

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

**DATE:** November 28, 2018

**MEMORANDUM TO:** Shenandoah Valley Juvenile Center Commission

**FROM:** Robinson, Farmer, Cox Associates

**REGARDING:** FY 2018 Audit

This report is to follow up our recent audit of the financial statements of the Shenandoah Valley Juvenile Center Commission for the year ended June 30, 2018. This report is primarily to state our findings and recommendations and to communicate them in writing. We will be pleased to discuss this information in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing new standards and recommendations.

## **Uniform Guidance Policies and Procedures**

The Office of Management and Budget (OMB) issued new guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards. The new Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Financial Awards (The "Super Circular", or "Uniform Guidance") requires some major policy reforms which are required to be implemented by all entities receiving federal funding effective January 1, 2018 for entities with a December 31 fiscal year end and July 1, 2018 for entities with a June 30<sup>th</sup> fiscal year end. These policy reforms should be implemented as soon as possible in order to avoid noncompliance with the terms and conditions of current federal awards and the direct and material compliance requirements for federal awards. The following sections of the Uniform Guidance require nonfederal entities that receive federal awards to establish written policies, procedures, or standards of conduct:

- Conflict of Interest (§200.112)
- Financial Management (§200.302)
- Payment (§200.305)
- General Procurement Standards (§200.318)
- Competition (§200.319)
- Methods of Procurement to be Followed (§200.320)
- Compensation – Personal Services (§200.430)
- Compensation – Fringe Benefits (§200.431)
- Relocation Costs of Employees (§200.464)
- Travel Costs (§200.474)

In order to ensure that your policies and procedures meet these new requirements, we recommend that you review the new requirements in detail and revise your current policies, as necessary.