



Volume No. 1 – Policies & Procedures	TOPIC NO.	20905 – Cardinal
Function No. 20900 – Reconciliation Procedures	TOPIC	CARDINAL RECONCILIATION REQUIREMENTS
	DATE	October 2014

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Overview

Introduction This topic establishes the policies governing the preparation and reconciliation of financial records maintained by all State agencies and institutions.

To ensure accuracy and uniformity in the preparation and reconciliation of financial data input to Cardinal, all internally prepared accounting records, data submission logs, and other accounting data must be reconciled to reports/queries produced by Cardinal. Such reconciliations shall be performed and certified to the Department of Accounts (DOA) monthly, as described in this CAPP Topic, and at fiscal year-end as prescribed by the Comptroller’s annual fiscal year-end closing procedures memorandum to agencies.


This topic specifically addresses requirements and recommended procedures that are applicable to all agencies for accomplishing this reconciliation. An agency may reconcile its records to Cardinal via other procedures it has devised if:

- The agency fully documents its alternate reconciliation procedures.
- DOA General Accounting provides advance written approval.
- The procedures provide equivalent results and audit trails as those outlined in this topic.

Even agencies that follow procedures in this CAPP topic must prepare and maintain procedural documentation for reconciliation that show how this topic’s requirements are specifically met in the agency and who holds responsibility for each aspect of reconciliation activities.

As with every topic in this manual, CAPP Manual procedures alone never eliminate the need and requirement for each agency to publish its own internal policies and procedures documents, approved in writing by agency management. The lack of complete and up-to-date internal policies and procedures, customized to reflect the agency’s staffing, organization, and operating procedures, reflects inadequate internal control.

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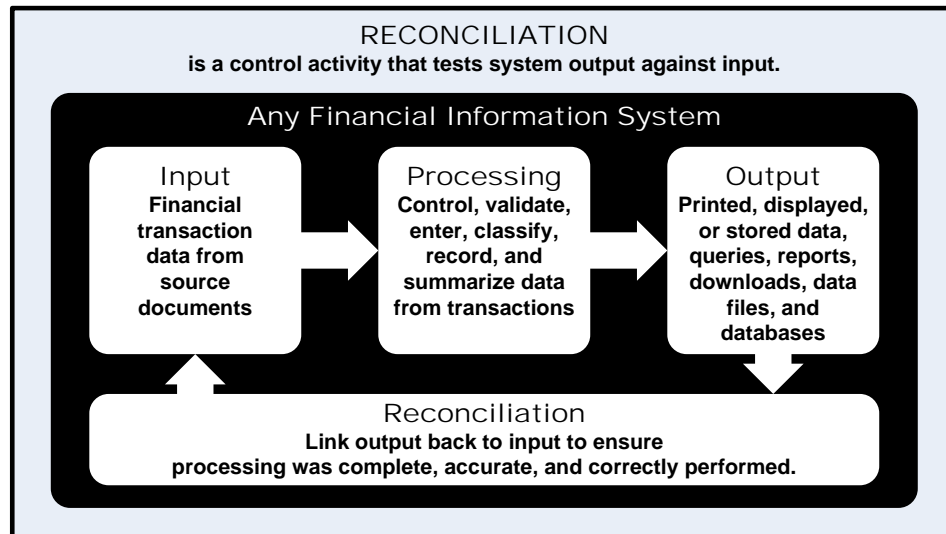
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Reconciliation Model

Financial management information systems utilize concepts drawn from accounting, information systems, and internal control.


- **Accounting** – drawn from a basic definition of accounting (classifying, recording, summarizing, and reporting of an entity’s financial transactions in compliance with generally accepted accounting principles).
- **Information systems** – drawn from a basic information systems model (input → process → output).
- **Internal control** – reconciliation is one of the eight basic types of “control activities” (review and approval; authorization; verification; reconciliation; physical security over assets; segregation of duties; education, training, and coaching; performance planning and evaluation).

The following model combines these concepts.



Reconciliation serves as a “quality control” measure – without high quality processing, as tested and corrected through the reconciliation process, accounting cannot produce useful reports. Reconciliation primarily affects classification, recording, and summarization. Traditionally called “bookkeeping,” these processes capture and prepare data for use in reports.

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Overview, Continued

Basic objectives of the classification, recording, and summarization processes are to ensure that:

- Each transaction reflects correct data, including monetary amounts.
- Each transaction is recorded once, and only once.
- Each transaction is properly classified to support summarization.
- Summarization processes accurately reflect the underlying dollar amounts and accounting classifications.
- Documentary evidence exists for every accounting process.
- Documents enable accountants to follow an “audit trail” through the accounting process from each transaction to appropriate reports and other output.
- If recorded in multiple accounting systems, transactions can be traced from one system to another, any variance between accounting data can be traced to specific transactions, and all variations are explained and justified.
- In systems operated by the Department of Accounts (especially Cardinal), every transaction is correctly recorded, classified, and fully compliant with any applicable laws, regulations, policies, procedures, grants, and contracts.
- In monthly certification by the fiscal officer, all Cardinal General Ledger account balances for the agency will be correct after the agency processes any needed General Ledger Journals or DOA processes any corrections submitted via exception register. Certain General Ledger Journals must be posted by DOA. (See CAPP – Cardinal Topic No. 20405, *Inter-Agency Transactions*, for further information.) **Deadlines in CAPP – Cardinal Topics 20405 and 20410 must be adhered to.** Corrections must be submitted within two weeks following the exception register due date. For May, this will be mid-July. The corrections must be posted to the fiscal year for which the certification is applicable.
- Annual certification by the agency head and fiscal officer that all Cardinal account balances for the agency as of June 30 final close are correct or will be correct after the agency processes any needed corrections. These corrections must be submitted by the due date specified in the fiscal year-end closing instructions.


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More information on control activities appears in:

- Comptroller’s Directive on Agency Risk Management and Internal Control Standards (ARMICS).
 - CAPP – Cardinal Topic No. 10305, *Internal Control*
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Policy

Essential Components of Reconciliations

The essential components of Cardinal reconciliations are:

- Acknowledging the Agency Head’s responsibility
- Timing of reconciliation
- Management’s assertions
- Reconciliation document format
- Scope of reconciliation
- Reporting requirements


The following specific requirements appear in broad terms, giving considerable flexibility to each agency in achieving compliance with this policy.

Acknowledging the Agency Head’s Responsibility

Ultimately, the agency head holds personal responsibility for the integrity and objectivity of the financial transactions provided to the State Comptroller. **The agency head must ensure that Cardinal data is accurate.** The basis for this conclusion derives from agency management’s assessment of the internal controls operating within the agency. The establishment of internal controls requires estimates and judgments from management so that, in attaining reasonable assurance as to the adequacy of such controls, the cost of controls should not exceed the benefits obtained. The agency should take steps such that the agency head trusts that internal controls adequately safeguard the agency’s assets and provide reasonable assurance as to the proper recording of financial transactions.

At fiscal year end, the agency head must certify not only that the systems reconcile, but also that sufficient actions have been taken to ensure that the agency’s Cardinal final close data is complete, correct, and in accordance with all applicable state laws and regulations. For months other than June, the fiscal officer submits this certification on behalf of the agency head.

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Timing of Reconciliation

Reconciliations for the fiscal months of July through May must be performed, documented, and certified to the Comptroller via the **Financial Certification** web-based reporting system. The documentation format used for agency reconciliation should create an “audit trail” so that the reconciliation can be traced to both source documents and Cardinal reports/queries.


Reconciliation for the fiscal month of June, which serves as the final reconciliation for the fiscal year, must be performed, documented, and certified to the Comptroller as required by the Comptroller’s annual fiscal year-end closing procedures memorandum to agencies.

Management’s Assertions

According to professional accounting and auditing standards, “management is responsible for adopting sound accounting policies and for establishing and maintaining internal control that will, among other things, initiate, record, process, and report transactions (as well as events and conditions) consistent with management’s assertions embodied in the financial statements.”¹ Assertions are implied or expressed representations made by management about classes of transactions and the related accounts in the financial statements. **In certifying that the CARS reconciliation has been performed, agency management is providing reasonable assurance that the entries made in Cardinal and CARS accurately reflect the financial operations of the agency on the cash basis of accounting.** This assurance encompasses assertions about the financial records in all of the following areas:

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¹ AICPA Professional Standards, Section 110, *Responsibilities and Functions of the Independent Auditor*.

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1. Assertions about account balances at the period end:
 - a. **Existence.** Assets, liabilities and net assets/fund balances exist.
 - b. **Rights and obligations.** The agency holds or controls the rights to assets. Liabilities are obligations of the agency.
 - c. **Completeness.** All assets, liabilities, and net assets/fund balances that should have been recorded have been recorded.
 - d. **Valuation and allocation.** Assets, liabilities, and net assets/fund balances are included in the financial records at appropriate amounts and any required adjustments are appropriately recorded.


 2. Assertions about presentation and disclosure:
 - a. **Occurrence and rights and obligations.** Disclosed events and transactions have occurred and pertain to the agency.
 - b. **Completeness.** All disclosures that should have been included in the financial records have been included.
 - c. **Classification and understandability.** Financial information is appropriately presented and disclosures are clearly expressed.
 - d. **Accuracy and valuation.** Financial and other information are fairly disclosed at the appropriate amounts.

Reconciliation Document Format

Agencies must have detailed written procedures for meeting all Cardinal reconciliation requirements. These “desk procedures” must require documenting reconciliations in an agency-standardized format and making them available for inspection (with all supporting documentation) by outside parties such as the Auditor of Public Accounts (APA) and the Department of Accounts (DOA). Also, such documents are subject to public scrutiny under Code of Virginia § 2.2-3700 *et seq.*, the *Virginia Freedom of Information Act*.

Refer to CAPP Topic No. 20905, *CARS Reconciliation Requirements*, for specific CARS information.

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Minimum standard inclusions for reconciliation policies and procedures are:

- Balances copied directly from Cardinal reports/queries (not merely from agency-based accounting systems or other secondary sources),
- Corresponding balances copied directly from agency records or supplemental systems reports, if the agency maintains supplemental systems, and
- Itemized listings, by source document number, of the differences between Cardinal reports/queries and agency records that refer to correcting source document numbers, corresponding Cardinal identification (ID) numbers, and submission dates.

When documenting a detailed reconciliation process, an element of that detail is a list of any summary and transaction-level reports that are used, including reports from Cardinal, as well as those produced by the agency’s systems. For example, agency procedures may include review of the Cardinal Query *Voucher Payments Awaiting Due Date* to identify expenditures that include due dates too far into the future (for example, by keying the wrong calendar month or year). “Reports” may refer to electronic output (for example, data viewed on a screen) so long as that electronic output is documented sufficiently (for example, by a screen print) to support future audit needs.

Fiscal officers must update desk procedures whenever significant procedural changes occur. For agencies with internal auditors, fiscal officers should review desk procedures with their internal auditors and revise those procedures accordingly.

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Scope of Reconciliation

CARS is the official accounting system for the Commonwealth until June 30, 2016, and Cardinal will be the official accounting system beginning with Fiscal Year 2017. However, Cardinal is the primary point of entry and approval for all agency account transactions. All agency-based systems and records are considered to be subsidiary to Cardinal.


All agency records, accounts, and logs must be reconciled to Cardinal for all accounts at the level indicated below:

- Appropriations*business unit, fund, program
 - Allotments*business unit, fund, program
 - Expenditures..... business unit, fund, program, account
 - Capital project expenditures.....business unit, fund, project, account
 - Revenuesbusiness unit, fund, account
 - Cash, fixed assets, and all other accounts business unit, fund
- *include capital outlay project, if applicable

Cardinal must then be reconciled to CARS. Agencies will certify CARS until June 30, 2016. Starting with Fiscal Year 2017, agencies will certify Cardinal in the web-based reporting system. See subtopic *CARS to Cardinal Transition*.

Note: Agencies must adhere to the reconciliation requirements outlined in CAPP Topic No. 30905, Reconciliation & Error Correction, for fixed asset GLA balances.


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Perform the following:

- Reconcile all petty cash and other locally administered bank account transactions and balances from bank statements to agency control records,
- Reconcile all agency subsidiary ledger accounts to agency control accounts (agency subsidiary ledger to agency general ledger),
- Reconcile agency control accounts to corresponding Cardinal accounts, as applicable,
- Ensure that reconciliations meet all reconciliation-related requirements written in federal grant and other pass-through grant agreements.

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CARS to Cardinal Transition

Cardinal is the primary point of entry and approval for agency accounting transactions for all Cardinal online agencies. For all Cardinal interfacing agencies, the agency system is the primary point of entry and approval for agency accounting transactions. Automated interfaces send Agency System transactions to Cardinal. Agencies may also receive Cardinal history transactions through extract interfaces.

For both online and interfacing agencies, automated interfaces send Cardinal transactions to CARS. Automated interfaces also send CARS history transactions to Cardinal to assist in the reconciliation process (these transactions are not processed in Cardinal as accounting entries).

Until CARS is retired, Central Journal Processing will be initiated in CARS (e.g., DOA journal entries). Agencies manually replicate these entries in Cardinal, using a General Ledger Journal, and agency systems, as applicable. Agencies may also need to book adjusting entries in CARS on occasion.

In order to reconcile data in both systems, agencies need to perform a three-way monthly reconciliation between agency records/systems, Cardinal and CARS until the end of Fiscal Year 2016.

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Reporting Requirements


CARS is the accounting system of record until decommissioned after June 30, 2016. Agencies will reconcile Cardinal to CARS, and certify CARS until June 30, 2016. Starting with Fiscal Year 2017, agencies will certify Cardinal in the web-based reporting system. Fiscal officers use the *Certification of Agency Reconciliation to CARS Reports (Exception Register)* to document their personal certification that agency records have been reconciled to those of the Comptroller, and to inform DOA of any necessary adjustments that the agency cannot make without DOA assistance. DOA has developed a web-based system for electronically submitting certification to DOA each month (except for June) called Financial Certification. Agencies still submit June certification as paper originals.

Each fiscal officer must submit this certification to DOA’s General Accounting Unit on the last business day of the month following period close. For example, certification for the reconciliation as of January 31 is due on the last business day of February. The due date for the June certification is published annually in a memorandum issued by the Comptroller to the Heads of all State Agencies and Institutions setting forth the fiscal year-end closing procedures.

Remember that the fiscal officer is certifying that all CARS/Cardinal general ledger account balances for the agency will be correct, pending DOA processing of month-end correction entries that the fiscal officer has identified via the reconciliation process.

In certifying that all CARS/Cardinal general ledger account balances for the agency are correct, fiscal officers should keep in mind that they are making the following assertions as previously described in *Management’s Assertions*:

- All reported transactions actually occurred during the reporting period and all assets and liabilities exist as of the reporting date (existence and occurrence);
- All amounts and other data relating to recorded transactions have been recorded appropriately, properly classified and are in the correct accounting period (accuracy, classification and cutoff);
- All assets, liabilities, and transactions that should be reported have been included and no unauthorized transactions or balances are included (completeness);
- All assets are legally owned by the agency and all liabilities are legal obligations of the agency (rights and obligations);
- All assets and liabilities have been properly valued, and where applicable, all costs have been properly allocated (valuation and allocation).

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All necessary corrections identified as a result of the reconciliation should be included as an “exception” with the certification **OR** should be processed as a General Ledger Journal according to the CAPP – Cardinal Manual. **Any correction that can be made as a General Ledger Journal may not appear as an exception.** The agency should process any necessary vouchers, deposits, or General Ledger Journals by the deadlines specified in the CAPP Topics. For Agency to Agency (ATA) General Ledger Journals to be processed by DOA, the cut offs are:

- Standard entries throughout the month – allow 3 business days for processing.
- Month-end processing – submit 3 business days prior to month-end close.

Agency reconciliation procedures should be sufficient so that, after the agency processes all correcting entries and after DOA processes exceptions submitted with the certification, the fiscal officer can certify that **CARS/Cardinal balances will be correct. These corrections must be submitted within two weeks following the exception register due date. For May, this will be mid-July. For the June reconciliation, certification of all corrections must be submitted by the final reconciliation due date as communicated in DOA’s annual fiscal year-end closing procedures memorandum to agencies. All corrections must be posted to the fiscal year for which the certification is applicable.**

Reconciliations that include unidentified balances or transactions (including but not limited to “plug numbers”) are incomplete and inadequate. Agencies may not certify reconciliations as complete until all reconciling items are specifically and completely identified and corrected at the transaction level.


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Agencies are prohibited from submitting a month-end or fiscal-year-end certification until the related reconciliation is complete and fully documented.

An agency request for extension of a certification deadline should be:

- In writing,
- Received by DOA on or before the original certification due date,
- From the agency head, or from the fiscal officer with a copy to the agency head,
- Submitted as far in advance of the submission deadline as possible, and
- Presented with a reasonably specific justification.

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Agencies must address extension requests as follows.

E-Mail..... gacct@doa.virginia.gov
Subject: Extension Request for CARS Certification

U. S. Mail Director, General Accounting
Virginia Department of Accounts
Box 1971
Richmond, VA 23218-1971

DOA does not grant exemptions from requirements for reconciliation.

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Reconciliation Procedures


Source Documents

For Cardinal reconciliation purposes, a source document is defined as any document that represents a financial transaction that **should** be reflected in Cardinal, according to state law, regulation or generally accepted accounting principles (GAAP).

Examples of Source Documents

- Vouchers
- Budget Documents
- General Ledger Journals
- Appropriation/Allotment Status Reports
- Appropriation/Allotment/FTE Employment Adjustment Request Forms
- Deposit Certificates
- Deposit tickets
- Interagency Invoices
- Loan Agreements
- Petty Cash Reimbursement Vouchers
- Revenue Refund Support
- Employee Travel Authorization and Expense Report
- Other documents (for example, original vendor receipts for purchases, contracts, hotel statements for travel reimbursements, and teller receipts for bank deposits)

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**Model
Reconciliation
Procedures**

DOA recommends these detailed procedures as one complete and effective means by which reconciliation requirements can be achieved. They provide adequate accounting control under normal circumstances and are designed to satisfy the following requirements:

- To enhance agency control over all transactions that affect general ledger accounts of the agency as recorded in Cardinal,
- To provide timely, accurate financial information through Cardinal reports/queries for management decision making,
- To provide clear audit trails – from source document to internal accounting system (if the agency maintains an internal system) and to Cardinal reports/queries – for all agency financial transactions, and
- To minimize time and effort required of agency personnel to satisfy their financial accounting and stewardship responsibilities.

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Meeting Reconciliation Requirements

Reconciliation requirements can be met by:


- Maintaining a *Transaction Log* of all transactions entered into Cardinal. This is an internal agency log which the agency will use to verify that Cardinal transactions are complete and correct.
- Reconciling source document detail to internal accounting system (if agency maintains an internal system) or the *Transaction Log*, and to Cardinal Reports/Queries on a weekly (preferred) or monthly basis.
- Filing source documentation according to the Cardinal ID.
- Reviewing agency transactions not posted in Cardinal.
- Submitting corrections to Cardinal via General Ledger Journals (See CAPP – Cardinal Topics Nos. 20405 and 20410), or adjusting internal systems with journal entries on a timely basis (an agency **must** ensure that the original transaction has been posted to Cardinal prior to submitting a correcting entry).
- Reconciling internal automated accounting systems reports with Cardinal reports/queries on a weekly (preferred) or monthly basis, and
- Reconciling Cardinal to CARS, after reconciling source documentation and *Transaction Log* to Cardinal.

CARS and Cardinal must be reconciled until the end of Fiscal Year 2016.

Non-Posted Transactions

A timely review of Cardinal modules should be performed for non-posted transactions, at a minimum, weekly.

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Reconciliation Process

The recommended reconciliation process consists of these seven stages:

Stage	Description
1	Maintain <i>Transaction Logs</i> .
2	Record the Cardinal assigned transaction ID (i.e. Voucher ID, Deposit ID, etc.) on the <i>Transaction Log</i> . Record the Cardinal ID on the source documentation and file accordingly.
3	Make <i>Transaction Logs</i> available for immediate reference by agency personnel during the fiscal year.
4	Retain all logs for three years.
5	Maintain all source documentation by Cardinal ID to facilitate retrieval during reconciliation, or otherwise file source documents for ready retrieval during the reconciliation and audit processes.
6	Reconcile source documents on a line-by-line basis with agency internal automated accounting system reports that list all transactions entered by Cardinal ID number. If the agency doesn't have an automated internal accounting system, reconcile source documents on a line-by-line basis to Cardinal reports/queries.
7	Reconcile Cardinal to CARS on a weekly (preferred) or monthly basis.

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Stage 1: Maintain a *Transaction Log* for each type of transaction.

Agency

Transaction


Logs

This log is designed to provide:

- an **audit trail** from source documents to internal accounting system (for agencies maintaining internal systems) and to Cardinal reports/queries,
- **assistance** in document retrieval and reference,
- a **common reference point** for controlling transactions processed in Cardinal,
- a **record of DOA adjustments** to agency-submitted transactions, and
- an **initial worksheet** for the reconciliation.

If the transaction is a ...	Then enter it on the log by ...
Disbursement	<ul style="list-style-type: none"> • Cardinal Voucher ID • Vendor and/or description • Business Unit • Fund • Account • Program • Department • Total voucher amount • Date


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Stage 1: Agency Transaction Logs (continued)

If the transaction is a ...	Then enter it on the log by ...
Deposit	<ul style="list-style-type: none"> • Deposit Certificate or Deposit Ticket number • Cardinal Deposit ID • Description • Business Unit • Fund • Account • Department • Amount • Date
Budget entry or adjustment submitted through DPB	<ul style="list-style-type: none"> • Advice Number • Cardinal ID (Budget Journal ID) • Capital Outlay Project • Business Unit • Fund • Account • Program • Description • Amount • Date
General Ledger Journal Entry	<ul style="list-style-type: none"> • Journal ID • Date • Business Unit • Fund • Account • Program, if applicable • Department • Amount • Description

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Employee Expense	<ul style="list-style-type: none"> • Advance ID or Reimbursement Report ID • Business Unit • Fund • Account • Department • Program • Amount • Date <p>Note: Travel or salary advances should include the name of the person who holds responsibility for repaying the advance and the corresponding document number. Repayments of travel or salary advances should also be recorded with the name of the person responsible for repayment and the corresponding document number. Also mark or annotate the original log on which the initial advance was recorded to show that the advance has been repaid.</p>
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Stage 1: Agency Transaction Logs (continued)

If the transaction is a ...	Then enter it on the log by ...
Loan	<ul style="list-style-type: none"> • Authorization Number • Deposit ID or Voucher ID • Journal ID <p>Note: DOA originally records the loan as a liability to the agency involved and a receivable to the State. DOA will record the loan in CARS and in Cardinal.</p>

Stage 2: Record Cardinal Assigned Transaction Numbers

Record the Cardinal assigned transaction ID (i.e. Voucher ID, Deposit ID) on the appropriate *Transaction Log*. Record the Cardinal ID on the source documentation and file accordingly.

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Stage 3: Log Availability Make *Transaction Logs* available for immediate reference by agency personnel and auditors during the fiscal year and through the subsequent audit period.

Stage 4: Log Retention Retain all logs for three years.

Stage 5: Maintain Source Documentation Maintain a pending reconciliation file of source documents by Cardinal Transaction ID numbers to facilitate retrieval during reconciliation.

This temporary maintenance of monthly items will facilitate the reconciliation process by many agencies. After the documents have been reconciled, they should be filed in order by Cardinal ID Number. This filing method will expedite document reference and retrieval. This file also provides an audit trail from the source document to Cardinal reports/queries.

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**Stage 6:
Reconcile
Source
Documents to
Cardinal**

Agencies should reconcile source documents to Cardinal. Agencies with internal automated accounting systems should generate reports that list all transactions in those internal systems and Cardinal ID Numbers for each transaction. If an internal system processes transactions that **should not** appear in Cardinal (for example, full accrual entries), those transactions should be clearly differentiated from transactions that **should** appear in Cardinal. To ensure proper entry, agencies should reconcile source documents with these internal system reports. Once this process has been completed, the agency should reconcile the internal report to the Cardinal **GL Journal Inquiry by Chart of Accounts Query**. If your agency needs other Cardinal Reports, see the Cardinal Reports Catalogue on the Cardinal website.


**Stage 7:
Reconcile
Cardinal to
CARS**

Reconcile the Cardinal Reports/queries to CARS on a weekly basis (preferred) or monthly basis.

For further guidance, there is a detailed Job Aid on the Cardinal Website, under Statewide Toolbox, entitled *SW GL332 Reconciling Cardinal to CARS*.

Agencies should perform weekly reconciliation to prevent the accumulation of work that may prevent timely completion of month-end closing procedures. Agencies with low transaction volume may learn from experience that semi-monthly or monthly reconciliation is feasible.


Below is a chart for guidance on the reports in Cardinal and CARS.

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Level	Cardinal Report	CARS Report
Account by Fund	Cardinal Trial Balance Report (RGL001)	Trial Balance of General Ledger Accounts by Agency/Fund Detail (ACTR0402 B1)
Appropriation, Allotment and Expenditures by Program and Fund	Statement of Appropriation, Allotment and Expenditures Report (RGL006)	Statement of Appropriation, Allotments and Expenditures (ACTR1408 A1 and A2)
Revenues by Fund and Account	Revenue Status Report (RGL008)	Detail Agency Net Revenue Fund Report (ACTR1671)
Expenditures by Account	GL Transaction Report (RGL010)	Agency YTD Expenditure Funding Analysis (ACTR1439 A2)
Optional – DPB Operating Plan and Expenditures by Program and Account	Track without Budget-Expenditures by ChartField (RGL007B)	Agency Budget Plans – Expend/Encumb by Programs (ACTR1499 B1 and B2)

Use the following Run Control parameters for the Cardinal reports to produce a report similar to CARS:

Cardinal Report	Run Control Parameters
Cardinal Trial Balance Report (RGL001)	Business Unit: Business Unit (e.g., 15100) Fiscal Year: Fiscal Year (e.g., 2015) Accounting Period: Accounting Period being reconciled (e.g., 4) ChartField Selection: Check By BU/Fund option and enter % for Fund Ledger Selection: Check Actuals Account Details: Check Summary Include Adjustment Periods: Leave blank
Statement of Appropriation, Allotment and Expenditures Report (RGL006)	Business Unit: Business Unit (e.g., 15100) Fiscal Year: Fiscal Year (e.g., 2015) Period: Accounting Period being reconciled (e.g., 4) Run for Capital Outlay Only: Do Not check
Revenue Status Report (RGL008)	Business Unit: Business Unit (e.g., 15100) Rev Ledger Group: CC_OFCREV Fiscal Year: Fiscal Year (e.g., 2015) To Period: Accounting Period being reconciled (e.g., 4)

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GL Transaction Report (RGL010)	<p>Business Unit: Business Unit (e.g., 15100) Ledger: ACTUALS Source: % Account Type : E Fiscal Year: Fiscal Year (e.g., 2015) Accounting Period From: 1 Accounting Period To: Accounting Period being reconciled (e.g., 4) Include Adjustment Periods: Blank ChartField Selection: Seq 1: All Values: Checked Field Name: Account</p>
Track without Budget-Expenditures by ChartField (RGL007B)	<p>Run Control- SetID: Business Unit (e.g., 15100) Business Unit: Business Unit (e.g., 15100) Budget Ledger: C_OPRPLN_B Fiscal Year: Fiscal Year (e.g., 2015) As of Period: Accounting Period being reconciled (e.g., 4) Values by ChartField: Seq 1: Field Name: Program How Specified: Range of Values Select Values: Enter Range of Program Values (down to Service Area level that encompasses all programs used by agency) Seq 2: Field Name: Account How Specified: Range of Values Select Values: Enter 5011000 – 5023999 for the range</p>

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Financial Certification Website


Introduction Agencies are required to use the Financial Certification web-based system to certify to DOA, on a monthly basis, that they have reconciled their internal accounting records and Cardinal to CARS, the official accounting record of the Commonwealth.

Along with the certification, agencies should also report any processing exceptions that require DOA correction through the Exception Register. Fiscal officers must use the web-based **Certification of Agency Reconciliation to CARS Reports (Exception Register)** system at <http://certification.doa.virginia.gov>. The web-based system, Administrative Manual and Security Maintenance Forms are located on DOA’s website at:

http://www.doa.virginia.gov/General_Accounting/Confirmation/Confirmation_Main.cfm

Agencies must remember to adhere to the reconciliation requirements outlined in CAPP Topic No. 30905, Reconciliation & Error Correction, for fixed asset GLA balances.

CARS is the accounting system of record until decommissioned on June 30, 2016. Agencies will certify CARS in the web-based reporting system until June 30, 2016. Starting with Fiscal Year 2017, agencies will certify Cardinal in the web-based reporting system.

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Internal Control

Internal Control

Agency management is responsible for instituting internal control over the recording of financial transactions that is designed to provide reasonable assurance regarding the reliability of those records. Reliability of financial records means that management can reasonably make several assertions as to the completeness and accuracy of the financial records as described previously in *Management’s Assertions*.

Reconciling to Other DOA Systems


Specific recommendations for Fixed Asset Accounting and Control System (FAACS) users appear in CAPP Topic No. 30905, *Reconciliation and Error Correction Requirements*.

Payroll reconciliation procedures appear in:
 CAPP Topic No. 50905, *Monthly Reconciliation*,
 CAPP Topic No. 50910, *Quarterly Reconciliation and Certification*, and
 CAPP Topic No. 50915, *Calendar Year-End Reconciliation and Certification*.

Records Retention


Time Period

The *Certification of Agency Reconciliation to CARS Reports* and supporting working papers must be retained for three years. See CAPP – Cardinal Topic No. 21005, *Records and Retention*, for further guidance.

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Contacts

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Subject Cross References

References

CAPP – Cardinal Topic No. 21005, *Records and Retention*

CAPP Topic No. 30905, *Fixed Assets—Reconciliation and Error Correction Requirements*

CAPP Topic No. 50905, *Payroll Accounting—Monthly Reconciliations*

CAPP Topic No. 50910, *Payroll Accounting—Quarterly Reconciliation and Certification*

CAPP Topic No. 50915, *Payroll Accounting—Calendar Year-End Reconciliation and Certification*


CAPP Topic No. 70260, *CARS Reports*

CAPP Topic No. 70265, *CARS Error Correction*

Comptroller’s Directives:

- *Financial Statement Preparation for State Agencies**
- *Financial Statement Template Preparation for Higher Education Institutions**

* DOA updates the financial statement directives annually. When available, the directives are posted at DOA’s web site at <http://www.doa.virginia.gov>.

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Suggested Job Aids

Suggested Job Aids The following can be found on the Cardinal Website, under Statewide Toolbox – Job Aids:

SW GL332 Reconciling Cardinal to CARS
Agency to Agency Transactions Information Sheet
SW GL332 GL Journals – Posting CARS Activity
SW NAV220 Reports Crosswalk CARS to Cardinal
Reports Catalogue

Additional job aids and training materials may be available on the Cardinal website: <http://www.cardinalproject.virginia.gov/>

Please note: The Cardinal job aids, training materials and forms on the Cardinal website are not policy of the Department of Accounts and are not part of the Commonwealth Accounting Policies and Procedures Manual (CAPP).