: (a) the computed revenue amount per the Cash Reconciliation Worksheet 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 receipts gross total (line 1 of Cash Reconciliation Worksheet) and the deposit amount the correcting journal voucher(s) was supported by proper documentation, performed correctly, and properly recorded on step 5 of the Cash Reconciliation Worksheet; (d) if the difference is the result of a voided receipt that all copies of the original receipt were retained; and (e) if the Clerk uses a separate financial accounting system to receipt taxes and fees the secondary receipting system receipt totals 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.

18. Procedure: We obtained the *BR40 Journal Voucher* report for the period of July 1, 2019 through June 30, 2020 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.

19. Procedure: We obtained the *General Ledger Fiscal Year - to - Date Report* (BR29) for the period of July 1, 2019 through June 30, 2020 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 thirty-eight (38) transactions during the period from July 1, 2019 through June 30, 2020 and did not note any unusual activity or trends. Sampling was determined not to be necessary.

20. Procedure: We obtained the month-end Disbursement Register Reports (BR41) for the period from July 1, 2019 through June 30, 2020 and selected a sample of ten (10) or one (1) for populations under ten (10) non-reverting fund disbursements and determined whether: (a) the disbursement is in accordance with Section 17.1-276 of the *Code of Virginia* and (b) the disbursement is supported by proper documentation. Additionally, we obtained a list of employees from the Clerk and determined if the Clerk disbursed any non-reverting funds directly to employees as cash bonuses or payroll and selected a sample of ten (10) or one (1) for populations under ten (10), and determined whether: (a) the Clerk obtained an appropriation from the locality and (b) the Clerk withheld applicable federal, state, social security, and was tested without exception. We noted there were no non-reverting funds disbursed directly to employees.

21. Procedure: We obtained the month-end Disbursement Register Reports (BR41) for the period from July 1, 2019 through June 30, 2020 and selected a sample of ten (10) disbursements (excluding non-reverting and trust funds) 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.

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

22. Procedure: We obtained the month-end Disbursement Register Reports (BR41) for the period from July 1, 2019 through June 30, 2020, and selected a sample of three (3) monthly remittances of sheriff's service fees, account 234, to the local Treasurer and determined if the fees were remitted within the first ten days of the month.

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

23. 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. We noted that due to the COVID-19 pandemic, offices were closed from March 2020 through the remainder of FY2020. As such, all transactions were processed virtually and the selection of manual receipts was limited. As such, three (3) manual receipts were tested without exception.

24. Procedure: We selected a sample of ten (10) civil cases filed during the period July 1, 2019 through June 30, 2020 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.

25. Procedure: We obtained the concluded criminal caseload statistics from the Clerk for the period from July 1, 2019 through June 30, 2020 and selected a sample of twenty (20) cases to test if the criminal cases concluded is between 1 and 1,000; select a sample of twenty-five (25) cases to test if the criminal cases concluded is between 1,001 and 4,999, or select a sample (30) cases to test if the criminal cases concluded is greater than 5,000. For the cases selected we 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. For cases selected if time to pay is granted we determined whether: (a) the DC-210 establishing due date was completed and signed by the defendant; (b) for a deferred payment plan, the due date was properly entered in FAS, and (c) for a partial payment plan, all applicable fields were properly completed in FAS (e.g. TTP Start, Term, Amount, and Incarcerated status).

Results: The twenty-five (25) criminal cases were tested without exception.

26. 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, 2019 and June 30, 2020 and determined whether: (a) the fine was properly assessed and entered into FAS; (b) the court appointed/ public defender fee was properly 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: The ten (10) local criminal cases were tested without exception.

27. We obtained a listing of all criminal juries commenced during the period from July 1, 2019 through June 30, 2020 and selected a sample of the lesser of twenty-five (25) or 10% of those with guilty disposition, and determined whether the defendant was appropriately assessed jury costs, acct 181.

Results: The eight (8) criminal juries commenced were tested without exception.

28. Procedure: We selected a sample of ten (10) deeds/land records recorded during the period from July 1, 2019 and June 30, 2020 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 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) the 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.

29. Procedure: We selected a sample of ten (10) wills/administrations recorded during the period from July 1, 2019 and June 30, 2020 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 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) 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 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.

30. Procedure: We obtained the Liabilities Index (BR008) report for the year ended June 30, 2020, and selected a sample of ten (10) cases from each 5XX series (excluding those with future court dates and Account 511 Trust Funds) and determined: (a) 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 and (b) if the funds are court ordered to be invested or the Clerk has elected to invest the funds, trace and agree to the applicable bank statement.

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

31. Procedure: We obtained the BU06 for the year ended June 30, 2020 and selected a sample of three (3) accounts listed as appeals, credit balances, sum uncertain restitution, or accounts under review and determined whether: (a) the Clerk is properly monitoring the report and taking corrective action as needed and (b) for appealed cases the Judge ordered costs stayed during the appeal.

Results: For the three (3) accounts tested, we noted three (3) accounts where corrective action was not taken, but were properly monitored.

32. Procedure: We obtained the June 30th Property Unclaimed Over One Year Report (BR16) and the Clerk's Unclaimed Property Report submitted to the Division of Unclaimed Property for the year ended June 30, 2020 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 not escheating 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.

33. Procedure: We obtained the June 30th BR16 and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund for the year ended June 30, 2020. We compared the reports and determined whether the outstanding restitution disbursements on BR16 that were not escheated were appropriately re-issued to the victim. Additionally, we obtained the June 30th BR08 and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund for the year ended June 30, 2020. We compared the restitution accounts (account 517) with balances listed on the BR08 report to the Unclaimed Restitution Report and determined whether funds that were not escheated were appropriately disbursed.

Results: We noted that all appropriate restitution accounts had properly been escheated to the Criminal Injuries Compensation Fund for the year ended June 30, 2020.

34. Procedure: We obtained the Trust Fund Annual Report filed for the year ended June 30, 2020 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. Additionally, we selected a sample of ten (10) accounts with past due expected disbursement dates and determined the propriety of inactivity.

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, 2020 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 there were no negative ending balances noted. We noted the Annual Report ending balance was reconciled to the applicable bank statements. We noted that the Annual Report conforms to Section 8.01-600(G) of the *Code of Virginia*. Additionally, the ten (10) accounts with past due expected disbursement dates were tested without exception.

35. Procedure: We obtained the June 30, 2020 Annual Report and selected a sample of ten (10) new accounts, and determined whether: (a) the receipt amount agreed to the court order; (b) the court order is included in the Order Book (hardcopy or digital) and does not contain confidential information; (c) appropriate Clerk's fees were deducted; (d) funds were invested within 60 days of receipt, and (e) the account is being held pursuant to Section 8.01-600 of the *Code of Virginia*.

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

36. Procedure: We selected a sample of ten (10) individual trust fund accounts from the detailed individual account section of the BR30 and determined 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 promptly, and (c) if the Clerk collects 5% of interest as Clerk's Fees, the 5% was calculated correctly.

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

37. We selected a sample of ten (10) individual trust fund accounts that were disbursed during the period of July 1, 2019 through June 30, 2020 from the detailed individual account section of the BR30, 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 or disbursement recording the deduction; and (e) funds were paid out within 60 days of the court order.

Results: The ten (10) individual trust fund accounts were tested 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, 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, 2020. 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