

**ITEMS OF INTEREST FOR  
COMPTROLLER’S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**If the information requested in the supplemental section is also provided on an attachment, contact the individuals listed in the Questions section of this Directive.**

## **General**

---

- The Directive is formatted to facilitate identification of specific agency requirements. Informational authoritative literature/guidance and the glossary are provided as a web link on DOA’s website at [www.doa.virginia.gov](http://www.doa.virginia.gov). Click on the “Financial Statement Directives” link. In addition, a frequently asked questions (FAQ) document has been prepared and provided.
- Directive attachments have been saved in Excel 2007 (.xlsx) and Word 2007 (.docx), respectively. If an agency has an earlier version of Microsoft Excel or Microsoft Word and has problems opening a file, DOA can provide the attachment in an earlier version. Please contact those listed in the Questions section.
- Agencies must comply with the requirements contained in the **Authoritative Literature/ Guidance for Preparation of GAAP Basis Fund Financial Statement Templates**, which can be found on DOA’s website at [www.doa.virginia.gov](http://www.doa.virginia.gov). Click on the “Financial Statement Directives” link.

**Note:** Wave 1 Agencies should pay particular attention to the **Accounts Payable** section.

- Any questions related to the Directive should be addressed to the following individuals:
  - John Sotos, Assistant Director – Financial Statements, (804) 225-2111 or [john.sotos@doa.virginia.gov](mailto:john.sotos@doa.virginia.gov)
  - Susan Jones, Assistant Director – Financial Statements, (804) 225-4426 or [susan.jones@doa.virginia.gov](mailto:susan.jones@doa.virginia.gov)
  - Sharon Lawrence, Director of Financial Reporting, (804) 225-2414 or [sharon.lawrence@doa.virginia.gov](mailto:sharon.lawrence@doa.virginia.gov)
  - Attachment Analyst - [AttachmentAnalyst@doa.virginia.gov](mailto:AttachmentAnalyst@doa.virginia.gov)
- The Comptroller’s Directive No. 1-15, Directive Compliance Guidelines for State Agencies, replaces and rescinds the prior year’s Comptroller’s Directive No. 1-14.

---

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**General, Continued**

---

- Statement on Auditing Standards No. 122, *Statements on Auditing Standards: Clarification and Recodification (SAS 122)*, states that the identification by the auditors of a material misstatement is an indicator of a material weakness in internal control. This also includes restatements of previously issued financial statements to reflect a correction of a material misstatement. This applies to whether the auditors or the agency discovers the restatement.  
  
**Note:** This does not apply to a change in accounting principle to comply with a new accounting principle or a justifiable voluntary change from one GAAP to another. Agencies must ensure controls are in place to avoid material misstatements and/or misclassifications in the attachments and other financial information submitted to DOA.
  
- Online training on this directive is available at no charge to agencies. Several directive training modules are available to meet the diverse experience levels of agency fiscal staff. Participation **is strongly encouraged** for agencies that must complete information contained in this Directive. To register for any of the training modules, Login to the **Knowledge Center** at <https://covkc.virginia.gov>, click on the “Learning Center” link, and then click the “Course Catalog” link. Search using the keyword “Directive” and click the course/reference you wish to access. If you have difficulty accessing the training, contact [doatraining@doa.virginia.gov](mailto:doatraining@doa.virginia.gov) for guidance.
  
- DOA will have open training in July for any agencies that are interested in more detailed training or have specific questions. This training will be available for all agencies that would like to attend for additional, in-person guidance on specific attachments and open Q&A. Additional information will be provided at a later date.
  
- Agencies will be notified within a few days of submission due dates if DOA determines the information provided is unacceptable. The deficiency will be identified and a revised due date will be provided. Original submissions should be materially correct. Multiple submissions and/or failure to provide corrected information within the specified time frame may result in a citation in the Comptroller’s *Quarterly Report on Statewide Financial Management and Compliance*.

---

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**General, Continued**

---

- As in previous years, e-mail submissions are required for all submissions unless an individual submission indicates otherwise. Agencies should only submit **one** copy of each submission to DOA. Please note the e-mail addresses below:
  - For attachments only – [finrept-agyvatt@doa.virginia.gov](mailto:finrept-agyvatt@doa.virginia.gov)
  - For supplemental information only – [finrept-agysupp@doa.virginia.gov](mailto:finrept-agysupp@doa.virginia.gov)
  - For questions or detailed directive training - [AttachmentAnalyst@doa.virginia.gov](mailto:AttachmentAnalyst@doa.virginia.gov)
  - All other correspondence – [finrept@doa.virginia.gov](mailto:finrept@doa.virginia.gov)

Agencies should remember to copy the Auditor of Public Accounts (APA) on all e-mail submissions at: [APAFinRept@apa.virginia.gov](mailto:APAFinRept@apa.virginia.gov).

- The **Supplemental Information** requirements are numbered for each agency. When submitting the required information, the subject line of the e-mail should include the agency number, due date of the submission, and item number. For example, if the Department of Accounts is submitting items due on July 9, then the subject line would read “**Agy 151, Due Date July 9, 2015, Submissions, Item #.**”
  - When naming the actual file, include the Item # in the file name.
  - **DO NOT include different due date submissions within the same e-mail.**
  - When submitting revisions, include “REVISED – date” in the subject line of the e-mail as well as in the file name.
  - If revisions are made to previously submitted supplemental information, submit a completed **Attachment 31**, Supplemental Information – Revision Control Log.
  - A fluctuation analysis is required for all supplemental submissions. For additional information, please see the **Supplemental Information** section of the Directive.
- For your convenience, the contact information in all but the first tab in each attachment/template continues to be auto filled with the information from the first tab, but the cells remain unlocked to allow for more than one preparer to complete the attachment.
- Only cells highlighted in yellow allow for data entry. Error messages in cells are intended to alert preparers that established parameters are not being followed. **Failure to correct Errors or provide answers to all required questions prior to submission will prohibit acceptance of the attachment. All cells requiring a response will be populated with an “Answer Required” message until a response is entered.**

---

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**General, Continued**

---

- **Certification** is required for most submissions. This certification step requires the names of all preparers and reviewers to be included on all applicable submissions. Please note that there should be a segregation of duties; therefore, the preparer and the reviewer should not be the same individual for any submission. **By typing a name, the preparer is certifying that all of the questions have been completed and are accurate; the reviewer is certifying that the attachment has been reviewed and is complete and accurate; the preparer and reviewer were not the same individual for any tab; and the preparer and reviewer have read and understood the instructions for the attachment. If agency staffing does not allow for a different preparer and reviewer, please contact DOA.**
  
- Revision control logs are included in the majority of the attachment workbooks. These logs require the agency to identify the specific worksheets and tabs that have been modified **after** DOA's original acceptance. These logs should also provide a cumulative listing of changes to each attachment. The individual attachment instructions indicate whether the revision control log is applicable. **Failure to adhere to the revision instructions specified for each attachment will prohibit acceptance of revisions. Include "REVISED – date" in the subject line of the e-mail as well as in the file name.** Each time a revision is submitted, the **Certification** tab should be updated with new signatures and dates. DOA will notify agencies if problems are encountered with revision submissions.
  
- For CAFR reporting purposes, the Commonwealth capitalizes all equipment that has a cost or value greater than or equal to \$50,000 and an expected useful life of greater than two years. In addition, for CAFR reporting purposes, the Commonwealth capitalizes all other assets that have a cost or value greater than or equal to \$100,000 and an expected useful life of greater than two years. Proprietary agencies/funds will be able to specify the fund's individual capitalization limits in the financial statement template capital asset footnote tab.
  
- As a reminder, DRES administered leases are reported by the Department of General Services (DGS) and not the line agency.

---

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**General, Continued**

---

- If an agency is required to prepare financial statements for purposes other than the Comptroller's Directive, the affected agencies will still have to prepare those financial statements. However, unless otherwise specified in the **Supplemental Information** section of the Directive, these financial statements will not have to be submitted to DOA. For those agencies that are audited by the APA, the APA will audit the template for CAFR purposes.
  
- The following GASB statements are effective for the Commonwealth for FY 2015:
  - **GASBS No. 68**, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, amends the requirements of **GASBS No. 27**, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of **GASBS No. 50**, *Pension Disclosures*, as they relate to pension plans that are administered by a trust or equivalent arrangement. This Statement establishes accounting and financial reporting requirements for governments providing pension benefits to employees pursuant to a trust or equivalent arrangement. It also applies to nonemployer governments that have a legal obligation to contribute to covered plans. **\*Note:** Any agency that issues individually published audited financial statements must ensure that the **GASBS No. 68** requirements are incorporated into those individually published audited financial statements. VRS will provide information to agencies participating in VRS-sponsored plans to facilitate the agency's implementation efforts.
  - **GASBS No. 69**, *Government Combinations and Disposals of Government Operations*, establishes accounting and financial reporting standards related to government combinations and disposals of government operations.
  - **GASBS No. 71**, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, addresses the issue regarding the application of the transition provisions of **GASBS No. 68**. This Statement allows that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

---

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER’S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**Attachments with Changes**

---

**Selected Attachments:**

- Updated attachment instructions to request that the subject line include Agency number and Attachment number when submitting the attachment.
  - On the **Revision Control Log** tab, added the **Certification** tab as an option under the Tab Name column.
- 

**Attachment 1, Checklist to Determine Information Required by Comptroller’s Directive:**

- **Attachments 27** and **28** have been renumbered. **Attachment 28** has been separated into two attachments: **Attachment 28A**, Government-wide Payables and Other Accruals – CARS Users and **Attachment 28B**, Government-wide Payables and Other Accruals – Cardinal Users.
  - Added a question on the **Checklist** tab under the **Attachment 28A** and **Attachment 28B** section.
  - Revised question 11 to incorporate **GASBS No. 68** and question 13 to incorporate **GASBS No. 69**.
  - On the **Termination Benefits** tab, added a column to include estimated August payouts.
- 

**Attachment 6A, Leave Liability Statement – CIPPS Users:**

- Updated instructions to indicate which parts of the attachment will be completed by the Payroll Service Bureau and which part is the agency’s responsibility.
- 

**Attachment 9, Governmental Fund Financial Statement Template:**

- On **Tab 4 – Miscellaneous**, for question 7 added a section titled “Other” for any prepayments that are not paid to an Internal Service Fund.
- 

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**Attachments with Changes, Continued**

---

**Attachment 10, Enterprise Fund Financial Statement Template:**

- Added object code 1166 to the lag pay instructions for Due to VRS (Due to External Parties – Fiduciary Funds)
  - **Enterprise Template** was modified to allow data entry for the Net Pension Liability line for those agencies that issue individually published audited financial statements.
  - **Enterprise Template, Tab 2 – Receivables** was modified to group the line item Due from Other State Agencies with Due from Other Funds. Previously, Due from Other State Agencies was grouped with Receivables, Net.
  - **Tab 4 – Due to Other Agy or Funds**, an additional section was added, “Due to External Parties (Fiduciary Funds),” to provide more detailed information.
  - **Tab 7 – Miscellaneous**, for question 8 added a section titled “Other” for any prepayments that are not paid to an Internal Service Fund. Revised question 14a to incorporate **GASBS No. 68** and **GASBS No. 69** and question 14b to incorporate **GASBS No. 68**.
  - **Tab 13 – Cash Flow Analysis** formulas and line items were changed to agree to the changes in the Enterprise Template discussed in the previous bullet. Due from Other State Agencies is now included in the formula for Due from Other Funds rather than Receivables, Net. Due to Other State Agencies is now included in the formula for Due to Other Funds and the line item has been removed.
  - Any agency that issues individually published audited financial statements must ensure that the **GASBS No. 68** requirements are incorporated into those individually published audited financial statements. VRS will provide information to agencies participating in VRS-sponsored plans to facilitate the agency’s implementation efforts.
- 

**Attachment 11, Internal Service Fund Financial Statement Template:**

- Added object code 1166 to the lag pay instructions for Due to VRS (Due to External Parties - Fiduciary Funds)
  - **Tab 4 – Due to**, an additional section was added, “Due to External Parties (Fiduciary Funds),” to provide more detailed information.
  - **Tab 7 – Miscellaneous**, for question 9 added a section titled “Other” for any prepayments that are not paid to an Internal Service Fund. Revised question 14a to incorporate **GASBS No. 68** and **GASBS No. 69** and question 14b to incorporate **GASBS No. 68**.
- 

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**Attachments with Changes, Continued**

---

**Attachment 12, Private-purpose Fund Financial Statement Template:**

- Added object code 1166 to the lag pay instructions and changed the description to say “Due to Other Funds – VRS”
  - **Tab 3 – Miscellaneous**, for question 7 added a section titled “Other” for any prepayments that are not paid to an Internal Service Fund. Revised question 12a to incorporate **GASBS No. 68** and **GASBS No. 69** and question 12b to incorporate **GASBS No. 68**.
  - The previous line item “Accounts and Loans Receivable, Net” was split into two lines and is no longer combined throughout the attachment.
- 

**Attachment 13, Agency Fund Financial Statement Template:**

- The previous line item “Accounts and Loans Receivables” was split into two lines and is no longer combined throughout the attachment.
- 

**Attachment 15, Federal Schedules:**

- The Office of Management and Budget (OMB) revised federal regulations in December 2014, and a separate communication from DOA identifies DOA’s responsibilities applicable to the revised guidance. Agency personnel must thoroughly review the new uniform guidance to ensure they understand the agency’s specific responsibilities. These modifications and agency responsibilities are more thoroughly outlined in the Attachment 15 instructions.
  - Added an item to the Questionnaire file regarding the agency’s election to use the 10% de minimus cost rate per Section 200.414 of the new regulations in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
  - Clarified the question regarding disbursements to subrecipients and added a new tab to the Questionnaire file labeled **Disbursements** tab to capture any differences between amounts reported on the disbursements tabs and the **SEFA** tab.
- 

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**Attachments with Changes, Continued**

---

**Attachment 19, Pollution Remediation:**

- Revised the instructions to provide guidance specific to Wave 1 payables.
  - **Tab 2 – Measurement**, additional payable columns were added to accommodate Wave 1 payables. Also, the expenditure column should now EXCLUDE payables.
- 

**Attachment 22, Receivables as of June 30:**

- Revised the instructions to provide guidance specific to Wave 1 and Wave 2 agencies regarding payables.
  - On the **Reconciliation** tab, the question relating to federal grant payables was revised to accommodate Wave 1 agencies.
- 

**Attachment 23, Schedule of Retainage Payable:**

- On the **Retainage Payable** tab, the question relating to retainage paid in July or August was revised to accommodate Wave 1 agencies.
- 

**Attachment 26, GASBS No. 33 Federal Fund Analysis – Nonreimbursement Grants:**

- Revised the instructions to provide guidance specific to Wave 1 agencies regarding payables.
  - On the **Nonreimbursement Grants** tab, columns were added and others revised to incorporate Wave 1 and Wave 2 agencies.
- 

**Attachment 27, Direct Billed Central Services:**

- In fiscal year 2014, this attachment was Attachment 28.
- 

*Continued on next page*

**ITEMS OF INTEREST FOR  
COMPTROLLER'S DIRECTIVE NO. 1-15  
DIRECTIVE COMPLIANCE GUIDELINES FOR STATE AGENCIES**

**Attachments with Changes, Continued**

---

**Attachment 28, Government-wide Payables and Other Accruals as of June 30:**

- For fiscal year 2015, this attachment has been separated into two attachments:
    - Attachment 28A, Government-wide Payables and Other Accruals as of June 30 – CARS Users
    - Attachment 28B, Government-wide Payables and Other Accruals as of June 30 – Cardinal Users
- 

**Attachment 33, 2015 Off-Balance Sheet Financial Obligations:**

- Revised the instructions to provide guidance specific to Wave 1 and Wave 2 agencies regarding payables.
-