

Comptroller's Directive No. 1-09
Attachment 28
Direct Billed Central Services

Purpose

This attachment is needed to comply with the Code of Federal Regulations 2 (CFR) 225, formerly OMB Circular No. A-87, "Cost Principles for State, Local and Indian Tribal Governments." This attachment is similar to prior year's Attachment 28.

Applicable agencies

ONLY the following agencies are required to complete this attachment.

- Department of General Services (DGS)
 - Department of Human Resource Management (DHRM)
 - Department of Treasury (TD)
 - Virginia Correctional Enterprises (VCE)
 - Virginia Information Technologies Agency (VITA)
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Due date

September 17, 2009

Submission requirements

Submit the required information to Penny Williams using the contact information in the [Questions](#) section. E-mail the information whenever possible.

Copy DOA via e-mail to Finrept-agyatt@doa.virginia.gov.

Copy APA via e-mail to APAFinRept@apa.virginia.gov, if possible.

Otherwise, mail to:

**Staci A. Henshaw, Audit Director
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218**

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Questions

Please direct all questions regarding this attachment to:

Penny B. Williams Phone: (804) 225-3804
 Indirect Cost Coordinator FAX: (804) 225-2430
 Department of Accounts E-mail: penny.williams@doa.virginia.gov
 P. O. Box 1971
 Richmond, VA 23218-1971

Requirements

Submit the information specified for the agency in the table below.

| Type of Activity | Required Information | Agency |
|---|--|---|
| Internal Service Funds (budget of \$5 million or more) | <ol style="list-style-type: none"> 1. Description of the service 2. Fund Statement of Net Assets 3. Revenue / expenses statement, with revenues by source 4. List of non-operating transfers 5. Description of billing procedures (methodology) used to charge costs to users 6. Schedule of current rates 7. Schedule comparing full revenues (including imputed revenues) by service to allowable costs 8. Explanation of how variances between revenue and expenses will be handled 9. Documentation that revenue reported includes all revenues generated by the service including unbilled and uncollected revenue 10. Expenses reported by cost category 11. Amount of working capital reserve if any | DGS DHRM VCE VITA (see Note below) |

Note: Virginia Information Technologies Agency must submit Combining Financial Statement information by division.

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Requirements (continued)

| Type of Activity | Required Information | Agency |
|--|---|----------------------------|
| Self Insurance Funds | <ol style="list-style-type: none"> 1. Fund Statement of Net Assets 2. Statement showing fund income and fund outlays, including a summary of billings and claims paid by agency 3. Listing of all non-operating transfers into and out of the fund 4. Types of risks covered by the fund 5. Explanation of how the level of fund contributions are determined, and actuarial report 6. Description of procedures used to charge or allocate fund contributions to benefiting activities 7. Explanation of reserve levels in excess of claims paid, submitted but not adjudicated, and incurred but not submitted | DHRM TD |
| Fringe benefits | <ol style="list-style-type: none"> 1. Overall annual cost of each benefit 2. Current fringe benefit policies 3. Procedures used to charge or allocate the costs to benefiting activities | DHRM |
| Pension and post-retirement health benefit costs | <ol style="list-style-type: none"> 1. Funding policies 2. Pension plan's costs accrued for a year 3. Amount funded, and dates of funding 4. Copy of actuarial report 5. Plan trustee's report 6. Schedule showing the value of the interest cost associated with any late funding | DHRM |
| Other billed central service activity not identified above | The same documentation required for Internal Service Funds is to be completed and maintained but is not required to be submitted to DOA unless specifically requested by DOA, APA or federal reviewers. | DGS DHRM VCE VITA |

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