

2027 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 2027 ANNUAL WORK PLAN

Project Area	Budget
Executive Branch	116,375
Executive Offices	1,300
Administration	3,145
Commerce and Trade	1,500
Education	1,980
Education – Higher Education Institutions	67,140
Finance	20,090
Health and Human Resources	11,910
Labor	2,120
Natural and Historic Resources	150
Public Safety and Homeland Security	1,055
Transportation	5,985
Independent Agencies and Authorities	14,225
Local Governments, Clerks, and Courts	14,930
Cycled Agencies	8,550
Special Projects	635
Total Audit Projects Work Plan Hours	154,715
Audit Support Projects	5,695
Total Audit and Support Projects Work Plan Hours	160,410

AGENCIES AND INSTITUTIONS BUDGET

Executive Branch	
<u>Executive Offices</u>	
<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	800
Governor and Cabinet Secretaries, Lieutenant Governor	<u>500</u>
Subtotal	1,300
<u>Administration</u>	
<i>Audits of Administration agencies support the Annual Comprehensive Financial Report (ACFR) audit.</i>	
Department of General Services	540
Department of Human Resource Management	1,535
Virginia Information Technologies Agency	<u>1,070</u>
Subtotal	3,145
<u>Commerce and Trade</u>	
<i>Financial statement audit of the Virginia Innovation Partnership Authority/Virginia Innovation Partnership Corporation and financial-related audit of the Virginia Economic Development Partnership satisfy various Code of Virginia requirements.</i>	
Virginia Innovation Partnership Authority/Virginia Innovation Partnership Corporation	850
Virginia Economic Development Partnership	<u>650</u>
Subtotal	1,500
<u>Education</u>	
<i>The Department of Education audit supports the ACFR audit and Single Audit of federal funds.</i>	
Department of Education	<u>1,980</u>
Subtotal	1,980

AGENCIES AND INSTITUTIONS BUDGET

Executive Branch, continued

Education – Higher Education Institutions

Financial statement audits of the two- and four-year institutions of higher education satisfy bond and reaffirmation of accreditation 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.

The Comparative Report provides ongoing financial comparison and analysis of the various public institutions of higher education in Virginia using techniques such as ratio analysis, and results in the periodic presentation of this information in a report to aid decision makers and improve transparency and comparability for users of higher education financial information.

Christopher Newport University	2,590
College of William and Mary	4,145
George Mason University ¹	3,575
James Madison University ¹	2,745
Longwood University	2,730
Norfolk State University ¹	3,145
Old Dominion University ¹	3,395
Radford University ¹	2,445
Richard Bland College ²	2,100
University of Mary Washington	2,620
University of Virginia (UVA) ¹	6,865
University of Virginia Medical Center	2,900
Virginia Commonwealth University (VCU) ¹	5,665
Virginia Community College System ^{1,3}	10,750
Virginia Military Institute	2,530
Virginia Polytechnic Institute and State University (VT) ¹	4,815
Virginia State University ¹	3,725
Comparative Report Preparation and Analysis	<u>400</u>
Subtotal	67,140

1 – Includes hours for follow-up review of prior federal findings in support of the Single Audit of federal funds.

2 – Chapter 607 of the 2025 Acts of Assembly removed the board of visitors of The College of William and Mary's (CWM) authority to supervise and control Richard Bland College (RBC) and established a separate nine-member board of visitors to direct the affairs of RBC. It also required fiscal year ending June 30, 2025, to be the last audit for which RBC would be treated as a consolidated entity of the board of visitors of CWM. As such, we have created a new project in our workplan to audit RBC separately.

3 – Includes hours for performing internal control questionnaire reviews at select institutions.

AGENCIES AND INSTITUTIONS BUDGET

Executive Branch, continued	
Finance	
<i>Audits of the Finance agencies support the ACFR audit and/or Single Audit of federal funds and satisfy various legislative requirements. 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.</i>	
Department of Accounts/ACFR	9,030
Department of Planning and Budget/Appropriations	500
Department of Taxation	3,020
Department of the Treasury	4,900
Revenue Stabilization and Reserve Funds	120
Single Audit of Federal Funds	<u>2,520</u>
Subtotal	20,090
Health and Human Resources	
<i>The financial-related audit of the Commonwealth Health Research Board ensures adherence to state laws and regulations and proper recording, internal controls, and management of funds. Audits of the remaining Health and Human Resources agencies support the ACFR audit and/or Single Audit of federal funds.</i>	
Commonwealth Health Research Board	150
Department of Behavioral Health and Developmental Services ¹	2,700
Department of Health	1,910
Department of Medical Assistance Services ¹	3,150
Department of Social Services	<u>4,000</u>
Subtotal	11,910
Labor	
<i>The Virginia Employment Commission audit supports the ACFR audit and Single Audit of federal funds.</i>	
Virginia Employment Commission	<u>2,120</u>
Subtotal	2,120
Natural and Historic Resources	
<i>Financial-related audit to review internal controls, ensure proper recording of financial transactions, and evaluate compliance with applicable state laws and regulations.</i>	
Potomac River Fisheries Commission	<u>150</u>
Subtotal	150
Public Safety and Homeland Security	
<i>The Department of Corrections audit supports the ACFR audit.</i>	
Department of Corrections	<u>1,055</u>
Subtotal	1,055

1 – Includes hours for performing internal control questionnaire reviews for select areas.

AGENCIES AND INSTITUTIONS BUDGET

Executive Branch, continued	
<u>Transportation</u>	
<i>Audits of the Transportation agencies support the ACFR audit and/or Single Audit of federal funds. The Department of Transportation audit also includes the financial statement audit of the I-81 Corridor Improvement Fund.</i>	
Department of Motor Vehicles	1,685
Department of Transportation	<u>4,300</u>
Subtotal	5,985
Total – Executive Branch	116,375
Independent Agencies and Authorities	
<i>Financial statement audits of these agencies support the ACFR audit and/or satisfy various Code of Virginia requirements. The Cannabis Control Authority is a financial-related audit to review internal controls, ensure proper reporting of financial transactions, and evaluate compliance with applicable state laws and regulations until the Authority begins producing financial statements.</i>	
Cannabis Control Authority	700
Commonwealth Savers Plan	1,900
Virginia Alcoholic Beverage Control Authority	2,410
Virginia Biotechnology Research Partnership Authority	925
Virginia Lottery	2,250
Virginia Retirement System	6,040
Total – Independent Agencies and Authorities	14,225
Local Governments, Clerks, and Courts	
<i>The Comparative Report presents local government revenues, expenses, and other financial data. Fiscal distress monitoring includes our annual review of local financial and nonfinancial data as part of the established early warning system to identify whether a locality may meet the defined criteria for fiscal distress and includes a follow-up review process with identified localities to determine if fiscal distress exists that warrants state assistance or intervention. The Office issues annual audit specifications and various guidelines to assist local government compliance with audit, accounting, and reporting requirements. The Office performs quality reviews for select local government audits to ensure audits adhere to applicable auditing standards and specifications. Audits of judicial entities and local constitutional officers ensure compliance with state laws and regulations and accountability of state funds.</i>	
Comparative Report Preparation	750
Fiscal Distress Analysis and Monitoring	600
Local Government Guidelines and Quality Reviews	2,850
Constitutional Officers State Revenue Collections (131)	2,000
Judicial Entities: Circuit Courts (102), District Courts (211), General Receivers (6), and Magistrate Districts (31)	8,730
Total – Local Government, Clerks, and Courts	14,930

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. 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	
Pool I	
<i>The agencies in this pool are subject to an internal control questionnaire review that includes a verification of internal controls once every three years. Below are the agencies included in Pool I for the 2027 work plan.</i>	
Assistive Technology Loan Fund Authority	Gunston Hall ¹
Board of Accountancy ¹	Indigent Defense Commission ¹
Board of Bar Examiners	Jamestown-Yorktown Foundation ¹
Commonwealth's Attorneys' Services Council	Marine Resources Commission
Compensation Board ¹	Motor Vehicle Dealer Board ¹
Department of Agriculture and Consumer Services	New College Institute
Department of Aviation ¹	Office of Children's Services
Department of Conservation and Recreation ¹	Office of the State Inspector General ¹
Department of Criminal Justice Services ¹	Opioid Abatement Authority
Department of Elections ¹	Southern Virginia Higher Education Center
Department of Emergency Management	Southwest Virginia Higher Education Center
Department of Environmental Quality	State Corporation Commission
Department of Fire Programs	State Council of Higher Education for Virginia ¹
Department of Forensic Science	The Library of Virginia
Department of Forestry ¹	The Science Museum of Virginia
Department of Health Professions	Tobacco Region Revitalization Commission
Department of Historic Resources	Virginia Commission for the Arts
Department of Juvenile Justice ¹	Virginia Department of Energy
Department of Labor and Industry	Virginia Foundation for Healthy Youth
Department of Professional and Occupational Regulation	Virginia Health Workforce Development Authority
Department of Small Business and Supplier Diversity ^{1,2}	Virginia Museum of Natural History
Frontier Culture Museum of Virginia	Virginia Racing Commission ¹
Genedge Alliance	Virginia School for the Deaf and the Blind
	Virginia Tourism Authority
	Virginia Workers' Compensation Commission ¹

1 – These agencies will receive an internal control questionnaire review during the 2027 work plan.

2 – Includes Virginia Small Business Financing Authority.

Cycled Agencies, continued

Pool II

Agencies included in Pool II are subject to a financial-related audit each year to cover internal controls, ensure proper recording of financial transactions, and/or evaluate compliance with applicable laws and regulations. We use a risk-based approach to determine the scope of the review for each agency selected. Therefore, our reports have a limited scope, focusing on the specific area we select for review based on risk. The time that an agency remains in Pool II depends on the risk factors that resulted in its inclusion in the pool. Pool II also includes audits of select cycled agencies providing support for the Single Audit of federal funds. Below are the agencies identified based on risk for inclusion in Pool II for the 2027 work plan.

Department of Aging and Rehabilitation Services ^{1,2}	Department of Workforce Development & Advancement ¹
Department of Housing and Community Development ¹	Payroll Service Bureau
Department of Military Affairs ¹	Supreme Court ^{1,3}
Department of Rail and Public Transportation ¹	Virginia Department of Wildlife Resources
Department of State Police	Virginia Museum of Fine Arts ¹
Department of Veterans Services ¹	Virginia State Bar ¹
Total – Cycled Agencies Pool I & II	8,550

- 1 – These agencies are in the cycle for the 2027 work plan and will receive a financial-related or Single Audit support audit as described above.
- 2 – 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.
- 3 – Includes Clerk of the Supreme Court, Court of Appeals of Virginia, Joint Inquiry and Review Commission, and Virginia Criminal Sentencing Commission.

SPECIAL PROJECTS BUDGET

Project Area	Objectives	Reference	Budget
Birth-Related Neurological Injury Compensation Fund	<ul style="list-style-type: none"> Receive and review any audit conducted related to the fund and provide relevant analysis. 	Section 38.2-5015 of the Code of Virginia	10
Commonwealth Data Point	<ul style="list-style-type: none"> Compile and maintain a searchable database on the Auditor of Public Accounts internet website. Include certain state expenditure, revenue, salary, and demographic information and visualizations in the database as specified in the Code of Virginia. 	Section 30-133 of the Code of Virginia	450
APA Annual Report	<ul style="list-style-type: none"> Describe the work performed by the Auditor of Public Accounts during the fiscal year and the significant findings. 	Section 30-133 of the Code of Virginia	150
MEI Project Approval Commission	<ul style="list-style-type: none"> Upon request, assist the Major Employment and Investment Project Approval Commission. 	Section 30-311 of the Code of Virginia	10
PPEA Comprehensive Agreement Review	<ul style="list-style-type: none"> Periodically review audit process to confirm adequate coverage of interim and comprehensive agreements to ensure compliance with required provisions. 	Section 56-575.18 of the Code of Virginia	10
Review of Performance Measures	<ul style="list-style-type: none"> Using a risk-based approach, evaluate the need to perform a detailed review of agencies' performance measures. 	Section 30-133B of the Code of Virginia	5
Total – Special Projects			635

AUDIT SUPPORT PROJECTS BUDGET

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

Project Area	Description	Budget
Agency Risk Monitoring	<ul style="list-style-type: none"> Monitor activity and perform risk assessment procedures for all agencies to determine the appropriate level of audit coverage. Review the Commonwealth's budget for all agencies within the work plan. Monitor legislation proposed during the General Assembly session to determine potential audit impact. 	1,325
Assistance to Other Agencies	<ul style="list-style-type: none"> Assist and collaborate with other oversight agencies as needed. 	50
Audit Tool Development and Update	<ul style="list-style-type: none"> Develop and update standardized tools for use on all audits to ensure audits meet the applicable auditing standards. Obtain an understanding of new accounting standards to ensure audit tools include appropriate guidance for auditors. 	1,960
Exposure Draft Review	<ul style="list-style-type: none"> Review exposure drafts for potential new auditing and accounting standards and provide formal feedback to applicable standard-setting bodies. 	100
Fraud Monitoring	<ul style="list-style-type: none"> Monitor investigations of potentially fraudulent activity reported to the Auditor of Public Accounts. 	40
Legislative Meetings and Requests	<ul style="list-style-type: none"> Attend applicable legislative meetings and follow up on legislative requests. 	140
Office Automation	<ul style="list-style-type: none"> Enhance methods for obtaining and analyzing data from Commonwealth systems for use in audits. 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. 	1,200
Quality Control Reviews	<ul style="list-style-type: none"> Annually conduct internal reviews of completed audits to ensure audit teams performed work in accordance with the applicable auditing standards. 	750
Systems Security Monitoring	<ul style="list-style-type: none"> Monitor trends and attend meetings related to information systems security. 	130
Total – Audit Support Projects		5,695

AGENCY OFFICIALS

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

Zachary L. Borgerding, CPA, CGFM, CISA
Deputy Auditor for Human Capital and Operations

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

Directors by Specialty Area	
Annual Comprehensive Financial Report	DeAnn B. Compton, CPA, CISA, VCCO
Capital Asset Reporting	Justin J. Rhodes, CPA, CISA
Data Analysis	April V. Cassada, CPA, CISA, CITP
Higher Education Programs	David L. Rasnic, CPA, CISA
Human Capital and Business Operations	Carnell N. Bagley, MBA, CPPB, VCO 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	Scott D. Booker, CPA, CISA
Procurement and Compliance Assurance	George D. Strudgeon, CPA, CGFM, CGMA, MBA
Reporting and Standards	Amy C. Stokes, CPA, CGFM, VCO
Risk Analysis and Monitoring	Jennifer D. Eggleston, CPA, CGFM, CISA Megan B. Richard, CPA, CISA