

Comptroller's Directive No. 2-15
Attachment HE-3
Beginning Net Position Reconciliation

Purpose This attachment will provide explanations for any restatement of the beginning net position amount. This reconciles the prior year ending net position amount reported on the FY 2014 Attachment HE-10, Financial Statement Template (including correcting AJEs), to the beginning net position amount that will be reported on the FY 2015 Attachment HE-10, Financial Statement Template. This attachment has TAB 1 to record the amount for the higher education institution (HEI) and TAB 2 to record the amount for the combined total of the foundations. This attachment is similar to the prior year's Attachment HE-3.

Applicable institutions All institutions **must** complete this attachment.

Due date **July 23, 2015**

Certification The **Certification** tab requires all preparers and reviewers to type their name on this form. Please note that there should be a segregation of duties; therefore, the preparer and the reviewer should not be the same individual for any tab. By typing a name, the preparer is certifying that the attachment is complete and accurate; the reviewer is certifying that the attachment has been reviewed and is complete and accurate; the preparer and reviewer are certifying they were not the same individual for any tab; and the preparer and reviewer are certifying they have read and understood the instructions for the attachment.

SAS 122 Statement on Auditing Standards No. 122, *Clarification and Recodification*, AU-C Section 265 (paragraph .A11), states that the identification by the auditors of a material misstatement is an indicator of a material weakness in internal control. This includes prior year ending balance restatements due to errors. It is possible that significant errors resulting in financial statement template adjustments, including prior year ending balance restatements, could result in either material internal control weaknesses or even a modified opinion on the Commonwealth's Comprehensive Annual Financial Report (CAFR). Internal controls should be in place to prevent material restatements because of prior year errors.

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**Changes from
the prior year**

Since GASBS No. 65, GASBS No. 66, and GASBS No. 70 were effective for the Commonwealth beginning with FY 2014, the TAB 1 for the HEI has been revised to remove the implementation of those categories.

The following category has been added for the GASB statement effective for the Commonwealth beginning with FY 2015:

- Implementation of GASBS No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended by GASBS No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

Note: GASBS No. 69, *Government Combinations and Disposals of Government Operations*, is effective beginning with FY 2015. GASBS No. 69 is to be applied on a prospective basis.

**Submission
requirements**

Contact DOA if the institution has any problems with the files.

After downloading the Excel file, rename the file using the institution's acronym followed by Attachment HE-3. For example, VCCS should rename the Attachment HE-3.xlsx* file as VCCS Attachment HE-3.xlsx*.

Please include the **Institution's Acronym** and **Attachment Number** in the **subject line** of the submission e-mail.

Submit the Excel file electronically to finrept-HE@doa.virginia.gov.

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

Do not submit paper copies of this spreadsheet.

Note*: This attachment is in the Excel 2007 version (.xlsx). If the institution has an earlier version of Excel, the file can be saved in the earlier version (.xls). If the institution has an earlier version of Excel and has problems opening the file, DOA can provide the attachment saved in an earlier version of Excel (.xls).

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**Attachment
revisions**

If attachment revisions are made subsequent to DOA acknowledgement of receipt and acceptance of the original attachment submission, **resubmit the revised attachment AND complete the Revision Control Log tab (RCL) in the attachment Excel file.**

Enter the revision date, tab name, row number and column letter revised, and the previous and revised information. Document text changes and numerical changes. Only enter changes for amounts actually keyed. For example, if a non-keyed, calculated total changes as a result of the revision, this does not need to be documented on the Revision Control Log.

If the attachment is revised more than once, do not delete control log revision information from the previous revision. Enter the new revision date and the additional revisions in the rows following the initial revision rows. This log should document all revisions from the initial attachment submission.

Note: Each time a revision is submitted, the [Certification](#) tab should be updated with new signatures and dates. Include “**REVISED – date**” in the subject line of the e-mail as well as in the **file name**.

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