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COMMONWEALTH OF VIRGINIA

Compensation Board

P.O. Box 710
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August 28, 2009

EMAIL MEMORANDUM

TO: County Administrators and City Managers
Regional Jail Authority Chairmen

CC: Sheriffs and Regional Jail Superintendents
Treasurers and Finance Directors

FROM: Robyn M. de Socio, Executive Secretary

RE: Conversion of FY09 Reimbursements to Federal Monies

I write in follow up to my memoranda to you dated July 22 and August 12 to notify you of an update to the transfer of FY09 reimbursement expenses from Commonwealth general fund dollars to federal stimulus dollars. Unfortunately, I must inform you that a change in the transfer of FY09 state dollars to federal dollars is necessary.

As you know, the Commonwealth elected to use the American Recovery and Reinvestment Act (ARRA), State Fiscal Stabilization Funds – General, to support Commonwealth expenditures occurring in March through June, 2009 in support of Sheriffs' Offices and Regional Jails. Since my last communication, some local auditors working with your localities on the review of these fund transfers have questioned local expenditures, which are ultimately supported by these funds, as potentially occurring before the official date of passage of the ARRA. Although the Commonwealth stands by the correctness of timing and use of state fiscal stabilization funds in the manner originally provided, in abundance of caution and in order to allay any concerns of your local auditors, we are changing the distribution of the federal funds for FY09.

Accordingly, expenses for February, reimbursed by the Compensation Board in March, have been pro-rated to include a federal funds allocation for only 9 working days for the month, representing February 17 through 28, 2009. To substitute for this change in funding, payments made in April, 2009 for per diem amounts for the housing of inmates in local and regional jails are being transferred from state funds to federal funds.

An updated spreadsheet identifying the distribution of federal funds for FY09 and an updated database providing details of the converted amounts at the position level are now available on the Compensation Board's website. Please note that funding distributions at the position level have not changed for the March, April and May payroll reimbursements from the spreadsheet and database details provided earlier. You will see a reduction in the distribution of federal funds for the February payroll reimbursement, and localities operating

a local jail and regional jail facilities will see a new distribution of federal funds to cover some or all of the 4th quarter per diem payment (note that per diem amounts paid by the Compensation Board are quarterly payments to assist with general jail operating expenses, and are not considered reimbursements of specific expenses).

To view the revised summary spreadsheet and database, please go to our website's [ARRA page](#). To view the revised summary spreadsheet, click the link entitled "REVISED FY09 Recovery-State Fiscal Stabilization Funds-General Distribution for Sheriffs Offices/Regional Jails". To download the revised Access database, please click the link entitled "FY09 ARRA State Stabilization Funds Database (revised 8/22/09)". Please choose the option to SAVE the database to your own computer, instead of opening the file directly from the website. This will prevent concurrent viewers of the database from corrupting the data for others when viewing individual locality information.

The detailed information in the database will be used for the Commonwealth's reporting on the number of positions covered by federal stimulus funds and to meet the federal quarterly reporting requirements of the ARRA. The Commonwealth will maintain responsibility for fulfilling the federal reporting requirements for this distribution. However, I recommend that you maintain this detailed information for your records for accounting and audit purposes, to support the receipt of federal funds in your locality.

Please ensure you provide this communication to the appropriate finance personnel, so that funds originally received in FY09 as Commonwealth revenues can be properly identified as federal funds as a part of closing out your FY09 finances. For additional information previously provided by the Compensation Board regarding the use of federal stimulus funds for Sheriffs' Offices and Regional Jails, please visit the [ARRA link](#) from the Budgets and Salaries page of the Compensation Board website (www.scb.virginia.gov).

Again, I appreciate your ongoing patience with this funding issue, and apologize for any inconvenience you may experience by this change. If you have any difficulties accessing your locality details in the Access database, please contact Charlotte Luck via email at charlotte.luck@scb.virginia.gov. If you have any other questions regarding this communication, or need additional information, please feel free to contact me at robyn.desocio@scb.virginia.gov or 804.225.3439, or contact Charlotte Luck at charlotte.luck@scb.virginia.gov or 804.225.3366.

C: Compensation Board Members
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