



COMMONWEALTH of VIRGINIA

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TO: **Agency Fiscal Officers & CAPP Manual Users**

FROM: Amanda Simpson, Director, Compliance Oversight and Federal Reporting,
Department of Accounts

SUBJECT: **Commonwealth Accounting Policies and Procedures (CAPP) Manual—
Update No. 184 / FAACS, LAS Plus, and Internal Control CAPP Topics,
FAACS Topics: 30105, 30205, 30210, 30305, 30310, 30325, 30405, 30905, 60303, 70310,
70320, 70325, and 70365
LAS Plus Topics 31205, 31305, 70605, 70615, 70620 and 70625
Internal Control Topic 10305**

**Twenty Topics FAACS, LAS Plus, and Internal Control Topic summary updates are attached below.
Revised**

Status Summary Sheet

An updated *Status Summary Sheet* is shown on our web site and displays the following for each *CAPP Manual* topic:

- Number and Title
- Page Length
- Latest Revision Date

https://www.doa.virginia.gov/reference/CAPP/Status_Summary.pdf

DOA's CAPP Manual Contact

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FAACS Update

30205 - FAACS

| Page | Occurrence | Update |
|------|------------|---|
| 1 | | Changed date to June 2023 |
| 1 | LAS 87 | LAS Plus |
| 2 | LAS 87 | LAS Plus |
| 2 | | Added "and subscription-based information technology arrangements (SBITAs)." and "and under Section No. 31300, Subscription-Based Information Technology Arrangements (SBITA) Accounting "removed "or leased" |
| 3 | | |
| 4 | | Replaced "including" with "such as perpetually licensed" |
| 4 | | Added "perpetually licensed" before software in Software and Other Intangible Assets section |
| 4 | | Changed "sign posts" to "signposts" |
| 4 | | Added "perpetually licensed" after Includes all in the Software and Other Intangible Assets section |
| 5 | | Added "This classification also represents a temporary capitalization of Application Development Stage costs related to perpetually licensed software. Note: SBITA initial implementation stage costs should not be recorded in FAACS" in Construction in Progress section |
| 6 | | Added new bullet: "All tangible capital assets that are purchased as a group where the value of the group meets the Capitalization threshold of \$5,000 will need to be added to FAACS. An example, if you purchase 10 computers costing \$1,500 each (\$15,000) this would meet the criteria to capitalize these assets." in General section |
| 10 | | Added CAPP Topics Under Section 31300, Subscription-Based Information Technology Arrangements (SBITA) Accounting in References section |

30105 - FAACS

| Page | Occurrence | Update |
|------|------------|--|
| 1 | | Changed date to June 2023 |
| 3 | | Added "Perpetually licensed" in front of Software in last paragraph of "Acquisition" section |

FAACS Update

30210 - FAACS

| Page | Occurrence | Update |
|------|---------------|--|
| 1 | | Changed date to July 2023 |
| 4 | | In the last paragraph, added an "s" at the end of the following sentence: Procedures should be developed to enable property management personnel to match the listing of potential capital assets with records of outstanding purchase orders for capital asset items. |
| 5 | 1st paragraph | For the first sentence, added "if each item is over \$5,000." after prices. The second sentence should be the following: "Assets should be grouped on one asset master if they are purchased at the same time and the group of assets is over \$5,000." For the third sentence, remove "not" and "a" so the last part should read "this would be one capital asset of \$6,000 consisting of 3 PC's." Remove the last last sentence "Instead, it would be 3 separate acquisitions of \$2,000. Each PC would be entered into FAACS as a separate controllable item." |
| 6 | | In the NOTE section: removed the word "project" in the first sentence and replace with "asset" and add "and placed into service." after complete |

30305 - FAACS

| Page | Occurrence | Update |
|------|---|---|
| 1 | | Changed date to July 2023 |
| 2 | Capitalized Assets | Added "or the group" to 1st paragraph |
| 2 | Capitalized Assets | Added ", that are not purchased as a group," to 2nd paragraph |
| 2 | Controlled Assets | Added "purchased individually with a" |
| 3 | 3rd paragraph | Added ", that do not fall under a group purchase." |
| 3 | 1st bullet | Added "that do not fall under a group purchase" |
| 4 | Capital Assets Purchased with Federal Funds | Added "s" to Federal guideline |
| 5 | Assets Less Than \$5,000 | Added ", that are not part of a group," |

FAACS Update

30310 - FAACS

| Page | Occurrence | Update |
|------|--------------------------|---|
| 1 | | Changed date to June 2023 |
| 1 | Table of Contents | Removed the "1" after Component Cost Example |
| 1 | Table of Contents | Removed "Component Cost Example 2" |
| 2 | Capital Assets Defined | Added "Subscription-based Information Technology Arrangements (SBITAs) will be recorded in LAS Plus." to the 3rd bullet |
| 7 | Component Cost Example 1 | Removed "1" from the Component Cost Example heading |
| 8 | | Removed Component Cost Example 2 entire section |
| 9 | Last bullet | Construction-in-Progress but is not recorded in FAACS." |

30325 - FAACS

| Page | Occurrence | Update |
|------|--|--|
| 1 | | Changed date to June 2023 |
| 2 | Introduction | Added "s" to (SBITAs) |
| 3 | General - Item #1 | Added "perpetual licenses that are" and removed "software" after "off the shelf" |
| 4 | 2nd paragraph | Added "perpetual" before licensing agreement and remove "acquired through" so should read "installment purchased contract, a perpetual licensing agreement," |
| 5 | Internally Generated Intangible Assets | Added at the end of the 1st paragraph "It is important to note that these assets are owned by the agency via a perpetual agreement and are not considered a SBITA, although SBITAs can be heavily modified to meet the needs of the agency, they are still considered a right-to-use asset time in an that is owned by the vendor and used by the agency for a period of exchange or exchange-like transaction." |
| 6 | Internally Generated Computer Software | Added to the third paragraph, first sentence "as perpetual license by an agency" and added to the last sentence "perpetually" behind For Example. |
| 8 | Internally Generated Modification of Computer Software | Added "and owned by the agency," |
| 9 | Examples | Added "purchased via" in front of perpetual and removed "purchased" after licenses |
| 10 | Examples | Added "may be" after Websites in first sentence |
| 10 | Examples | Added in the third paragraph "perpetual" before licensing agreement for computer software |

FAACS Update

| | | |
|----------------------|-----------------------------|---|
| 11 | Tests for Intangible Assets | Changed "government" to "governed by" in the Note section |
| 30405 - FAACS | | |

| Page | Occurrence | Update |
|------|------------------------------|--|
| 1 | | Changed date to June 2023 |
| 4 | Major Renovations: Example B | Added "at least" before quarterly in 2 places (in Item #1, first sentence and third paragraph) |

30905 - FAACS

| Page | Occurrence | Update |
|------|--|--|
| 1 | | Changed date to July 2023 |
| 4 | Released Transaction FAACS Report | Changed "T" to lowercase after etc. in last sentence |
| 13 | For Construction In Progress Review, continued | In Item 4, changed Appendix I to Appendix 1 |
| 17 | | In Step 1, changed Appendix I to Appendix 1 |
| 17 | | In Step 4, changed Appendix I to Appendix 1 and changed Appendix II to Appendix 2 |
| 18 | | In the last paragraph, changed Appendix I to Appendix 1 |
| 19 | | In Step 3, changed Appendix I to Appendix 1 |
| 23 | Appendix 1 | Changed "hasve" to "have" in the last section where it states "prior months and current month activity have" |

60303 - FAACS

| Page | Occurrence | Update |
|------|------------|---------------------------|
| 1 | | Changed date to June 2023 |
| 10 | E114 | Added "Plus" behind LAS |

FAACS Update

70310 - FAACS

| Page | Occurrence | Update |
|------|---|---|
| 1 | | Changed date to June 2023 |
| 9 | Establishing Your Password | Changed "90 days" to "42 days" and changed "at least 8 characters" to "at least 14 characters" |
| 11 | Resetting Suspended Logon Identifications | Added a "t" in third paragraph to state "FAACS contacts shown at the end..." |
| 11 | Resetting Suspended Logon Identifications | Added "A temporary password will be sent via encrypted e-mail." at the end of the third paragraph and removed "Please include your telephone number when sending an email request so that DOA may contact you." |

70320 - FAACS

| Page | Occurrence | Update |
|------|--------------|---|
| 1 | | Changed date to July 2023 |
| 2 | Introduction | Added "or Google Chrome" and removed "FAACS works with other browsers including Google Chrome however, Microsoft Internet Explorer usually works best for most users." in the first paragraph |

70325 - FAACS

| Page | Occurrence | Update |
|------|--|---|
| 1 | | Changed date to July 2023 |
| 6 | Summarized Asset Information | Added "the" in last sentence to state "click on the "detail" button and removed "to" to state "access the detailed information" |
| 8 | Master File Listing | Changed to "displays" in the last sentence |
| 11 | Detail, Edit, or Add New Record, continued | Added "to" in second sentence to state "action button to obtain" |
| 12 | Overview | Removed "n" in the fourth sentence to state "detail screen of a specific asset" |
| 16 | Changing an Existing Asset | Added "the" and "of" in the third sentence of the first paragraph to state "Click on the "View" button near the top of the screen." |
| 16 | Changing an Existing Asset | Added "the" in the last sentence of the first paragraph to state "Click on the "Detail" button..." |

FAACS Update

70325 - FAACS, continued

| Page | Occurrence | Update |
|------|----------------------------|---|
| 16 | Changing an Existing Asset | Added "the" in the third sentence of the second paragraph to state "click on the Accept button" |
| 16 | Changing an Existing Asset | Added "the" in the last sentence of the third paragraph to state "Click on the Accept button" |
| 17 | Deleting an Existing Asset | Added "the" in the third sentence of the first paragraph to state "click on the "Delete" button." |
| 18 | | In the last paragraph, changed "specify" to "specific" |
| 18 | | Added "the" in the third sentence to state "Clicking on the "Detail" button" |
| 18 | | Changed "the" to "a" in the last sentence to state "works in a similar manner" |
| 21 | Overview | Changed "have" to "having" in the last sentence of the first paragraph to state "without having to enter" |
| 21 | Overview | Added "be" in the last sentence of the second paragraph to state "must be entered and the number" |
| 28 | FAACS Data Elements | Added "Plus" for L - Leased section to state "Lease assets should be entered into LAS Plus not FAACS" |

70365 - FAACS

| Page | Occurrence | Update |
|------|--------------------------|--|
| 1 | | Changed date to July 2023 |
| 4 | 2nd bullet | Replaced "With" with "with" |
| 9 | ORDER OF DATA section | Replaced "repared" with "reported" |
| 9 | | Removed "PURPOSE", "ASSET CATEGORIES", "FREQUENCY OF DISTRIBUTION" and "ORDER OF DATA" titles from the Master File Transactions Report area. These titles x should be not be in this area. |
| 10 | DESCRIPTION AND CONTENTS | Replaced "Is" with "is" in the second sentence |
| 18 | Maintenance Reporting | Added comma after "Therefore" in first paragraph |
| 19 | DESCRIPTION AND CONTENTS | Changed "From" to "from" in second sentence |
| 30 | DESCRIPTION AND CONTENTS | Added spaces between "transaction code", "fund, program", "cost, accumulated", last depreciation, and "proceeds, disposal" |

FAACS Update

70365 - FAACS, continued

| Page | Occurrence | Update |
|------|--------------------------|--|
| 30 | DESCRIPTION AND CONTENTS | Removed on the periods at the end of the paragraph |
| 31 | DESCRIPTION AND CONTENTS | Added space between "fund, program" |
| 36 | | Removed the continuation of the System Control Reports section |

LAS Update

31205 - LAS Plus

| Page | Occurrence | Update |
|------|-------------------------------|--|
| 1 | | Changed Date to June 2023 |
| 3 | 1st paragraph of Introduction | Changed (LAS) to (LAS Plus) in first sentence |
| 3 | 2nd paragraph of Introduction | Reworded first sentence to "GASB 87 became effective for all leases beginning with fiscal year 2022." Delete second sentence |
| 3 | Last section of LAS Plus | Changed year to 2023 and delete last sentence |
| 4 | 4th bullet | Certain Public-Private and Public-Public Partnerships (PPPs) outlined in GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements that 1) if existing assets of the transferor are not the only underlying PPP assets, 2) improvements are required to be made by the operator to those existing assets of the transferor as part of the PPP arrangement, or 3) the PPP arrangement meets the definition of a service concession arrangement." replaces 4th bullet |
| 8 | LAS Plus section | Remove word "lease" and add "and GASB 96" to end of sentence |

31305 - SBITA

| Page | Occurrence | Update |
|------|------------------------|---|
| 1 | | Changed Date to June 2023 |
| 3 | Introduction - GASB 96 | Added "Plus" after "LAS" in first sentence |
| 3 | Introduction - GASB 96 | Changed "will become" to "became" in the first sentence of the second paragraph |
| 3 | LAS Plus | Revised "will be" to "are" in the first sentence of the third paragraph |
| 3 | LAS Plus | Removed "once the system opens" in the first sentence of the third paragraph |
| 12 | Payments paragraph | Added "(tracked in CIP)" after prepaid asset in the first sentence |
| 13 | Payments paragraph | Changed "a prepaid asset" to "CIP" in the second sentence |
| 13 | Payments paragraph | Added sentences after subscription asset in the second sentence: "DOA will gather these payments before the commencement of the SBITA term in the Lease/SBITA Activity Confirmation. Once the SBITA is in service these payments will be recorded in LAS Plus." |

LAS Update

70605 - LAS Plus

| Page | Occurrence | Update |
|------|-------------------------------|--|
| 1 | | Changed Date to June 2023 |
| 1 | | Corrected spelling of "Control" in "Internal Control" for the second Internal Control |
| 2 | Introduction 1st paragraph | Added "and GASB Statement No. 96, Subscription-Based Information Technology Arrangements." to end of sentence |
| 2 | Introduction paragraph bottom | Replaced sentence "This test lease-password changes periodically so please review the LAS Plus Broadcast Messages Screen for the most recent password or contact DOA." with "Please contact LAS@doa.virginia.gov if you need access to the test agency." |
| 8 | A. first sentence | Corrected spelling of "agreement" in the first sentence |

70615 - LAS Plus

| Page | Occurrence | Update |
|---------|---|--|
| 1 | | Changed Date to June 2023 |
| 2 | Introduction in the third section | Added "or SBITA" after lease |
| 2 | Introduction | Added "and SBITA" after "lease" in the last sentence of the fourth paragraph |
| 2 | LAS Plus Security Officer last sentence | Moved "Update" lease transactions up a row and added "and SBITA" after "lease" in the last sentence |
| 4 | User IDs | Added "and SBITAs" after "leases" in the first sentence of the third paragraph;; added "/SBITA" after Lease and added "s" to "Listing" |
| 4 | User IDs | Deleted "lease" after "so any" in the second sentence of the third paragraph |
| 4 | User IDs | Added "/SBITA" after "Lease" and added "s" to "Listing" in the second sentence of the third paragraph |
| 4 | User IDs | Deleted "lease" before "information" in the fifth section to state "LAS Plus logs changes to information via..." |
| 5 | Establishing Your Password | Changed "90" to "42" and "8" to "14" in the second paragraph |
| 5 and 6 | | Added new section for "Two-factor Authentication" - see snips on other tab |

LAS Update

70615 - LAS Plus, continued

| Page | Occurrence | Update |
|------|--|---|
| 6 | Resetting Suspended Logon Identification Numbers | Replaced last sentence "Please include your telephone number when sending this request so that DOA may contact you." with "A temporary password will be sent via encrypted e-mail." |
| 15 | Internal Control section | First sentence - deleted "lease information or payment", second sentence delete "the lease" and add "s" to report. Deleted last "lease" before "data". |
| 15 | Internal Control section | Added "and SBITAs" after "leases" in the second section |
| 15 | Internal Control section | Deleted "lease" after "data" in the second section |
| 15 | Internal Control section | Added "and SBITA" after "lease" and added "s" to "agreement" in the second section |
| | | Added |

Two-factor Authentication

LAS Plus requires two-factor authentication for signing into the system.

Users that sign into LAS Plus will see the Identity Verification screen where they will be prompted to enter their e-mail address.

Identity Verification

As a security precaution, we need to verify your identity before you can proceed.

Email a One-Time Identity Verification Security Code to:

Once the code is sent, users will have 15 minutes to submit the code.

Added

DoNotReply@doavirginia.gov
To: FAACS (DOA)

*** Please do not respond directly to this e-mail. The originating e-mail account is not monitored. ***

One-Time Identity Verification Security Code

Here is your One-Time Identity Verification Security Code: **28934918**

This code is valid for 15 minutes.

Please use caution and do not forward or share this information with any unknown third party.

The Department of Accounts will never call you and ask you for this code nor will we ask you for a password.
Please report any suspicious activity to us at FAACS@doavirginia.gov.

LAS Update

70620 - LAS Plus

| Page | Occurrence | Update |
|------|------------|--------|
|------|------------|--------|

| | | |
|---|------------------------|--|
| 1 | | Changed Date to June 2023 |
| 4 | Las Plus log-in screen | Deleted "to logon to LAS Plus and access the Broadcast Messages Screen in LAS Plus." |

The screenshot displays the 'Lease Accounting System Plus' login interface. At the top, the DOA logo and 'Virginia Department of Accounts' are visible. The main heading is 'Lease Accounting Login'. Below this, there's a 'Welcome to LAS Plus!!' message. The login form prompts the user to 'Please enter your User ID and Password:'. It includes fields for 'User ID (must be 5-8 digits)' and 'Password', both highlighted with a red box. A 'Log On' button is positioned below the password field. A link for 'Forgot Password' is also present. Below the login form, there's an 'Identity Verification' section. It states: 'As a security precaution, we need to verify your identity before you can proceed.' It then prompts the user to 'Email a One-Time Identity Verification Security Code to:' followed by a dropdown menu showing 'deb*****son@doa.virginia.gov' and a 'Send Code' button. At the bottom, a note states: 'Once the user clicks on Send Code they will receive an e-mail with a code that is valid for 15 minutes.'

LAS Update

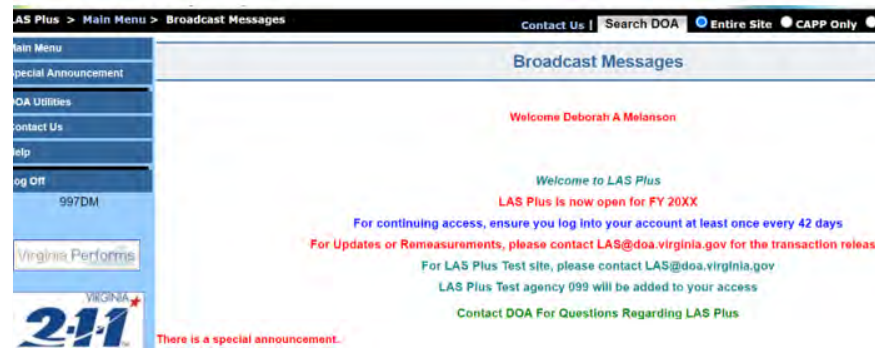
70620 - LAS Plus, continued

| Page | Occurrence |
|------|---------------------------|
| 5 | Broadcast Messages Screen |
| 5 | |

Update

Added "Once the code is entered and submitted, " to the beginning of the first sentence.

Updated screenshot



70625 - LAS Plus

| Page | Occurrence |
|------|--------------|
| 1 | |
| 1 | |
| 2 | Introduction |
| 2 | Introduction |

Update

Changed Date to June 2023

Corrected misspelling of "SBITA"

Changed "three" to "two" types of classifications in the next to last section

Added period to end of last sentence on the page

Internal Control Update

10305 - Internal Control

| Page | Occurrence | Update |
|-------|------------|--|
| 6 | | Paragraph 2: changed the due date for ARMICS Certification to October 31, 20XX. |
| 9 | | Replaced link to: AICPA Brochure on SOC for a more detailed description with SOC for Service Organizations: Information for Service Organizations for more information. |
| 10 | | Added: Effective FY 2023, ARMICS Certifications are due by October 31, annually. |
| 11-12 | | Added DOA Contact to page 11 thereby reducing the new document to 16 instead of 17 pages. |
| 13-14 | | Replaced: https://www.aicpa.org/content/dam/aicpa/interestareas/frc/assuranceadvisoryservices/downloadabledocuments/trust-services-criteria.pdf link with https://us.aicpa.org/content/dam/aicpa/interestareas/frc/assuranceadvisoryservices/downloadabledocuments/trust-services-criteria-2020.pdf to include the March 2020 updates. |
| 15-16 | | Replaced screen shots to include the updated language regarding the Pass-through Entity Responsibilities. |