

## Technology Trust Fund (TTF)

Code of Virginia  
§ 17.1-279 (excerpt)

A. In addition to the fees otherwise authorized by this chapter, the clerk of each circuit court shall assess a \$5 fee, known as the "Technology Trust Fund Fee," in each civil action, upon each instrument to be recorded in the deed books, and upon each judgment to be docketed in the judgment lien docket book. Such fee shall be deposited by the State Treasurer into a trust fund. The State Treasurer shall maintain a record of such deposits.

### Compensation Board Policy

**A primary purpose of the TTF fee is to generate funds for Clerks to automate land records and provide secure remote access to land records' images on or before July 1, 2008.**

Annually in March, the Compensation Board provides to Clerks a TTF revenue estimate for the upcoming fiscal year as part of the annual budget estimates. The FY11 TTF Revenue Estimates by locality is located on the Compensation Board website at <http://www.scb.virginia.gov> under the Constitutional Officers Budgets and Salaries tab, current year budget estimates. Choose your locality and then select "Clerks Technology Trust Fund Revenue Estimate".

In order to budget TTF monies, the Clerk must submit to the Compensation Board a written certification that the proposed technology improvements of his/her land records provided secure remote access to land records' images on or before July 1, 2008. This certification is built into the TTF COIN budgeting process. No paper certification is necessary.

Instructions for TTF budgeting are located in the FY11 TTF Budget Request Manual, available in late July 2010 and located at <http://www.scb.virginia.gov> under the Land Records Technology tab.

The annual TTF Progress Report, available December 1, contains the TTF financial statement, progress survey, certification for secure remote access, and \$4 and \$1 Fund budgets. TTF Progress Reports are located the Compensation Board website at <http://www.scb.virginia.gov> under the Land Records Technology tab.

## TTF: \$4 Budgeting

Code of Virginia  
§ 17.1-279 (excerpt)

B. Four dollars of every \$5 fee shall be allocated by the Compensation Board from the trust fund for the purposes of:

(i) developing and updating individual land records automation plans for individual circuit court clerks' offices; (ii) implementing automation plans to modernize land records in individual circuit court clerks' offices and provide secure remote access to land records throughout the Commonwealth pursuant to § 17.1-294; (iii) obtaining and updating office automation and information technology equipment including software and conversion services; (iv) preserving, maintaining and enhancing court records, including, but not limited to, the costs of repairs, maintenance, land records consulting services, service contracts, redaction of social security numbers from land records, and system replacements or upgrades and (v) improving public access to court records. The Compensation Board in consultation with circuit court clerks and other users of court records shall develop and update policies governing the allocation of funds for these purposes. However, such funds shall not be used for personnel costs within the circuit court clerks' offices. The Compensation Board policies governing the allocation of funds shall require that a clerk submit to the Compensation Board a written certification that the clerk's proposed technology improvements of his land records will provide secure remote access to those land records on or before July 1, 2008.

### Compensation Board Policy

**The State Treasurer holds in trust TTF revenues, collected and deposited by each Clerk's office. The Compensation Board is responsible for allocation of TTF monies. Clerks make annual budget requests to the Compensation Board for technology equipment and services out of their TTF \$4 available balance.**

**Annually in August, Clerks may request to budget TTF \$4 monies in the current fiscal year or carryover TTF funds to a subsequent year.**

The \$4 portion of TTF collections are reserved for the purchase of equipment and services to modernize land records and provide secure remote access in respective Clerks' offices. The Code of Virginia provides six purposes for use of TTF moneys in § 17.1-279.

Every August, Clerks may budget some or all of their TTF \$4 available cash balance for equipment and services, or carryover TTF \$4 monies to a subsequent fiscal year. Based upon changes approved by the 2010 General Assembly, the majority of cash balances and FY10 collections have been eliminated, and the legislature has provided a line of credit to allow for budgeting of incoming collections in the year collected beginning in FY11. Projected collections will become the basis for budgeting TTF hence forward. Reimbursements from TTF cannot exceed deposits into the trust fund credited to that locality. Clerks may also request additional TTF \$4 monies mid-year (not to exceed their \$4 actual cash or reasonable projected collections).

All \$4 requests fall under one of two Purpose Codes:

- L - Land records and
- N – Areas of the court not related to land records

See the section entitled **TTF: Land Records** for the Compensation Board's understanding of land records and areas of the court not related to land records.

All \$4 requests fall under one of six Description Codes:

- B – Backscanning / conversion of images;
- E – Equipment (software or hardware);
- MR – Maintenance services for records management system;
- MS – Maintenance services for secure remote access system;
- R – Redaction services for social security numbers; and
- O – Other miscellaneous services.

Clerks should follow local procurement policies when bidding for contracts for equipment and services from technology vendors.

## TTF: \$1 Fund

Code of Virginia  
§ 17.1-279 (excerpt)

C. The remaining \$1 of each such fee may be allocated by the Compensation Board from the trust fund (i) for the purposes of funding studies to develop and update individual land-records automation plans, and (ii) for the purposes enumerated in subsection B to implement the plan to modernize land records in individual circuit court clerks' offices and provide secure remote access to land records throughout the Commonwealth. The allocations pursuant to this subsection may give priority to those individual clerks' offices whose deposits into the trust fund would not be sufficient to implement its modernization plan. The Compensation Board policies governing the allocation of funds shall require that a clerk submit to the Compensation Board a written certification that the clerk's proposed technology improvements of his land records will provide secure remote access to those land records on or before July 1, 2008.

### Compensation Board Policy

**The State Treasurer holds in trust TTF revenues, collected and deposited by each Clerk's office. The Compensation Board is responsible for allocation of TTF monies. Clerks whose deposits into the trust fund would not be sufficient to implement technology automation are given priority by the Compensation Board in \$1 funding approvals.**

**Annually in August, Clerks may request to budget TTF \$1 Fund monies in the current fiscal year.**

The Code of Virginia allows priority for allocation of \$1 funds to individual Clerks' offices whose deposits into the TTF (\$4 available balance) are not sufficient to implement its modernization plan.

Beginning in FY11, budgeting of \$1 funds will also occur utilizing a line of credit and will be based upon projected collections; reimbursements also cannot exceed actual \$1 fund collections.

The \$1 Fund is not available for Purpose Code N requests (areas of the court not related to land records). The \$1 Fund is not available to Clerks who make a Purpose Code N request from their \$4 available balance.

\$1 Fund requests fall under one of five Description Codes:

- B – Backscanning / conversion of images;
- E – Equipment (software or hardware);
- MR – Maintenance services for records management system;
- MS – Maintenance services for secure remote access system; and
- R – Redaction services for social security numbers

Clerks should follow local procurement policies when bidding for contracts for equipment and services from technology vendors.

## TTF: Certifications

### Compensation Board Policy

**Every Clerk must certify to whether or not they are currently providing secure remote access to land records and compliance with VITA's security standard to land records.**

Code of Virginia  
§ 17.1-279 (excerpt)

B. The Compensation Board policies governing the allocation of funds shall require that a clerk submit to the Compensation Board a written certification that the clerk's proposed technology improvements of his land records will provide secure remote access to those land records on or before July 1, 2008.

D. 1. Secure remote access to land records shall be by paid subscription service through individual circuit court clerk's offices pursuant to § 17.1-276, or through designated application service providers. The clerk may require any entity that is a nonresident of the Commonwealth, prior to becoming a subscriber, to demonstrate that such entity is authorized to do business in Virginia and is in good standing with the State Corporation Commission or other applicable state or federal regulatory agency and that such entity will comply with the secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294. In the case of an individual, the clerk may require a person who is a nonresident of the Commonwealth to demonstrate that such person has a legal presence in Virginia and will comply with the secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294. Compliance with secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294 shall be certified by the individual circuit court clerks' offices to the Compensation Board. The individual circuit court clerk's office or its designated application service provider shall certify compliance with such secure remote access standards. Nothing in this section shall prohibit the Compensation Board from allocating trust fund money to individual circuit court clerks' offices for the purpose of complying with such secure remote access standards or redaction of social security numbers from land records.

In order to request \$4 and/or \$1 Fund monies, the Clerk must submit to the Compensation Board a written certification that the technology improvements proposed in his/her TTF budget meet the goals of land records automation and that the Clerk's office provides secure remote access to land records. This certification is built into the TTF COIN budgeting process.

Each Clerk must also certify compliance with the security standards developed by the Virginia Information Technologies Agency (VITA) to the Compensation Board. The *Secure Remote Access to Court Documents Standard* (SEC503-02), dated March 28, 2005, is located on the Virginia Information Technologies Agency (VITA) at <http://www.vita.virginia.gov> under Library / Governance Publications / ITRM Policies, Standards, and Guidelines / Information Security Standards.

## TTF: Equipment Surplus

### Compensation Board Policy

**Any proceeds derived from the sale of surplus equipment purchased by Technology Trust Fund (TTF) funds are kept locally, but must be used to offset any reimbursement request for TTF expenditures.**

When new or replacement equipment is purchased using TTF funding, the Clerk may only request reimbursement from the Compensation Board for the net amount (cost of new equipment minus proceeds of the surplus equipment).

## TTF: Land Records

### Compensation Board Policy

**Technology improvements of land records, including the provision of secure remote access of electronic land records, is a priority of the Technology Trust Fund.**

The Compensation Board considers land records (Purpose Code L) to be:

- Deeds and deeds of trust;
- Plats and maps;
- Judgments and liens;
- Financing statements; and
- Wills and fiduciary.

Types of court records not related to land records (Purpose Code N) are:

- Marriage licenses;
- Civil case records and management systems;
- Criminal case records and management systems; and
- Jury management systems.

### Code of Virginia § 17.1-292 (excerpt)

B. Land records means any writing authorized by law to be recorded on paper or in electronic format that the clerk records affecting title to real property, including but not limited to instruments, orders, or any other writings recorded under this title.

### § 17.1-295 (excerpt)

Electronic recording of land records means the networks or systems maintained by a clerk of the circuit court, or the clerk's designated application services providers, for the submittal of instruments for electronic filing of land records in accordance with the Uniform Real Property Electronic Recording Act (§ [55-142.10](#) et seq.) and the provisions of Article 2.1 (§ [55-66.8](#) et seq.) of Chapter 4 of Title 55 regarding the satisfaction of mortgages.

Public access means that the clerk of the circuit court has made available to subscribers that are other than governmental agencies, secure remote access to land records maintained by the clerk in accordance with § [17.1-294](#).

## TTF: Areas of the Court Not Related to Land Records

Code of Virginia  
§ 17.1-279 (excerpt)

F. If such an application includes automation or technology improvements that would require an interface with the case management system or the financial management system operated and maintained by the Executive Secretary of the Supreme Court for the purpose of providing electronic information to state agencies in accordance with § [17.1-502](#), the circuit court clerk, or the court's designated application service provider, shall certify to the Compensation Board that such automation or technology improvements will comply with the security and data standards of the systems operated and maintained by the Executive Secretary of the Supreme Court.

### Compensation Board Policy

**If a Clerk has provided secure remote access to land records, that Clerk may use TTF \$4 moneys for automation and technology improvements in areas of the court not related to land records.**

Changes to the Code of Virginia, § 17.1-279, during the 2010 session of the General Assembly include removal of language in section F concerning areas of the court not related to land records. This has necessitated a change in the manner in which purpose codes are referenced in the annual TTF budget process. New purpose code designations are:

- Land records = L
- Areas of the court not related to land records = N

Purpose Code N requests may only be funded through \$4 money. The \$1 Fund may not finance Purpose Code N requests. If a Clerk makes a Purpose Code N request from their \$4 available balance the \$1 Fund is not available to them for the entire fiscal year.

The Code of Virginia, § 17.1-502, The Executive Secretary of the Supreme Court shall be the administrator of the circuit court system, which shall include responsibility for the operation and maintenance of a case management system and financial management system, and related technology improvements, that the Executive Secretary shall deem necessary for the administration of the circuit court system. The Executive Secretary shall permit an interface with the case management system, financial management system, and related technology improvements for the purpose of providing electronic information to state agencies, upon request of any circuit court that uses automation or technology improvements provided by a private vendor or the locality. The circuit court clerk and the clerk's designated application service provider shall comply with the security and data standards established by the Executive Secretary for any such interface between a case management or financial management system operated by a circuit court clerk and the systems of the Executive Secretary. The costs of designing, implementing, and maintaining any such interface with the systems of the Executive Secretary shall be the responsibility of the circuit court clerk. Any expenses incurred within the office of the Executive Secretary, not to exceed \$104,280, related to the operation and maintenance of such interfaces with the case management system and financial management system shall be reimbursed through the Technology Trust Fund established pursuant to subsection A of § [17.1-279](#). The Executive Secretary shall assist the chief judges in the performance of their administrative duties. He may employ such staff and other assistants, from state funds appropriated to him for the purpose, as may be necessary to carry out his duties, and may secure such office space as may be requisite, to be located in an appropriate place to be selected by the Executive Secretary.

## TTF: Redaction of Social Security Numbers

Code of Virginia  
§ 17.1-294 (excerpt)

B. 1. Beginning July 1, 2012, any land record made available to subscribers via secure remote access may contain only the last four digits of the social security number of any party.  
2. However, the original land record maintained by the clerk may contain a social security number if otherwise provided by law, but that original record shall not be made available via secure remote access unless it complies with this section.  
3. Except in cases where the original record is required by law to contain a social security number, the attorney or party who prepares or submits the land record for recordation has the responsibility for ensuring that the social security number has been removed from the writing prior to the instrument's being submitted for recordation.

**Compensation Board Policy**

**Redaction of social security numbers from electronic land records shall be completed by July 1, 2012.**

The Compensation Board follows redaction recommendations from the Methods for the Redaction of Social Security Numbers from Electronic Land Record Documents Report (October 2006) by the VITA Redaction Workgroup.

1. **Method.** The recommended redaction method the OCR (Optical Character Recognition) software plus one manual review by a trained technician who provides a quality control measure. The Compensation Board has termed this method: OCR + 1X. This method applies to both back-file (historical) redaction and day-forward redaction.
2. **Cost.** The estimated average cost of OCR + 1X method of redaction is 4 cents or less per image. The same cost applies to day-forward redaction services.
3. **Accuracy.** The Workgroup applied a 95% or better accuracy rate for the OCR + 1X redaction method. Ask your redaction vendor to guarantee an accuracy rate for the OCR + 1X redaction method.
4. **Span of Years.** Back-file redaction covers the period of January 1935 to the present.
5. **Flagged Images.** Ask your vendor if the manual review is applied to only flagged images or if every image is reviewed by the human eye.
6. **Copies versus Originals.** Redaction should never result in the permanent removal of text from the original document, only copies (images) of original documents.
7. **Sub-Contracts and Out-Sourcing.** Ask if the redaction services are sub-contracted out or out-sourced to a foreign company or a company operating outside the U.S.

The Code of Virginia, § 17.1-294, includes an enactment clause in reference to the redaction of social security numbers:

That any clerk of a circuit court may engage a vendor to redact social security numbers from all land records made available via secure remote access pursuant to § 17.1-294 of the Code of Virginia, using a software redaction system, for records beginning January 1, 1935, to the date of the redaction, and that the redaction shall be completed on or before July 1, 2012.

## TTF: Reimbursement of Expenditures

Code of Virginia  
§ 15.2-827

No money shall be drawn from the county treasury, nor shall any obligation for the expenditure of money be incurred, except in pursuance of a legally enacted appropriation resolution, or legally enacted supplement thereto passed by the board. Accounts shall be kept for each item of appropriation made by the board. Each such account shall show in detail the appropriation made thereto, the amount drawn thereon, the unpaid obligations charged against it, and the unencumbered balance in the appropriation account, properly chargeable, sufficient to meet the obligation entailed by contract, agreement or order.

§ [15.2-1636.13](#) (excerpt)

A. The expenses and other allowances of office within the limits fixed by the Board shall be paid monthly on the submission of satisfactory evidence that such expenses and other allowances were actually incurred. All counties and cities shall pay the entire amount of such salaries, expenses, and other allowances and, upon notification to the Board, the Commonwealth shall reimburse all such counties and cities for the Commonwealth's proportionate share of such salaries, compensation, benefits under § [51.1-1387](#), and other expense allowances.

### Compensation Board Policy

**TTF is a reimbursement system. The Clerk makes the purchase; the local government pays the expenditure and only then does the Clerk seek reimbursement from the Compensation Board.**

TTF is a reimbursement system and follows a strict step-by-step process, no different than your monthly office expenses reimbursement process. A Clerk may not receive reimbursement for budgeted funds before the locality actually incurs the expense of those purchases.

- Step 1 – The Clerk estimates technology needs (with the help of her vendor) for the fiscal year and creates a line item TTF budget in August of every year.
- Step 2 – Mid-year, the vendor completes the work (either by line item or the entire TTF budget) and sends the Clerk an invoice for the completed work.
- Step 3 – The locality pays the invoice to the vendor.
- Step 4 – The Clerk requests reimbursement for the locality's expenditure from the Compensation Board for the amount of the invoice using the appropriate line items in COIN's TTF Reimbursement screen (COIN / Reimbursement / Clerk's TTF Equipment Screens).
- Step 5 – The Compensation Board reimburses the locality for the amount of the invoice.

Upon making a reimbursement request in COIN, the Clerk must certify that expenditures listed are those actually incurred in the conduct of official business of the Clerk of the court for the month rendered and that invoices covering these expenditures have been submitted to the Board of Supervisors or their authorized agent for payment. The locality representative must also certify that expenditures have been verified and approved by the Board of Supervisors or authorized for payment.

All TTF budgeted funds in August and mid-year must be requested for reimbursement no later than the May payroll and expense reimbursement request period. TTF funds not requested for reimbursement by the May expense reimbursement request period will not be available for reimbursement at the June reimbursement request period.

## TTF: Secure Remote Access (SRA)

### Code of Virginia

#### § 17.1-279 (excerpt)

D.1. Secure remote access to land records shall be by paid subscription service through individual circuit court clerk's offices pursuant to § 17.1-296, or through designated application service providers.

2. Every circuit court clerk shall provide secure remote access to land records pursuant to § 17.1-294 on or before July 1, 2008.

#### § 17.1-294 (excerpt)

A. No circuit court clerk shall provide secure remote access to any land record that does not comply with the provisions of this section and the secure remote access standards developed by the Virginia Information Technologies Agency in consultation with the circuit court clerks, the Executive Secretary of the Supreme Court, the Compensation Board, and user of land and other court records.

D. The circuit court clerk of any jurisdiction shall be immune from suit arising from any acts or omissions relating to providing secure remote access to land records pursuant to this section unless the clerk was grossly negligent or engaged in willful misconduct.

### Compensation Board Policy

**The 2007 General Assembly set the deadline for Circuit Court Clerks to provide SRA to land records on or before July 1, 2008.**

**Clerks must submit to the Compensation Board a written certification that the Clerk's proposed technology improvements of his land records provide SRA to those land records.**

The Code of Virginia, § 17.1-295, defines SRA as public access by electronic means on a network or system to land records maintained by the clerk of the circuit court or the clerk's designated application service providers, in compliance with the Secure Remote Access Standards developed by the Virginia Information Technologies Agency.

Subscriber is defined as any person who has entered into a subscriber agreement with the clerk of the circuit court authorizing the subscriber to have SRA to land records maintained by the clerk or the clerk's designated application services providers. If the subscriber is an entity with more than one person who will use the network or system to access land records maintained by the clerk, or the clerk's designated application services providers, each individual user shall execute a subscriber agreement and obtain a separate "user id" and "password" from the clerk. The subscriber is responsible for the fees due under this title and the proper use of the SRA system pursuant to the subscriber agreement and applicable Virginia law.

The 2010 General Assembly added new language to § 17.1-279, including stipulations for nonresident subscribers and compliance with secure remote access standards developed by the Virginia Information Technologies Agency.

Clerks must provide an annual written certification of SRA to the Compensation Board. When a Clerk certifies to providing SRA, ALL of the following is true:

- The Clerk's technology vendor has established a website or system in compliance with the security standards established by the Virginia Information Technologies Agency (VITA) for the purpose of providing SRA to land records' images.
- The Clerk has established a process whereby the public (non-governmental entity or individual) may register for subscription to SRA, and if approved by the Clerk, sign a subscription agreement, may pay a subscription fee and receive a security password(s) for remote access to electronic land records.
- The Clerk has accepted / is willing to accept public subscribers to SRA.
- The Clerk has made the public aware of the availability of SRA to land records (as appropriate).

The Code of Virginia, § 20121.03, gives authority to the Clerk to reject any petition, pleading, motion, agreement, order, or decree for recordation as a land record that does not comply with the provisions of this section.