



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219 2000

Charles A. Kilpatrick, P.E.
Commissioner

September 20, 2016

County Administrators
City and Town Managers
Planning District Commissions
Metropolitan Planning Organizations

Dear Ladies and Gentlemen:

Thank you for another productive year and for our continued collaboration in improving the highways of the Commonwealth of Virginia. As we bring Fiscal Year 2016 to a close and begin preparing our financial statements and other financial information for the fiscal year, we must also ensure that our federal reporting requirements are met. These federal requirements include ensuring that sub-recipients of federal funds passed through the Virginia Department of Transportation (VDOT) have met the Code of Federal Regulations Title 2 Subtitle A Chapter II Part 200 Single Audit requirements.

You have received this letter because according to our disbursement records for Fiscal Year 2016, VDOT has passed through federal dollars to your entity as a sub-recipient. As a sub-recipient, certain federal requirements may apply, depending on the amount of federal dollars your entity has expended from all sources, not just federal funding passed-through from VDOT. To assist you in determining the amount of federal pass-through dollars that have been disbursed to your entity from VDOT, we are making available a report of amounts disbursed to sub-recipients for Fiscal Year 2016. We hope this report will be helpful to your financial team and auditors in determining whether the federal amounts received from VDOT, along with other sources, meet the threshold to require a Single Audit.

VDOT requests that you review the sub-recipient federal expenditure report located on VDOT's website (link to be provided via email; follow the menu path Business Center/Local Assistance Division/Locally Administered Projects to get to the section Federal Sub-Recipient Reporting), reconcile it to your entity's accounting records and let us know on the enclosed Response Form whether or not the federal reimbursements listed agree with your accounting records. Please note that you should use the expenditure report listed on VDOT's website and not the Cardinal report on the APA website for this reconciliation. The Cardinal report on APA's website does not include the federal portion of each payment from VDOT, and therefore should not be used.

County Administrators
City and Town Managers
Planning District Commissions
Metropolitan Planning Organizations
September 20, 2016
Page Two

If there are any federal reimbursements received from VDOT not listed or federal reimbursements listed that should not be, please include the discrepancies on the Response Form and/or sub-recipient federal expenditure report. Additionally, VDOT requests the total federal funding expended from all entities including VDOT and whether a Single Audit is planned for Fiscal Year 2016. Regardless of whether there are discrepancies, the form should be completed and emailed to VDOT.

In addition to submitting your completed Response Form, please also submit your Comprehensive Annual Financial Report (CAFR) and your Single Audit to VDOT at the same time that you submit this information to the federal clearinghouse, and no later than April 30, 2017. If your entity is not required to obtain a CAFR, please submit your Annual Financial Audit Report. If your entity is not required to obtain a Single Audit, please submit your completed Response Form, including the reconciliation to VDOT no later than April 30, 2017.

All documents should be submitted by email to VDOT at CAFR@VDOT.Virginia.gov.

Thank you very much for your partnership with VDOT and for your cooperation in ensuring that all federal sub-recipient reporting requirements are met. If you have any questions, please contact me at janice.long@vdot.virginia.gov or (804) 786-6373.

Sincerely,



Janice S. Long
Controller