Financial Policy

Volume VII
Financial Reporting

Chapter 4
Agency Closing Package Financial Reporting

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0401 Overview

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding reporting activities related to the U.S. Department of the Treasury’s (Treasury) Government-wide Financial Reporting System (GFRS) which provides Departmental financial information for use in the U.S. Government Annual Financial Report (FR).

The Government Management Reform Act of 1994 requires that the Secretary of the Treasury prepare audited financial statement for the preceding fiscal year and submit them to the President and Congress. VA provides Treasury with the requisite financial and operational information necessary to prepare the statements through Treasury’s GFRS system.

Key points covered in this chapter:

- VA will populate GFRS through year-end submissions to Treasury’s Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS);
- Office of Financial Policy, will perform a reconciliation to verify that VA’s audited financial statements tie to the reclassified financial statements;
- The VA Chief Financial Officer (CFO) or designee will certify the closing package to ensure accuracy of the data; and
- The Office of the Inspector General (OIG), will sign-off on VA’s closing package and transmit the final documents to Treasury.

0402 Revisions

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<tr>
<th>Section</th>
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<th>Reason for Change</th>
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<tr>
<td>Various</td>
<td>Reformatted to new policy format and completed 5-year review</td>
<td>OFP (047G)</td>
<td>Reorganized chapter layout</td>
<td>July 2018</td>
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<tr>
<td>0405 Policies</td>
<td>Updated policy statements</td>
<td>OFP (047G)</td>
<td>Properly reflect current closing package reporting requirements and process due to Treasury’s reporting systems changes and function migrations</td>
<td>July 2018</td>
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<td>Eliminated references to FACTS I and IFCS</td>
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0403 Definitions

**Adjusted Trial Balance (ATB)** - A listing of all the account titles and balances contained in the general ledger after adjusting entries for an accounting period have been posted to the accounts.

**Closing Package** - Data submitted by VA for inclusion in the Government-wide FR.


**Governmentwide Financial Report System (GFRS)** - A Treasury operated Government-wide Accounting (GWA) application which interfaces with the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) to gather Agency financial data.

**Governmentwide Treasury Account Symbol Adjusted Trial Balance System** - A Treasury operated GWA web-based system used by Federal agencies to submit both budgetary and proprietary financial data.

**Management Representation Letters (MRLs)** - Formal letters to the independent auditor, signed by the Agency’s senior management, that conform to Office of Management and Budget (OMB) guidance.

**Reclassified Financial Statements** - Standardized agency financial statement format used across the government, which links the Agency’s audited consolidated department-level financial statements to the FR.

**U.S. Standard General Ledger (USSGL)** - Provides a uniform chart of accounts and technical guidance for standardizing federal agency accounting.

0404 Roles and Responsibilities

The **Assistant Secretary for Management/Chief Financial Officer (VA CFO)** or designee reviews the fiscal year-end data to be submitted to Treasury; and certifies the closing package.

The **Inspector General (IG)** is responsible for opining on the reclassified financial statements and for certifying GFRS data for release to Treasury.

The **Office of Financial Policy (OFP)** is responsible for the preparation, verification, approval, and submission of the Agency closing package in GFRS.
0405 Policies

A. VA will comply with:

- All statutory and regulatory guidance, such as OMB Circular A-136, Treasury Financial Manual Chapter (TFM) Chapter 4700, and the U.S. Standard General Ledger (USSGL); and
- Treasury’s submission schedule for FR input reporting requirements, which can be found on the Bureau of the Fiscal Service GFRS information website and TFM Chapter 4700.

B. VA will populate reclassified financial statements through GTAS year-end ATB and USSGL crosswalks. Reclassified financial statements are the core components of closing package reporting. GFRS collects VA’s closing package information.

C. VA will submit its closing package through Treasury’s GFRS to assist with the process of preparing the FR of the U.S. Government.

D. VA’s various offices will assist OFP in supplying data and information to complete GFRS module reporting, performing analyses to explain variances and differences in VA’s account balances, and responding to Treasury’s comments, where necessary.

E. At fiscal year-end, OFP will prepare VA’s closing package items; such items include but are not limited to reclassified financial statements, GFRS note data, and reconciliation of amounts between the audited financial statements and the reclassified financial statements.

F. OFP will utilize GFRS modules to enter additional financial data as part of the closing package.

G. OFP will prepare and submit GFRS note data based on the balances from the reclassified financial statements.

H. OFP will ensure that variances between GFRS, the audited financial statements and related disclosures are resolved.

I. OFP will perform a reconciliation to verify that VA’s audited financial statements tie to the reclassified financial statements contained in GFRS. OFP will attach the reconciliation in GFRS as part of the module 8 submission. Reconciliation guidelines are provided by Treasury in the Agency Financial Report to Closing Package reconciliation template and Instructions.

J. A Director of OFP will review the GFRS submission for accuracy using the line-by-line comparison to VA’s consolidated financial statements and relevant notes. Upon request, the Director will email the closing package to Treasury.
K. OFP will submit a Summary of Uncorrected Misstatements as part of the MRL for the closing package.

L. The VA CFO or their designee will sign-off in module 8 to certify the accuracy of the closing package.

M. The OIG will verify that GFRS data is consistent with VA’s audited and consolidated financial statements, provide an audit opinion on the reclassified financial statements and notes in module 8.

N. The OIG will sign-off in module 8 to approve the closing package and complete VA’s closing package reporting. The closing package is attached in module 8.

0406 Authorities and References

- Budget and Accounting Procedures Act of 1950, Public Law 67-13
- Chief Financial Officers Act of 1990, Public Law 101-576
- OMB Bulletin 17-03, Audit Requirements for Federal Financial Statements
- Treasury Bulletin 2017-08, Year-end Closing
- Treasury’s GFRS Information Portal
- Treasury’s GTAS Information Portal
- Treasury’s USSGL Information Portal

0407 Rescissions

0408 Questions

Questions concerning these financial policies and procedures should be directed to the specific POCs and formatted as follows using the group e-mail. Do not use proper names.

- **VHA**: [VHA 10A3A Accounting Policy](Outlook)
- **VBA**: [VAVBAWAS/CO/FINREP](Outlook)
- **NCA**: [NCA Financial Policy Group](Outlook)
- **All Others**: [OFP Accounting Policy](Outlook)