

# 2024 WORK PLAN



Commonwealth of Virginia  
Auditor of Public Accounts  
Staci A. Henshaw, CPA

# OUR MISSION

The Auditor of Public Accounts serves Virginia citizens and decision makers by providing unbiased, accurate information and sound recommendations to improve accountability and financial management of public funds.



# OUR CORE VALUES

## Collaborative

We work together to create greater value.

## Engaged

We see what needs to be done and participate or become involved.

## Knowledgeable

We are well-informed and insightful.

## Professional

We act in a manner that reflects favorably on ourselves, our co-workers, and the APA.

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## SUMMARY OF 2024 ANNUAL WORK PLAN

Project Area	Budget
<b>Executive Branch</b>	<b>114,865</b>
Executive Offices	1,160
Administration	2,115
Commerce and Trade	3,350
Education	1,990
Education – Higher Education Institutions	60,160
Finance	24,145
Health and Human Resources	12,745
Natural Resources	100
Public Safety and Homeland Security	3,250
Transportation	5,850
<b>Independent Agencies and Authorities</b>	<b>11,190</b>
<b>Local Governments, Clerks, and Courts</b>	<b>13,450</b>
<b>Cycled Agencies</b>	<b>6,350</b>
<b>Special Projects</b>	<b>3,805</b>
<b>Total Audit Projects Work Plan Hours</b>	<b>149,660</b>
<b>Audit Support Projects</b>	<b>8,205</b>
<b>Total Audit and Support Projects Work Plan Hours</b>	<b>157,865</b>



## AGENCIES AND INSTITUTIONS BUDGET

By Branch and Secretariat

<b>Executive Branch</b>	
<b><u>Executive Offices</u></b>	
<i>Financial related audits to review internal controls, ensure the proper recording of financial transactions supporting the executive management of the Commonwealth, and evaluate compliance with applicable state laws and regulations.</i>	
Attorney General and Department of Law	700
Governor and Cabinet Secretaries, Lieutenant Governor	<u>460</u>
Subtotal	1,160
<b><u>Administration</u></b>	
<i>The Department of Human Resource Management audit supports the Annual Comprehensive Financial Report (ACFR) audit. The Virginia Information Technologies Agency (VITA) audit also supports the ACFR audit and will focus primarily on how the agency is providing information technology services to other state agencies and managing related contracts.</i>	
Department of Human Resource Management	1,355
Virginia Information Technologies Agency	<u>760</u>
Subtotal	2,115
<b><u>Commerce and Trade</u></b>	
<i>The Virginia Employment Commission audit supports the ACFR audit and Single Audit of federal funds. Financial statement audits of the Virginia Innovation Partnership Authority/Virginia Innovation Partnership Corporation and Virginia Economic Development Partnership satisfy various Code of Virginia requirements.</i>	
Virginia Innovation Partnership Authority/Virginia Innovation Partnership Corporation	800
Virginia Economic Development Partnership	650
Virginia Employment Commission	<u>1,900</u>
Subtotal	3,350

## AGENCIES AND INSTITUTIONS BUDGET

Executive Branch, continued	
<b><u>Education</u></b>	
<i>The Department of Education audit supports the ACFR audit and Single Audit of federal funds.</i>	
Department of Education	<u>1,990</u>
Subtotal	1,990
<b><u>Education – Higher Education Institutions</u></b>	
<i>Financial statement audits of the two and four-year institutions of higher education satisfy bond and reaccreditation requirements. These audits also support the Single Audit of federal funds on a cycled basis. The audits of UVA, VCU, and VT support the ACFR audit and include agreed-upon procedures required by the National Collegiate Athletic Association (NCAA) covering revenue and expense activity of intercollegiate athletics.</i>	
Christopher Newport University	2,160
George Mason University <sup>1</sup>	2,950
James Madison University	2,760
Longwood University	2,350
Norfolk State University	2,690
Old Dominion University	2,920
Radford University	2,120
The College of William and Mary	4,540
University of Mary Washington	2,210
University of Virginia (UVA) <sup>1</sup>	6,090
University of Virginia Medical Center	4,000
Virginia Commonwealth University (VCU) <sup>1</sup>	5,440
Virginia Community College System <sup>1</sup>	9,280
Virginia Military Institute	2,530
Virginia Polytechnic Institute and State University (VT) <sup>1</sup>	4,790
Virginia State University	<u>3,330</u>
Subtotal	60,160

1 – Includes hours for a review of federal funding in support of the Single Audit of federal Funds.

## AGENCIES AND INSTITUTIONS BUDGET

## Executive Branch, continued

**Finance**

*Audits of the Finance agencies support the ACFR audit and/or Single Audit of federal funds and satisfy various legislative requirements. The results of these audits are included in the report on the Agencies of the Secretary of Finance. The Department of the Treasury audit includes the financial statement audits of the Virginia Public Building Authority, Virginia Public School Authority, Virginia College Building Authority, and the Local Government Investment Pool. The financial statement audit of the Virginia Board of Accountancy satisfies Code of Virginia requirements.*

Department of Accounts/ACFR	10,175
Department of Planning and Budget/Appropriations	500
Department of Taxation	3,125
Department of the Treasury	5,070
Report on Agencies of the Secretary of Finance	100
Revenue Stabilization and Reserve Funds	140
Single Audit of Federal Funds	4,770
Virginia Board of Accountancy	<u>265</u>
Subtotal	24,145

**Health and Human Resources**

*Audits of the Health and Human Resources agencies support the ACFR audit and/or Single Audit of federal funds. The results of these audits are included in the report on the Agencies of the Secretary of Health and Human Resources.*

Department of Behavioral Health and Developmental Services	2,870
Department of Health	2,650
Department of Medical Assistance Services	3,425
Department of Social Services	3,700
Report on Agencies of the Secretary of Health and Human Resources	<u>100</u>
Subtotal	12,745

**Natural Resources**

*Financial related audit to review internal controls, ensure proper recording of financial transactions, and evaluate compliance with applicable state laws and regulations.*

Potomac River Fisheries Commission	<u>100</u>
Subtotal	100

## AGENCIES AND INSTITUTIONS BUDGET

Executive Branch, continued	
<b><u>Public Safety and Homeland Security</u></b>	
<i>The Department of Corrections audit supports the ACFR audit. The financial statement audit of the Virginia Alcoholic Beverage Control Authority supports the ACFR audit and satisfies Code of Virginia requirements.</i>	
Department of Corrections	1,000
Virginia Alcoholic Beverage Control Authority	<u>2,250</u>
Subtotal	3,250
<b><u>Transportation</u></b>	
<i>Audits of the Transportation agencies support the ACFR audit and Single Audit of federal funds. The results of these audits are included in the report of the Agencies of the Secretary of Transportation. The Department of Transportation audit also includes the financial statement audit of the I-81 Corridor Improvement Fund.</i>	
Department of Motor Vehicles	2,000
Department of Transportation	3,810
Report on Agencies of the Secretary of Transportation	<u>40</u>
Subtotal	5,850
<b>Total – Executive Branch</b>	<b>114,865</b>

  

Independent Agencies and Authorities	
<i>Financial statement audits of these agencies support the ACFR audit and/or satisfy various Code of Virginia requirements.</i>	
Virginia Biotechnology Research Partnership Authority	790
Virginia529	1,800
Virginia Lottery	2,150
Virginia Retirement System	6,450
<b>Total – Independent Agencies and Authorities</b>	<b>11,190</b>

  

Local Government, Clerks, and Courts	
<i>The Comparative Report summarizes local government revenues and expenses. Our Office performs quality reviews for select local government audits to ensure audits adhere to applicable auditing standards and specifications. Audits of judicial entities and constitutional officers ensure compliance with state laws and regulations and accountability of state funds.</i>	
Comparative Report and Quality Reviews	3,200
State Accounts (131)	2,225
Judicial Entities: Circuit Courts (105), District Courts (212), General Receivers (7), and Magistrate Districts (31)	8,025
<b>Total – Local Government, Clerks, and Courts</b>	<b>13,450</b>

## AGENCIES AND INSTITUTIONS BUDGET

### Approach for Cycled Agencies

*We use a risk-based approach for auditing cycled agencies, which are agencies that do not have a mandated annual audit requirement and do not generally support our ACFR audit or Single Audit of federal funds. Annually, we perform a risk analysis for all cycled agencies considering certain criteria and divide the agencies into two pools based on the resulting risk rating. Below are the approaches for both pools and agencies currently included in each pool. The agencies included in each pool are subject to change each year depending on risk.*

Cycled Agencies	
<b>Pool I</b>	
<i>The agencies in this pool are subject to an internal control questionnaire review with an on-site visit to verify controls once every three years. Below are the agencies included in Pool I for the 2024 work plan.</i>	
Assistive Technology Loan Fund Authority	Indigent Defense Commission
Board of Bar Examiners	Jamestown-Yorktown Foundation <sup>2</sup>
Office of Children's Services	Marine Resources Commission
Commonwealth's Attorneys' Services Council	Motor Vehicle Dealer Board
Compensation Board	New College Institute
Department of Agriculture and Consumer Services	Office of the State Inspector General
Department of Aviation	Opioid Abatement Authority
Department of Conservation and Recreation	Southern Virginia Higher Education Center
Department of Criminal Justice Services	Southwest Virginia Higher Education Center
Department of Elections	State Council of Higher Education for Virginia
Department of Environmental Quality	The Library of Virginia
Department of Fire Programs	The Science Museum of Virginia
Department of Forensic Science	Tobacco Region Revitalization Commission
Department of Forestry	Virginia Correctional Enterprises
Department of Health Professions	Virginia Department of Energy
Department of Historic Resources	Virginia Foundation for Healthy Youth
Department of Juvenile Justice	Virginia Health Workforce Development Authority
Department of Labor and Industry	Virginia Museum of Natural History
Department of Professional and Occupational Regulation	Virginia Racing Commission
Department of Small Business and Supplier Diversity <sup>1</sup>	Virginia School for the Deaf and the Blind
Frontier Culture Museum	Virginia State Bar
Genedge Alliance	Virginia Tourism Authority
Gunston Hall	Virginia Worker's Compensation Commission

1 – Includes Virginia Small Business Financing Authority.

2 – Includes Jamestown-Yorktown Commemorations.

**Cycled Agencies, continued****Pool II**

*Agencies included in Pool II are subject to a performance audit each year. We use a risk-based approach to determine the scope of the review for each agency selected. Therefore, our reports have a more limited scope, focusing on the specific area we select for review based on risk. This limited scope allows us to cover areas in more depth and additional areas that we may not have previously covered as we used to focus primarily on significant cycles as opposed to those that may have higher risk. The time that an agency remains in Pool II depends on the risk factors that resulted in its inclusion in the pool. Below are the agencies identified based on risk for inclusion in Pool II for the 2024 work plan; however, we are deferring audits of select agencies until the next work plan year as noted below.*

Department for Aging and Rehabilitative Services <sup>1,2</sup>	Department of Veteran Services <sup>3,4</sup>
Department of Emergency Management	Payroll Service Bureau
Department of Fire Programs <sup>3</sup>	State Corporation Commission <sup>3</sup>
Department of General Services <sup>2</sup>	Supreme Court <sup>3,5</sup>
Department of Housing and Community Development <sup>2</sup>	Virginia Commission for the Arts <sup>3</sup>
Department of Military Affairs	Virginia Department of Wildlife Resources <sup>3</sup>
Department of Rail and Public Transportation	Virginia Museum of Fine Arts <sup>3</sup>
Department of State Police	

**Total – Cycled Agencies Pool I & II****6,350**

1 – Includes Wilson Workforce and Rehabilitation Center, Virginia Rehabilitation Center for the Blind and Vision Impaired, Virginia Board for People with Disabilities, Department for the Blind and Vision Impaired, and the Department for the Deaf and Hard-of-Hearing.

2 – We are deferring our Pool II performance audit for the 2024 work plan as we will be performing audits at these agencies in support of the ACFR and Single Audit of federal funds.

3 – We are deferring our Pool II performance audit for the 2024 work plan to allow these agencies sufficient time to implement corrective action to address findings noted in prior audits.

4 – Includes Sitter & Barfoot Veterans Care Center and Virginia Veterans Care Center.

5 – Includes Clerk of the Supreme Court, Court of Appeals of Virginia, Joint Inquiry and Review Commission, and Virginia Criminal Sentencing Commission.

## SPECIAL PROJECTS BUDGET

Required by Legislation, Statute, or Appropriation Act

Project Area	Objectives	Reference	Budget
Commonwealth Data Point	<ul style="list-style-type: none"> <li>• Compile and maintain a searchable database on the Auditor of Public Accounts internet website.</li> <li>• Include certain state expense, revenue, salary, and demographic information and visualizations in the database as specified in the Code of Virginia.</li> </ul>	Section 30-133 of the Code of Virginia	1,975
Local Government Fiscal Distress Analysis	<ul style="list-style-type: none"> <li>• Annually review locality financial and nonfinancial data as part of the established criteria of the early warning system to make preliminary determination of any potential local fiscal distress.</li> <li>• Notify identified locality (as applicable) of preliminary determination of potential fiscal distress.</li> <li>• Upon request from locality, perform detailed review to determine extent of fiscal distress.</li> <li>• If situation of fiscal distress exists, notify Governor, Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the locality of specific issues and recommended actions to further assess, help stabilize, or remediate the situation.</li> </ul>	Chapter 2 of 2022 Acts of Assembly, Item 4-8.03	600
Review of Chapter 759/769 Bond Issuance Limit	<ul style="list-style-type: none"> <li>• Report annually to the Governor, Speaker of the House of Delegates, President pro tempore of the Senate, and the Chairmen of the House Appropriations and Senate Finance and Appropriations Committees regarding the adherence to the annual issuance limits.</li> </ul>	Chapters 759/769 of the 2016 Acts of the Assembly, Enactment 10	155

Required by Legislation, Statute, or Appropriation Act, continued

Project Area	Objectives	Reference	Budget
APA Annual Report	<ul style="list-style-type: none"> <li>Describe the work performed by the Auditor of Public Accounts during the fiscal year and the significant findings.</li> </ul>	Section 30-133 of the Code of Virginia	140
MEI Project Approval Commission	<ul style="list-style-type: none"> <li>Assist the Major Employment and Investment Project Approval Commission.</li> </ul>	Section 30-311 of the Code of Virginia	10
PPEA Comprehensive Agreement Review	<ul style="list-style-type: none"> <li>Periodically review interim and comprehensive agreements to ensure compliance with required provisions.</li> </ul>	Section 56-575.18 of the Code of Virginia	15
Review of Performance Measures	<ul style="list-style-type: none"> <li>Using a risk-based approach, evaluate the need to perform a detailed review of agencies' performance measures.</li> </ul>	Section 30-133B of the Code of Virginia	10

Risk-Based Analysis

Project Area	Objectives	Budget
Comparative Report for Higher Education	<ul style="list-style-type: none"> <li>Provide financial comparison and analysis of the various public institutions of higher education in Virginia, considering the size and type of institution, and using techniques such as ratio analysis to further analyze and compare financial information.</li> <li>Periodically present this information in a report to aid decision makers and improve transparency and comparability for citizen-users of financial information.</li> </ul>	400
Fraud Monitoring	<ul style="list-style-type: none"> <li>Investigate potentially fraudulent activity reported to the Auditor of Public Accounts.</li> </ul>	60
Review of VITA's Enterprise Cloud Oversight Service (ECOS)	<ul style="list-style-type: none"> <li>Assess VITA's oversight functions and management of cloud-based services provided by software as a service (SaaS) vendors used by Executive Branch agencies.</li> <li>Determine if VITA provides consistent and effective guidance and performs oversight activities for agencies as expected based on the original Appropriations Act language that established ECOS.</li> <li>Determine whether VITA maintains communication with each agency regarding ECOS services to ensure the Commonwealth effectively assesses and addresses risks associated with cloud applications.</li> </ul>	440
<b>Total – Special Projects</b>		<b>3,805</b>



## AUDIT SUPPORT PROJECTS

*Audit support activities are not related to a specific audit; however, they are necessary to support our work plan projects.*

Project Area	Description	Hours
Agency Risk Monitoring	<ul style="list-style-type: none"> <li>Monitor activity and perform risk assessment procedures for all agencies to determine the appropriate level of audit coverage.</li> <li>Review the details and changes to the Commonwealth's budget for all agencies within the work plan.</li> <li>Monitor legislation proposed during the General Assembly session to determine potential impact on our audits.</li> </ul>	1,200
Assistance to Other Agencies	<ul style="list-style-type: none"> <li>Assist and collaborate with other oversight agencies as needed.</li> </ul>	50
Audit Tool Development and Update	<ul style="list-style-type: none"> <li>Develop and update standardized tools for use on all audits to ensure audits meet the applicable auditing standards.</li> <li>Obtain an understanding of new accounting standards to ensure audit tools include appropriate guidance for auditors.</li> </ul>	1,850
Exposure Draft Review	<ul style="list-style-type: none"> <li>Review exposure drafts for potential new auditing and accounting standards and provide formal feedback to applicable standard-setting bodies.</li> </ul>	200
Internship Program	<ul style="list-style-type: none"> <li>Increase Office talent pipeline through audit, educational, and professional experiences.</li> </ul>	2,960
Legislative Meetings and Requests	<ul style="list-style-type: none"> <li>Attend applicable legislative meetings and follow up on legislative requests.</li> </ul>	145
Office Automation	<ul style="list-style-type: none"> <li>Enhance methods for obtaining and analyzing data from Commonwealth systems for use in audits.</li> <li>Leverage robotic process automation software to perform routine audit-related and administrative tasks to enable use of personnel for other value-added activities requiring human judgment.</li> </ul>	950
Quality Control Reviews	<ul style="list-style-type: none"> <li>Annually conduct internal reviews of completed audits to ensure audit teams performed work in accordance with the applicable auditing standards.</li> </ul>	650
Systems Security Monitoring	<ul style="list-style-type: none"> <li>Monitor trends and attend meetings related to information systems security.</li> </ul>	200
<b>Total – Audit Support Projects</b>		<b>8,205</b>



Staci A. Henshaw, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

May 15, 2023

Members, Joint Legislative Audit and Review Commission  
General Assembly Building  
Capitol Square  
Richmond, Virginia 23219

Members:

Pursuant to §§ 2.2-2901 and 30-132 of the Code of Virginia, the Commission establishes the scales of pay and number of positions for this Office. The Commission last established the scales and positions on May 2, 2022. In accordance with Item 483 S.3 of Chapter 2 of the 2022 Acts of the Assembly, we request to increase our minimum and maximum salaries by five percent effective on June 10, 2023, as shown on the proposed salary scales. We also request the ability to make additional adjustments to our salary scales in accordance with any subsequent changes to Item 483 S.3 adopted by the General Assembly related to fiscal year 2024 compensation. This request will cover implementation of the five percent salary increase in Item 483 S.1 and any subsequently adopted changes to this Item.

While we do not anticipate exceeding the authorized number of positions, the foregoing is subject to the usual understanding that this Office retains the flexibility to staff in excess of the authorized number of positions so long as the costs remain within our appropriation.

Sincerely,

Staci A. Henshaw  
Auditor of Public Accounts

## AUDITOR OF PUBLIC ACCOUNTS

## PROPOSED SALARY SCALES

Position	Number of Positions 2023	Current Scale	Proposed Scale Effective June 10, 2023
Deputy Auditor	2	\$110,972 - \$214,002	\$116,521 - \$224,702
Project Leader	14	84,952 - 198,770	89,200 - 208,709
Auditor	90	56,228 - 132,943	59,039 - 139,590
Staff	30	35,005 - 93,381	36,756 - 98,050
<b>Total</b>	<b>136</b>		

### AGENCY OFFICIALS

Staci A. Henshaw, CPA, CGMA  
Auditor of Public Accounts

LaToya D. Jordan, CPA, CGFM, MBA  
Deputy Auditor for Human Capital and Operations

Eric M. Sandridge, CPA, CGFM, CISA, MSBA  
Deputy Auditor for Technology and Innovation

Directors by Specialty Area	
Acquisitions and Contract Management	J. Michael Reinholtz, CPA, CISA, VCO, MACIS
Capital Asset Management	DeAnn B. Compton, CPA, VCCO, CISA
Compliance Assurance	George D. Strudgeon, CPA, CGFM, CGMA, MBA, Advanced Single Audit Certificate
Data Analysis	April V. Cassada, CPA, CISA, CITP
Higher Education Programs	David L. Rasnic, CPA, CISA
Human Resources and Professional Development	Berkeley A. R. Wolford, SPHR, SHRM-SCP
Information Systems Security and Office Technology	Goran G. Gustavsson, MBA, CISSP, CISM
Local Government and Judicial Systems	Laurie J. Hicks, CPA, CFE
Process Innovation	Vacant
Procurement and Business Operations	Carnell N. Bagley, MBA, CPPB, VCO
Reporting and Standards	Zachary L. Borgerding, CPA, CGFM, CISA
Risk Analysis and Monitoring	Jennifer D. Eggleston, CPA, CGFM, CISA Linda C. Wade, CPA, CFE, CGFM, Graduate Certificate in Public Administration