

Issue Analysis Form



Date: December 10, 2019
Certification of Receipt of FY
2019 Audited Financial
Report

Item:

Lead Department(s): County Finance

Contact Person(s): Betsy Drewry

Description and Current Status

Localities are required to submit their audited financial statements to the Auditor of Public Accounts on or before November 30 annually in accordance with Section 15.2-2510 of the Code of Virginia.

The Virginia General Assembly amended Section 15.2-2510 of the Code of Virginia requiring local governing bodies to submit a notarized certification stating that the audited financial report has been presented to the governing body by December 31.

The certification is to be signed by the chief elected official and the chief administrative officer. The template designed by the Auditor of Public Accounts (APA) was used to prepare the attached certification.

Requested Board Action: Staff is requesting the Board to authorize, by public vote, the Board Chairman and the County Administrator to sign the attached certification stating the board has received the audited FY2019 financial statements to comply with Section 15.2-2510 of the Code of Virginia. **No resolution is attached.**

Government Path

- Does this require IDA action?** Yes No
- Does this require BZA action?** Yes No
- Does This require Planning Commission Action?** Yes No
- Does this require Board of Supervisors action?** Yes No
- Does this require a public hearing?** Yes No
- If so, before what date?** Yes No

Fiscal Impact Statement

There is no fiscal impact.

County Impact

Preparation of certification document will comply with Section 15.2-2510 of the Code of Virginia.

Notes

An email providing guidance to localities from the Auditor of Public Accounts is attached.

Betsy Drewry

From: LocalGovernment <LocalGovernment@apa.virginia.gov>
Sent: Wednesday, September 18, 2019 3:18 PM
To: LocalGovernment
Subject: APA Guidance for FY2019 Local Government Reporting

Good Afternoon:

The information in this email contains important updates and general reminders from the Auditor of Public Accounts concerning the Comparative Report transmittal training resources, local government FY19 financial reporting, and the Cardinal FY19 disbursement reports. We have included hyperlinks to the various resources and files located on the APA website as noted by the hyperlinked text below. All files can be accessed from the apa.virginia.gov website at the Local Government page.

We appreciate your help to ensure that this correspondence is forwarded to any other contacts in your Finance/Accounting or Financial Reporting departments that may need this information. Our Local Government email distribution listing is limited to contacts we have on file from the annual survey updates and those who have specifically requested to be included. We have also sent this correspondence to the APA's CPA firms/auditors distribution list.

***NOTE*--Additional correspondence will be forthcoming very soon to update you as soon as the VRS has published on their website all final GASB 68 Pension and GASB 75 OPEB reports and resources for the FY2019.**

Item 1—APA Comparative Report Transmittal Training:

Due to challenges that our office is encountering with available staffing/resources, and other Code mandated projects that we have to make a priority, the APA Local Government team will not have the opportunity to host an in-person training class this year for the 2019 transmittal process. We are planning to pick back up the in-person training class next year for the 2020 transmittal process.

As an alternative to an in-person training class, we offer the same training materials on our website, which will allow anyone to walk through a case study and a mock example of preparing the basic transmittal forms. This information can be found on the APA website> Local Government page> [Comparative Report Transmittal Preparation Training](#). Begin with the [Transmittal Training Instructions Document](#) and this will walk you through all of the applicable files for the case study completion.

Item 2—FY19 Financial Reporting Requirements:

➤ Please ensure you are referring to the updated August 2019 version of the [Uniform Financial Reporting Manual](#), which is located on the APA website> Local Government page> Annual Guidelines, Manuals, and Other Procedural Documents section.

The following key updates were made:

- o Guidance has been added at the “Other Reporting” section 2.5 (see page 2-8) to provide a reminder and instructions for a locality or School’s requirement to submit any PPEA agreement to the APA in accordance with the Code of Virginia.
- o We have updated some outdated terminology throughout the chart of accounts at Chapter 3 for a few accounts associated with Health and Human Services/Social Services related areas in order to better align with updated state and federal terminology. For example, Revenue account 32405XX and Expenditure account 4052XXX are renamed to *Behavioral Health and Development Services*; Revenue account 32406XX and Expenditure account 4053XXX are renamed *Income Support Benefits and Social Services*. **You will note all of these changes are left as “tracked changes” in the manual for easy review.**
- o Guidance has been added under Revenue Source 31201XX-Local Sales and Use Taxes (see page 3-7) for a locality’s reporting of the moped/ATV motor vehicle sales and use tax as local revenue.

➤ Important information on the various locality reporting requirements for the Fiscal Year 2019 is included in the [Reporting Requirements and Distribution resource document](#) available on the APA website> Local Government page> Annual Guidelines, Manuals, and Other Procedural Documents section.

We would like to highlight the following points for the FY2019 CAFR and transmittal reporting. Please also refer to further details in the [Reporting Requirements and Distribution resource document](#).

- As a reminder, the auditor and/or locality should only submit a **final audited financial report (CAFR)** to the APA in compliance with the November 30 statutory deadline. The auditor and/or locality should not email or send any “draft” version of a financial report to the APA. If the audited CAFR is not final by November 30 but the locality’s Transmittal file is complete, please send us the completed transmittal file and AUP report with notification on when the APA can expect to receive the final audited CAFR.

Because the November 30 submission due date is a Code mandated deadline, the Auditor of Public Accounts has no authority to grant an extension for submissions past this deadline. The Auditor of Public Accounts requests a written statement from the local government officials stating the reason for any significant delay in submitting the financial report and/or transmittal data after the November 30 deadline. If the locality’s audit completion is also delayed, in accordance with the new legislative requirement at §15.2-2511 to post a public statement (refer to further information below), the locality’s requirement to submit the audit delay notification to our Office may serve this same purpose in notifying our Office about submitting the CAFR and/or transmittal data after the November 30 due date.

- **Important 2019 Legislative Change about Delay of Audit Completion:**
In accordance with new requirements from the 2019 legislative session amending §15.2-2511, effective July 1, 2019, **if a locality’s audit is not completed as required by this statute, the locality must promptly post a statement on its website, if such website exists, with the following information:**
 - o **That the required audit is pending,**
 - o **The reasons for the delay,**
 - o **And the estimated date of completion.**

This statement must also be posted and made available to the public at the next scheduled meeting of the local governing body. The locality should continue to post the statement and update accordingly until the audit is complete. A copy of the statement must also be sent to the Auditor of Public

Accounts. The local government should send this statement to Auditor of Public Accounts by email, localgovernment@apa.virginia.gov. The local government can also accomplish this submission by emailing the APA a website link to where this statement is posted on the locality's website.

- Please remember to submit to our office all 2019 Joint Activity forms as soon as you either prepare the form or receive a copy of a form. **Please email a copy to the APA as soon as possible** so we can post them to our website to share with other localities and their auditors. You can obtain a blank [template Joint Activity \(110/120/310\) form](#) which has been updated for FY19, on the APA website> Local Government page> Annual Guidelines, Manuals, and Other Procedural Documents section. The APA will post any joint activity forms received at the APA website> Local Government page> [Joint Activity Forms \(110, 120, and 310\)](#) section.
- Please use the localgovernment@apa.virginia.gov email to submit any required reporting (i.e.: Joint Activity forms, completed Transmittal workbook, final audited CAFR, notarized statements, and any other reports). This helps facilitate our tracking and receiving process in a more efficient and timely manner for our Comparative Report process, as other APA staff assist in this process. As APA staff are monitoring the local government email and logging the reporting submissions, we will send a reply email to all parties included on the submission in order to provide you a confirmation of successful receipt. As we receive numerous emails on or around the November 30 due date, we will try to provide you this confirmation receipt as quickly as possible; we appreciate your patience in this regard.
- The Code of Virginia §15.2-2510 requires the locality to also submit a notarized statement to the APA as soon as the results of the audit report have been presented by the CPA/Auditor to the local governing body. Please remember the deadline to submit your CAFR and transmittal data is by November 30. If your board/council presentation meeting is not scheduled until December or early January, then the locality can separately submit the notarized statement at a later time after this presentation has occurred. The locality must submit this notarized statement to the Auditor of Public Accounts; this submission cannot be delegated to the locality's auditor. This requirement has been effective for the past two fiscal years; however, our office still continues to see that some localities that have not submitted this required notification to our office.

Refer to the [Reporting Requirements and Distribution document](#) for more detailed guidance on sending the notarized statement. To assist localities in preparation of this notarized statement, we have included a [statement template resource](#) on the APA website> Local Government page> Annual Guidelines, Manuals, and Other Procedural Documents section.
- The APA will send additional correspondence early next week to notify you when the updated FY19 Locality Transmittal forms are available on our website.

Item 3—FY2019 Cardinal State Disbursement Reports and Federal Program Index Resource:

The [2019 Annual Cardinal Disbursements report](#) and the [2019 Cardinal Accrual report](#) are available on the APA website> Local Government page> [Cardinal State Disbursement Reports section](#). Please keep in mind that the Annual Disbursement report contains all 4 quarters' data combined into one all-inclusive tab; it reports the same information as the Quarterly version of the 2019 report.

As reminder regarding the use of the Cardinal accrual report, Cardinal payments processed at year-end no longer contain the old "p" coding designation on the voucher ID number; instead the state uses reporting queries to analyze the payment transactions to determine which vouchers represent an accrual for the Fiscal Year. The Cardinal accrual report includes accrual information for payments made to localities that were incurred prior to the fiscal year-end (June 30) but

were not processed or paid until the first 2 months of the next Fiscal Year, July and August 2019 (Fiscal Year 2020). Please note that the disbursements in this report will also be included on the FY2020 1st Quarter State Disbursement report, which will be posted in the middle of October 2019 time frame after September data is received. **Please keep in mind when reconciling FY20 Q1 that these are not duplicate payments. For additional information regarding this accrual report, please refer to the tab “Instructions” in the 2019 Cardinal accrual report Excel file.**

When using both the FY19 Annual and the Accrual Cardinal State Disbursements reports, please note the following important points:

- You should use both the “FIPS” field and “Vendor Name” field when identifying specific payments made to your locality, since often other entities/vendors are included in this report under your FIPS code. The Vendor ID (not shown in data) and the Vendor Name fields are the only fields that indicate actual payment receipt; **the FIPS field does not impact the entity that received the payment.**
- The state disbursement reports may not capture all funds a locality receives from the state, since our report is prepared based on specific coding criteria. Some transactions will not match this selection criteria. **Local governments should review and analyze all revenue to ensure proper accounting and reporting, and the locality may need to make further contact with the State agency regarding any specific payments not shown in the APA report.**
- If you have any questions regarding specific transactions appearing on the report or you believe receipt of a payment may be missing, **you should contact the finance department of the state agency that processes the disbursement.** Please refer to the [State Agency Contacts](#) Excel file for contact information for most of the state agencies that typically pass down revenue to local governments, available on the APA website> Local Government page> Annual Guidelines, Manuals, and Other Procedural Documents section.

Additionally, the [Federal Programs Index resource](#) has been updated for FY2019 and is available on the APA’s website> Annual Guidelines, Manuals, and Other Procedural Documents>General Information section. Local Governments should refer to this resource for assistance in identifying federal funds passed down by state agencies. This resource is updated by the applicable state agencies to show Cardinal account coding and CFDA information to cross-reference federal assistance disbursed to local governments for SEFA reporting purposes.

Please send an email request to the localgovernment@apa.virginia.gov if you wish to be added or removed from the APA’s local government distribution listing. Feel free to reach out directly to me (Rachel Reamy) should you have any questions during the FY2019 reporting process. You can reach me by email or phone at my contact information below.

Best regards,

Rachel N. Reamy, CGFM

Local Government Audit Manager

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(804) 225-3350 ext. 360 | rachel.reamy@apa.virginia.gov

COUNTY OF PRINCE GEORGE, VIRGINIA

Percy C. Ashcraft
County Administrator
Phone: (804) 722-8600
Facsimile: (804) 732-3604



BOARD OF SUPERVISORS
Floyd M. Brown, Jr.
Alan R. Carmichael
Donald R. Hunter
Marlene J. Waymack
T. J. Webb

December 10, 2019

Commonwealth of Virginia
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218

Dear Ms. Mavredes,

We hereby attest, in accordance with Section 15.2-2510 of the Code of Virginia, the County of Prince George's audited financial report, for the fiscal year ended June 30, 2019, has been presented to the local governing body at a public session on December 10, 2019.

Local chief elected official signature

Donald R. Hunter, Chairman
Printed Name/Title

Local chief administrative officer signature

Percy C. Ashcraft, County Administrator
Printed Name/Title

County of Prince George
Commonwealth of Virginia

The foregoing statement required by the laws of the Commonwealth was acknowledged before me this 10th day of December, 2019, by Teresa H. Knott.

Notary Public's Signature

Notary Seal

Teresa H. Knott, Clerk of the Board
Notary's Printed Name/Title

Notary registration number:

7509955

My commission expires, *May 31, 2023*.