



Operating Procedure

Effective Date June 1, 2018	Number 210.6
Amended	Operating Level Department
Supersedes Operating Procedure 210.6 (10/1/14)	
Authority COV §2.2-803, §53.1-10	
Subject RECONCILIATION TO CARS	
ACA/PREA Standards 4-4035	
Office of Primary Responsibility Chief Financial Officer	
Incarcerated Offender Access Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Public Access Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Attachments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

I. PURPOSE

This operating procedure establishes minimum standards for reconciliation of Department of Corrections and Department of Accounts accounting records in order to comply with Department requirements, and the [Commonwealth Accounting Policies and Procedures Manual](#).

II. COMPLIANCE

This operating procedure applies to all units operated by the Department of Corrections (DOC). Practices and procedures shall comply with applicable State and Federal laws and regulations, Board of Corrections policies and regulations, ACA standards, PREA standards, and DOC directives and operating procedures.

III. DEFINITIONS

Agency Fiscal Officer - The Business Manager at major institutions (including assigned field units), Support Services Manager at regional offices (including field units not assigned to major institutions), Business Manager at Virginia Correctional Enterprises (VCE), Operations Manager at the Academy for Staff Development and the Chief Financial Officer for Central Office organizational units; the Director of Financial Services serves as the Community Corrections fiscal officer.

CARS - Commonwealth Accounting and Reporting System

Chief Financial Officer - The Manager of the Financial Management and Reporting Unit

Organizational Unit - A DOC unit, such as a correctional facility, regional office, probation and parole office, Virginia Correctional Enterprises (VCE), Academy for Staff Development, Corrections Construction Unit, Agribusiness Unit, and individual headquarters unit (i.e. Human Resources, Offender Management, Internal Audit)

IV. PROCEDURE

A. Reconciliation and Documentation

1. To ensure accuracy and uniformity in the preparation and reconciliation of financial data input to the Commonwealth Accounting and Reporting System (CARS), all internally prepared accounting records, data submission logs, and other accounting data must be reconciled to reports produced by CARS. Such reconciliations shall be performed and certified to the Department of Accounts (DOA) monthly, as described in [CAPP Topic 20905](#), and at fiscal year-end as prescribed by the Comptroller's annual fiscal year-end closing procedures memorandum to agencies.
2. Each month, Agency Fiscal Officers of organizational units that utilize [Commonwealth Accounting and Reporting System \(CARS\)](#) transactions shall reconcile internally maintained accounting records and CIPPS Report data to CARS, process needed corrections and adjustments, and document/report the results of the reconciliation to the Department of Accounts (DOA). (4-4035)
3. Upon completion of the reconciliation process, organizational unit records will agree with CARS generated reports for each of the following accounts:

ALL CASH BALANCES:	by Fund/Fund Detail.
ALL APPROPRIATIONS:	by Fund/Fund Detail and Program.
ALL ALLOTMENTS:	by Fund/Fund Detail and Program.
TOTAL EXPENDITURES:	by Fund/Fund Detail and Program.
NET REVENUES:	by Fund/Fund Detail.
FIXED ASSETS:	by Fund/Fund Detail and General Ledger Account (GLA)

B. Source of CARS Balances - The following CARS Reports shall be the source for CARS balances.

ACTR1408-A, Monthly, Statement of Appropriations, Allotments, and Expenditures	Provides CARS balances for reconciling Appropriations, Allotments, and Expenditures at the Program and Fund/Fund Detail level.
ACTR1671, Monthly, Detail Agency Net Revenue Fund Report	Provides CARS balances for reconciling Net Revenues at the Fund/Fund Detail level.
ACTR0402-B, Monthly, Trial Balance of GLA Accounts by Agency/Fund Detail	Provides CARS balances for reconciling Cash Balances at the Fund/Fund Detail level and Fixed Assets at the GLA level.
FAC307, Fixed Asset Accounting and Control System FAC730, Financial Reporting File Balances Report	Provides summary totals by asset categories
ACTR0401, Weekly Reconciliation Report of Transactions Posted in CARS	Provides CARS voucher transaction details processed on a weekly basis
ACTR0701, Weekly Reconciliation Report of Transactions Not Posted in CARS	Provides CARS voucher transaction details that did not post due to processing errors
ReportU033-Detail Payroll Expenditures by CARS Coding	Provides CIPPS voucher transaction details

C. Documentation - Each Agency Fiscal Officer shall maintain formal work papers that:

1. List CARS account balances for each category to be reconciled, as identified above.
2. List corresponding agency record balances.
3. Identify any differences between CARS, CIPPS, and agency records.
4. Explain any differences by identifying original and correcting source documents.
5. The Department has adopted an automated reconciliation application, *Reconciliation Access Program* (RAP).
 - a. If RAP is not available for use by an agency, a reasonable facsimile may be substituted.
 - b. Organizational units that reconcile accounting records to CARS in more detail than the minimum standards established must still adhere to these documentation requirements.
 - c. Reconciliation efforts that are simply noted on agency or CARS records or reports (i.e. handwritten notations, check marks, etc.) *do not* meet the formal documentation requirements.

D. Retention

1. Organizational units shall retain records, along with supporting documentation, for three years after the end of the fiscal year to which they pertain, or until audited by the Auditor of Public Accounts, whichever is later.
2. Upon request, organizational units must submit these work papers to the Department of Accounts,

DOC Chief Financial Officer or Auditor of Public Accounts within three business days.

E. Due Date and Form Submission

1. Staff responsible for agency reconciliation of CARS reports should refer to the Department of Accounts website www.doa.virginia.gov to access the online *Financial Certification* website logon page. Activity requiring submission of the confirmation data, and any exception register for the first eleven months of the fiscal year, are submitted electronically.
2. All organizational units must submit electronic reconciliations to DOA on a monthly basis, except for the final month (June) of the fiscal year-end closing, with the original signature (paper copy) from Agency Fiscal Officer and the Organizational Unit Head.
3. The Fiscal Year-End Closing procedures and instructions are found at the following website - Virginia Department of Accounts, [Fiscal Year-End Closing Procedures](#). This information is subject to change from year to year, therefore please ensure that the DOA website references the correct year.

V. REFERENCES

Commonwealth Accounting Policies and Procedures Manual, [CARS Reconciliation Requirements Topic 20905](#)

Virginia Department of Accounts, [Fiscal Year-End Closing Procedures](#)

VI. FORM CITATIONS

None

VII. REVIEW DATE

The office of primary responsibility shall review this operating procedure annually and re-write it no later than three years after the effective date.

Signature Copy on File

5/4/18

N. H. Scott, Deputy Director for Administration

Date