

Comptroller’s Directive No. 1-16
Attachment 12
Private-purpose Trust Fund Financial Statement Template

Purpose This attachment is used to obtain the financial statement and footnote information for private-purpose trust funds. This attachment is similar to prior year’s Attachment 12.

Applicable agencies This attachment is applicable to all agencies with private-purpose trust funds specified on pages 13-15 of the **Preparation of GAAP Basis Financial Statement Template** section of **Office of the Comptroller’s Directive 1-16**, which can be found on DOA’s website at www.doa.virginia.gov. Click on the “Financial Statement Directives” link.

Questions For questions or to request detailed training from an analyst, please contact: AttachmentAnalyst@doa.virginia.gov.

Please reference the attachment number in the subject line of the e-mail.

Due date **August 4, 2016**

Data entry 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. Selected cells requiring a response will be populated with an “Answer Required” message until a response is entered.**

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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 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.**

Submission requirements

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

A separate template must be completed for each private-purpose trust fund specified in the Directive. After downloading the file, rename the spreadsheet file using the agency number followed by Att12-Fund Number. For example, if agency 151 has two private-purpose trust funds, two attachments will be submitted. The attachments will be renamed as 151Att12-PP1.xlsx and 151Att12-PP2.xlsx.*

Submit the Excel spreadsheet electronically to finrept-agyatt@doa.virginia.gov.

Please include **Agency Number** and **Attachment Number** in the **subject line** of the submission e-mail.

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

Do not submit paper copies of the Excel attachment.

For your convenience, the yellow contact information cells have been linked to the remaining tabs. However, they remain unlocked to allow for more than one preparer to complete the attachment.

***Note: If the agency has an earlier version of Excel and has problems opening the attachment 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 in the attachment Excel file.**

Enter the revision date, applicable Excel file 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.

Include “**REVISED – date**” in the **subject line** of the submission e-mail as well as in the **file name**. Resubmit the revised attachment; and ensure that the [Revision Control Log](#) tab has been completed.

Each time a revision is submitted the [Certification](#) tab should be updated with new signatures and dates.

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**General
information**

1. The templates include numerous features, including automated comments and validation messages, to assist in the preparation and review of financial data.

2. Cash, cash equivalent, and investment footnotes (**Tabs 1A, 1B, & 1C**) are designed to obtain information for **GASBS No. 40**, *Deposit and Investment Risk Disclosures*, as amended by **GASBS No. 59**, *Financial Instruments Omnibus*. **GASBS No. 72**, *Fair Value Measurement and Application*, is effective for FY 2016 and includes guidance regarding fair value measurements. Certain provisions of **GASBS No. 79**, *Certain External Investment Pools and Pool Participants*, are effective for FY 2016. Refer to **GASBS No.72** and **GASBS No. 79** to ensure a thorough understanding of the new reporting requirements prior to completing this attachment. Refer to **Attachment 23**, Schedule of Cash, Cash Equivalents, and Investments as of June 30, for guidance on completing these tabs. In response to agency requests. **Tab 1B** is not password-protected so that agencies may add additional rows when needed without having to contact DOA or copy and paste information into the sheet from their own records. In adding rows or copying information, care must be taken to preserve the existing spreadsheet layout and column and row labels. If rows are added, please also copy the "TYPE" and "INVESTMENT" descriptions at columns A and B and the formulas at columns N, V, W, and X.

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**General
information,
continued**

3. **Nonnegotiable Certificates of Deposit:** Revised guidance is included in the instructions to the **Attachment 23** – Schedule of Cash, Cash Equivalents, and Investments as of June 30 regarding nonnegotiable certificates of deposit (CD) based on changes in the Implementation Guide No. 2015-1. Nonnegotiable CDs should be reported on the applicable “cash equivalents” template line item if the original maturity is 90 days or less and they should be reported on the applicable “investment” template line item if the original maturity is greater than 90 days. Nonnegotiable CDs should continue to be treated as “deposits” for GASBS 3/40 disclosures. No changes were made regarding negotiable certificates of deposit. The **Tab 1A-GASB 3-40** Part 2.1 has been revised to reflect this change.

4. Ensure that all footnote tabs applicable to the data entered on the statements are completed. All funds must complete **Tab 3-Miscellaneous**. **Tab 6-Capital Assets** is new for fiscal year 2016. This is required if capital assets are reported on the financial statement template and has parts 3.1 to 3.2 for **GASBS No. 42**. For additional information on **Tab 3-Miscellaneous**, and question 14 regarding **GASBS No. 72**, refer to **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. Click on the “Financial Statement Directives” link. **GASBS No. 76**, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, is effective beginning with fiscal year 2016 and supersedes **GASBS No. 55**, and amends certain provisions of **GASBS No. 62**. Accounting changes adopted to conform to **GASBS No. 76** should be applied retroactively by restating financial statements for all prior periods presented.

5. For additional preparation guidance, refer to **Preparation of GAAP Basis Financial Statement Templates (Attachments 9-13)** in this Directive and **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. Click on the “Financial Statement Directives” link.

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**General
information**
continued

6. Each template requires completion of a fluctuation analysis of prior year and current year financial statement template balances. The prior year modified accrual basis financial statement template amounts will automatically populate into the appropriate column on **Tab 5- Fluctuation Analysis** based upon the fund selected from the drop-down list on the **Financial Statement Template** tab. To determine the dollar and percentage variance that require an explanation, each agency should review the **Fluctuation Analysis Guidelines and Materiality Scopes** section of **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. Click on the "Financial Statement Directives" link. A formula is included on this tab in order to help with the variance determination.

7. **GASBS No. 76**, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, supersedes **GASBS No. 55**, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and amends certain provisions of **GASBS No. 62**, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements*. The Statement simplifies the structure of the hierarchy of GAAP to be followed when preparing financial statements in conformity with GAAP and outlines the order of priority for pronouncements to which a government should look for guidance. The provisions of **GASBS No. 76** are applied retroactively and may require restatement of amounts previously reported or reporting of amounts differently. Please refer to **GASBS No. 76** to ensure a thorough understanding of the new reporting requirements prior to completing this attachment.

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Lag Pay

The Commonwealth pays its employees on the 1st and 16th of each month. The pay the employee receives on the 1st is for the work they completed in the previous month from the 10th-24th. The pay that is generated on the 16th is for work the employee performed from the 25th of the previous month to the 9th of the current month. Below is illustrative guidance for FY 2016:

| | |
|---------------------------|------------------------|
| <u>Paid on:</u> | <u>Work Performed:</u> |
| July 1 | June 10-June 24 |
| July 16 (Friday, July 15) | June 25-July 9 |

The Commonwealth's reporting period ends June 30 of each year. However, due to lag pay, employees are not paid until the next fiscal year for work completed in the previous fiscal year.

Analyze all account 5011XX0 activity on Cardinal for the July 1 and July 16 pay.

| | |
|--|-----------------------------|
| Cardinal Accounts 5011110, 5011140, 5011160, 5011170, 5011190, 5011650, 5011660, and 5011740 | Due to Other Funds - VRS |
| Cardinal Accounts 5011150 and 5011730 | Due to Other State Agencies |
| Remaining 5011XX0 Cardinal account codes | Salary/wages payable |

All of the July 1 pay period is included and a percentage of the July 16 pay period. The percentage to use for the July 16 pay is the weekdays in the prior fiscal year divided by the total number of weekdays of the pay period.

$$\frac{\text{\# of weekdays: June 25-June 30}}{\text{Total \# of weekdays June 25-July 9}}$$

For the July 16 pay period only, Cardinal account 5011150 is removed from the calculation. This account must be removed because the July 16 and August 1 health care premiums cover July.

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