

AGREEMENT TO PROVIDE FISCAL SERVICES MEMORANDUM OF UNDERSTANDING REGARDING FISCAL SERVICES

This ~~Agreement-Memorandum of Understanding~~ (“~~Agreement~~MOU”) is entered into between the CENTRAL VIRGINIA TRANSPORTATION AUTHORITY (hereinafter referred to as “the Authority”) and the CITY OF RICHMOND, VIRGINIA’S DEPARTMENT OF FINANCE (hereinafter referred to as “the City”) this _____ day of _____, _____.

Whereas, the Authority has been established pursuant to Va. Code § 33.2-3700, et seq.; and

Whereas, the Authority desires to ~~appoint~~ authorize the City ~~as a fiscal agent~~ to perform certain duties as set forth in this ~~Agreement~~MOU; and

Whereas, the Authority is authorized to do so pursuant to Va. Code § 33.2-3708(A)(5) ~~and (10)~~;

Now therefore, ~~it is agreed by the parties as follows:~~

1. Fiscal Agent Services: The City ~~agrees to may~~ serve as Fiscal Agent for the Authority starting _____, 20____, and specifically agrees to may provide the following services ~~in that capacity~~:
 - a. Review and maintain accounting records, preliminary findings, notes of analysis, bank reconciliations, and monthly/quarterly financial statements of the Authority’s assets, liabilities, equity, revenue, expenses, estimated revenues, budgeted expenses and commitments. The City ~~will may~~ monitor, and assist the Authority in ensuring, the Authority’s compliance with generally accepted accounting principles and all applicable state and federal guidelines.
 - b. Serve as a contact to the Office of the Auditor of Public Accounts for the Authority’s annual financial audit process. ~~This section includes the City providing~~The City may provide information to the auditor retained by the Office

Commented [GAA-CA1]: Eric: I added a reference here to A(5) rather than A(10), because this is now less of a “contract” and more of a mutual acknowledgement that the City will be providing services.

Commented [GAA-CA2]: One suggested addition: Can the CVTA specify the information to be provided to the City that will enable it to perform these functions?

The provision might just be: CVTA intends to provide the City with...

of the Auditor of Public Accounts, preparing and meeting with the auditor to review the preliminary audit report, and publishing audited financial statements for the Authority. The Authority shall pay all costs associated the publishing of the Authority’s audited financial statements.

2. This ~~Agreement~~MOU ~~is shall remain~~ in force and effect until the Authority or the City gives written notice to the other of its desire to terminate the ~~Agreement~~MOU. ~~SEach party intends to give~~ such notice ~~shall be given~~ at least 60 days prior to the date of termination, unless otherwise agreed.

~~3. This Agreement is made in, and shall be construed in accordance with and governed by the laws of the Commonwealth of Virginia and any dispute between the parties shall be resolved in the Richmond Circuit Court and in no other forum.~~

~~4.3.~~ The City shall not be required to appropriate any City funds for the purpose of performing this ~~Agreement~~MOU. The Authority and the City understand that, pursuant to Va. Code § 33.2-3703, the Auditor of Public Accounts will perform, or cause to be performed through its legally authorized representatives, all auditing services for the Authority, including but not limited an annual audit of the Authority’s financial accounts, and the costs of such auditing services shall be borne by the Authority.

Wherefore, the parties, by signing ~~below, hereby indicate their mutual understanding as reflected in of the above provisions, this Agreement below, evidence their intent to be bound thereby.~~

CENTRAL VIRGINIA TRANSPORTATION AUTHORITY

By: _____

CITY OF RICHMOND, VIRGINIA

By: _____

Commented [GAA-CA3]: Our thought is that, given the nonbinding nature of the MOU, this provision is no longer necessary. There shouldn't be a need to "construe" it in accordance with law, nor should it give rise to any dispute.

DRAFT

Roles and Responsibilities Among CVTA Supporting Partners – Financial Administration

PERFORM

Chesterfield County maintains banking accounts for CVTA pursuant to the Fiscal Agent Agreement executed on January 11, 2021.

- PlanRVA and City of Richmond have view only access to accounts for purposes of bank reconciliation and cash on hand status reports.

RECORD

PlanRVA maintains all receivables and payables in QuickBooks; CVTA set up as a separate company.

- Chesterfield County and City of Richmond have view only permissions to QuickBooks and may request a report from PlanRVA at any time

REPORT

PlanRVA prepares monthly/quarterly bank reconciliation and financial statements (Balance Sheet, Profit and Loss Statement, Statement of Cash Flows, Cash Disbursement Report) for periodic review.

ANALYSIS

PlanRVA submits monthly/quarterly statements to the City of Richmond to review with any preliminary findings or notes of analysis.

REVIEW

City of Richmond reviews bank reconciliations, monthly/quarterly financial statements provided by PlanRVA and provides any findings to the Finance Committee.

For purposes of assuring consistency with the Financial Policies and Procedures document approved by the CVTA Finance Committee:

- PlanRVA provides staffing to fulfill the roles/responsibilities of Chief Financial Staff as described in Roles and Responsibilities: III.
- Chesterfield County provides account management through the Fiscal Agent Agreement dated 1/11/21 as authorized in the Roles and Responsibilities: IV
- City of Richmond provides review through the Fiscal Agent Agreement dated x/xx/21 as authorized in the Roles and Responsibilities; IV

Steps for Annual Budget Development (CVTA Administrative and Operating Account):

1. PlanRVA develops draft budget.
provided to the Finance Committee for consideration in February of each year.
2. The Finance Committee recommends a completed Fiscal Year budget for Authority consideration in March.
3. The Authority schedules a public hearing and advertises the proposed FY Administrative and Operating Budget to occur at a regularly scheduled meeting prior to May 15th (April).
4. The Authority holds a public hearing and takes action regarding the FY Administrative and Operating budget by May 15th pursuant.
5. Occurrences requiring amendments to the budget may be made administratively following concurrence among staff from PlanRVA (Chief Financial Staff), provided the total budget is not changed and adjustments between line items is equal to or less than \$10,000.
6. Occurrences resulting in major adjustments, those in excess of \$10,000 must have approval from the Finance Committee.

Steps for Invoice Payments (CVTA Administrative and Operating Account):

1. Invoices submitted by email to CVTA@PlanRVA.org or by post to CVTA c/o PlanRVA 9211 Forest Hill Avenue, Suite 200 Richmond VA 23235.
 - a. Invoices internally routed.
 - b. Staff reviews invoices for consistency with general guidelines set forward in the Financial Policies and Procedures (Financial Management and Operations: II)
 - c. Staff prepares entries in QuickBooks for payables
2. PlanRVA submits batched invoices to City of Richmond for approval via encrypted email with cc: to Chesterfield County. Batch should include a coversheet documenting vendor and dollar amount to be paid. All invoices should be included along with a QuickBooks budgetary statement (date and time stamped) that includes enough detail documenting requested payments are within the Authority's approved budget.
3. City of Richmond reviews batch for reasonableness, accuracy and within the Authority's approved budget. City of Richmond notifies Chesterfield County via encrypted email that the batch has been approved and authorizes payments.
4. Once the City of Richmond's approval is received, Chesterfield County prepares payment disbursements within payment system and initiates payment to vendors. Chesterfield County notifies PlanRVA via encrypted email that disbursements have been made so that payables can be reversed in QuickBooks.

Steps for Processing Local Distributions:

1. Monthly Revenue Transfer statement submitted to PlanRVA:
CVTA@PlanRVA.org
 - a. Reported transfer amount validated by Chesterfield County as matching deposit
2. PlanRVA prepares coversheet summarizing Monthly Revenue Transfer statement, providing it and original Monthly Revenue Transfer statement to Finance Directors' Working Group within 3 business days, including:
 - a. Calculated total revenues for sales and fuels tax receipts.
 - b. Bar chart summarizing monthly receipts for trend analysis.
 - c. Calculated distributions to jurisdictions (includes distribution between Town of Ashland and Hanover County according to agreed method)
 - i. 1st Transfer of each fiscal year is reduced by total amount budgeted for FY Administrative and Operating Expenses.
3. Finance Directors Working group coordinate local review and validation of revenues and calculations; respond back with confirmation to accept deposits as submitted within 3 business days.
4. Chesterfield County initiates transfers within 2 business days.

Steps for Regular Reporting to the City of Richmond and Finance Committee:

1. PlanRVA will prepare a monthly financial reporting package for review by the City of Richmond. It will include:
 - a. Bank account(s) reconciliation performed by Chesterfield County
 - b. Summary of invoices paid during the period with documentation of consistency with budget and approval
 - c. Summary of distributions to local governments for 50% portion of revenues including documentation of local validation of distribution amounts
 - d. Summary of distributions to GRTC
 - e. Approved Meeting minutes Budget amendments and trail of approval consistent with policies
 - f. P&L, Balance sheet, Comparison of Budget to Actual YTD,
 - g. Investment Report

Timeline of Meetings: FY2021

February

Monday	Tuesday	Wednesday	Thursday	Friday	Notes
1 Finance Committee Chair Briefing	2	3- Finance Committee Mailout	4	5	
8	9	10- Finance Committee Meets	11	12 Authority Packet Deadline	
15	16 Authority Mailout	17	18	19	
22	23	24	25 Finance Packet Deadline	26 Authority Meets	

March

Monday	Tuesday	Wednesday	Thursday	Friday	Notes
1 Finance Committee Chair Briefing	2	3- Finance Committee Mailout	4	5	
8	9	10- Finance Committee Meets	11	12 Authority Packet Deadline	
15	16 Authority Mailout	17	18	19	
22	23	24	25 Finance Packet Deadline	26 Authority Meets	
29	30	31			

April

Monday	Tuesday	Wednesday	Thursday	Friday	Notes
			1	2	
5 Finance Committee Chair Briefing	6	7- Finance Committee Mailout	8	9	
12	13	14- Finance Committee Meets	15	16 Authority Packet Deadline	
19	20 Authority Mailout	21	22	23	
26	27	28	29 Finance Packet Deadline	30 Authority Meets	

May

Monday	Tuesday	Wednesday	Thursday	Friday	Notes
3 Finance Committee Chair Briefing	4	5 Finance Committee Mailout	6	7	
10	11	12 Finance Committee Meets	13	14 Authority Packet Deadline	
17	18 Authority Mailout	19	20	21	
24	25	26	27 Finance Packet Deadline	28 Authority Meets	
31 Finance Committee Chair Briefing					

June

Monday	Tuesday	Wednesday	Thursday	Friday	Notes
	1	2 Finance Committee Mailout	3	4	
7	8	9 Finance Committee Meets	10	11 Authority Packet Deadline	
14	15 Authority Mailout	16	17	18	
21	22	23	24 Finance Packet Deadline	25 Authority Meets	
28 Finance Chair Briefing	29	30			