

**Comptroller's Directive No. 2-17**  
**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 prior year's Attachment HE-10, Financial Statement Template (including correcting AJEs), to the beginning net position amount that will be reported on the FY 2017 Attachment HE-10, Financial Statement Template. This attachment is similar to the prior year's Attachment HE-3.

---

**Applicable institutions**

All institutions **must** complete this attachment.

---

**Due date**

**July 20, 2017**

---

**Certification**

The **Certification** tab requires all preparers and reviewers to answer questions, type their name, and check applicable boxes 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 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*, 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.

---

**Comptroller's Directive No. 2-17**  
**Attachment HE-3**  
**Beginning Net Position Reconciliation**

---

**Current year  
implement-  
ations**

The following GASB statements are effective for fiscal year 2017 and thereafter:

- **GASBS No. 73**, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68\**,
- **GASBS No. 74**, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*,
- **GASBS No. 77**, *Tax Abatement Disclosures*,
- **GASBS No. 78**, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*,
- **GASBS No. 79**, *Certain External Investment Pools and Pool Participants\**,
- **GASBS No. 80**, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14, and*
- **GASBS No. 82**, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73\**.

If the institution has restatements as a result of implementing new GASB statements, these restatements should be listed separately in the Changes in Reporting section on the TAB 1, HEI, with a description, including the GASB statement #, and the restatement amount.

Note\*: Portions of GASBS No. 73 and GASBS No. 79 were effective starting in fiscal year 2016. Portions of GASBS No. 82 are effective starting in fiscal 2018.

---

**Comptroller's Directive No. 2-17**  
**Attachment HE-3**  
**Beginning Net Position Reconciliation**

---

**Submission requirements**

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

**After downloading the Excel file, rename the file using the Institution Number-Institution Acronym followed by Attachment HE-3.** The Institution Number-Institution Acronym should be the same as shown on the first tab in the attachment. For example, VCCS should rename the Attachment HE-3.xlsx\*\* file as 260-VCCS Attachment HE-3.xlsx\*\*.

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

**Submit the Excel file electronically to [finrept-HE@doa.virginia.gov](mailto:finrept-HE@doa.virginia.gov).**  
**Copy APA via e-mail to [APAFinRept@apa.virginia.gov](mailto:APAFinRept@apa.virginia.gov).**

**Do not submit paper copies of this spreadsheet.**

Note\*\*: 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).

---

**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**.

---

**This Page Intentionally Left Blank**