

COUNTY OF PRINCE WILLIAM, VIRGINIA

AGREED-UPON PROCEDURES

For the Year Ended June 30, 2022

***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, 2022. The Clerk is responsible for compliance with the requirements of Chapter 6 of the Specifications.

The County of Prince William, Virginia (the "County") has 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. Additionally, the APA and the Clerk acknowledged that the procedures performed are appropriate for their purposes. 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 filed by the Circuit Court Clerk for the 2022 Calendar Year. Determine whether: (a) the form was complete; (b) the form was filed by the February 1, 2022 deadline; and (c) that the accurate form was filed according to the type of filer. Additionally, inquire 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: Procedure performed without exception.

2. **Procedure:** We reviewed the *General Ledger Report* ("BR29") as of and for the year ended date of June 30, 2022 for account codes used, but not identified in the Chart of Accounts in the Circuit Court Financial Accounting System (the "FAS") User's Guide and negative ending balances.

Results: We noted no accounts used, but not identified in the Chart of Accounts in the Circuit Court FAS User's Guide. We noted two (2) accounts with negative balances as of June 30, 2022: 402 unspecified funds, 411 Over/short account.

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

Results: We noted no accounts with variances greater than 5% and more than 1% of all current year revenue.

4. **Procedure:** Identify the date upon which funds held at June 30, 2022 were disbursed to the State and Local Treasurers.

Results: Funds were remitted to the State and Local Treasurers on July 2, 2022.

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 observe the user login in to determine whether system access is password protected.

Results: Procedure performed without exception.

6. **Procedure:** We selected a sample of five (5) employees with access to the Clerk's systems during the year ended June 30, 2022 and agreed 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, 2022 and 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: Of the two (2) terminated employees selected, system access was removed prior to the termination date.

8. **Procedure:** Obtain the Interface Reports (IN05 and INJ5) for the year ended June 30, 2022 and inquire of management as to the reason for not taking corrective action to clear any system errors noted.

Results: We noted one (1) case from the "Interface Case Not Found" section of the IN05 report. This case is on the report as a result of predating a 2009 system transition. The Clerk has been instructed to ignore this error message.

9. **Procedure:** Obtain the *Individual Account Status Report* (BU06) and identify if there are 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 in 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) feature is used; and 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 noted that the BU06 as of June 30, 2022 reflected accounts listed as credit balance and account under review. Per inquiry of management, corrective action has not been taken on these 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. So, until they are paid in full, they will always show a false interest credit on the accounts that have less restitution credit assessed. For the case under Accounts Under Review, the defendant contacted the office on May 24, 2022 regarding fines and costs and a motion for community service in lieu of costs. The account was 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, 2022 and was paid in full. We noted no appealed cases listed. We noted the Clerk uses the optional TTP as a default feature based on inquiry of management; thus, no further procedures were performed.

10. **Procedure:** Obtain the June 30, 2022 *Concluded Cases without FAS Receivable Report* (CR32) and select a sample of five (5) guilty cases without corresponding FAS receivable accounts. 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: Procedure performed without exception.

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, 2022. Select a sample of ten (10) defaults from the year-to-date statistical report for the year ended June 30, 2022, and, for each sample, determine that the payments to date are less than the total amount due.

Results: Procedure performed without exception.

12. **Procedure:** We determined the method of collection for delinquent accounts.

Results: We noted the Clerk uses the Virginia Department of Taxation for collection of delinquent accounts.

13. **Procedure:** Identify all banks used by the Clerk and determine 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 (Section 2.2-185 of the *Code of Virginia*). Determine whether the Clerk 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 noted all were listed on the qualified depository listing maintained by the Virginia Department of Treasury. Procedure performed without exception.

14. Select a minimum of two (2) bank reconciliations (one of which should be the audit month end date), for each bank account and determine whether: (a) the 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 (within two business days); (d) reconciling items were resolved timely (within next month); (e) the bank account was reconciled timely (first business day of following month), and (f) the reconciliation was reviewed and approved by the Clerk or Clerk designee.

Results: Procedure was performed without exception.

15. **Procedure:** Perform 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 agreed-upon procedures period.

16. **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 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 that all copies of the receipt were retained; and (e) if the Clerk uses a separate financial accounting system to receipt taxes and fees, the secondary receipting system receipt for the day's collections have been entered into FAS.

Results: Procedure performed without exception.

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

Results: Procedure performed without exception.

18. **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, 2022.

Results: We noted twenty-four (24) transactions recorded in Account 411 of the BR29.

19. **Procedure:** Using all month-end Disbursement Register Reports (BR41) for the year ended June 30, 2022, and select a sample of ten (10) non-reverting fund disbursements throughout the period and determine whether: (a) disbursement is in accordance with Section 17.1-276 of the *Code of Virginia* and (b) disbursement is supported by proper documentation. Additionally, 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 and select a sample of ten (10) disbursements and determine whether: (a) the Clerk obtained an appropriation from the locality and (b) the Clerk withheld applicable federal, state, social security, and Medicare taxes.

Results: Procedure performed without exception.

20. **Procedure:** Using all the month-end *Disbursement Register Reports* (BR41) for the year ended June 30, 2022, select a sample of ten (10) disbursements throughout the period (excluding non-reverting and trust funds) and determine that: (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 performed without exception.

21. **Procedure:** Using all month-end Disbursement Register Reports (BR41) for the year ended June 30, 2022, select a sample of three (3) monthly remittances of sheriff's service fees, account 234, to the local Treasurer and determined if the fees are remitted within the first ten days of the month.

Results: Procedure performed without exception.

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

Results: Procedure performed without exception.

23. **Procedure:** Select a sample of ten (10) civil cases filed during the year ended June 30, 2022 and determine whether: (a) taxes and fees were assessed and collected based on file type and/or amount of the suit; (b) Clerk's fees were receipted.

Results: Procedure performed without exception.

24. **Procedure:** Select a sample of criminal cases concluded with disposition of guilty during the year ended June 30, 2022 as follows: twenty (20) if population is less than 1,000; twenty-five (25) cases if population is between 1,001 and 4,999, or (30) cases if population is greater than 5,000 and determine whether for each case: (a) fines and costs were properly 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: (d) the DC-210 establishing due date was completed and signed by the defendant; (e) the due date was properly entered into FAS; and (f) for a partial payment plan, all applicable fields were properly completed in FAS (e.g. TTP Start, Term, Amount, and Incarcerated status).

Results: Procedure performed without exception.

25. **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, 2021 and June 30, 2022 and determined whether: (a) locality was billed for the cost; (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: Procedure performed without exception.

26. Select a sample of the lesser of twenty-five (25) or 10% of all criminal juries commenced during the year ended June 30, 2022 and determine whether the defendant was appropriately assessed jury costs.

Results: Procedure performed without exception.

27. **Procedure:** Select a sample of ten (10) deeds/land records recorded during the year ended June 30, 2022 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 properly assessed and collected in an amount equal to one-third of the amount of state recordation tax; (d) additional tax has been properly assessed and collected on deeds of conveyance based on consideration; (e) the Clerk's fees for recording, indexing, and plat fees were properly charged and collected; (f) fees for transferring land to one person or persons before charged to another were properly assessed and collected.

Results: Procedure performed without exception.

28. **Procedure:** Select a sample of ten (10) wills/administrations recorded during the year ended June 30, 2022 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 properly 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 properly recorded in FAS.

Results: Procedure performed without exception.

29. **Procedure:** We obtained the Liabilities Index (BR008) report for the year ended June 30, 2022, and selected a sample of ten (10) cases from each 5XX series (excluding 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: Procedure performed without exception.

30. **Procedure:** Using the June 30, 2022 *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 noted two (2) such accounts listed in the report. In one instance, management explained the case was pending a motion to apply community service towards court costs and disposition of the amount held was pending the outcome of that motion. For the second account, management explained this is a known error offset by other accounts with debit balances which has been brought to the attention of the Supreme Court of Virginia with the response to the Clerk to leave the accounts as is.

31. **Procedure:** Using the June 30, 2022 *Property Unclaimed Over One Year Report* (BR16) and the Clerk's corresponding Unclaimed Property Report for the year ended June 30, 2022, select a sample of ten (10) 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: Procedure performed without exception.

32. **Procedure:** Obtain the BR16 and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund for the year ended June 30, 2022. Compare the reports and determined whether the outstanding restitution disbursements on BR16 that were not escheated were appropriately re-issued to the victim. Obtain the BR08 and the Clerk's Unclaimed Restitution Report submitted to the Victim Witness Fund for the year ended June 30, 2022. Compare 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: Procedure performed without exception.

33. **Procedure:** Determine the following for the Trust Fund Annual Report filed for the year ended June 30, 2022: (a) the Annual Report 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 Annual Report agrees to the FAS 9XX accounts where the funds are recorded and Account 511 Trust Fund balances, and identify any negative ending balances in any of the 9XX series accounts; (d) the Annual Report ending balance agrees to the applicable bank statement balance(s), and, if they did not agree, select 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*, (f) inquire of management as to the reason for inactivity in individual accounts; (g) select a sample of ten (10) accounts with past due expected disbursement dates and inquired of management as to the reason for holding the funds.

Results: Procedure performed without exception. For the ten (10) accounts with past due expected disbursement dates, accounts are held pending the recipient reaching the age of 18.

34. **Procedure:** Using the Trust Annual Report filed during the year ended June 30, 2022, 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) account was reported as public funds, and (h) the distribution date is supported.

Results: Procedure performed without exception.

35. **Procedure:** We selected a sample of ten (10) individual trust fund accounts from the detailed individual account section of the BR30 for the year ended June 30, 2022 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 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.

36. Select a sample of ten (10) individual trust accounts that were disbursed during the period of July 1, 2021 through June 30, 2022 from the detailed individual account section of the BR30 and determined whether: (a) the disbursement was made in accordance with the terms of the court order; (b) the check was posted to the proper subsidiary trust fund account; (c) appropriate Clerk's fees were deducted; and (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 the Clerk's compliance with the requirements of Chapter 6 of the Specifications. 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 the Clerk 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 5, 2023