

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES
AND
COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

FINANCIAL REPORT

JUNE 30, 2006

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES
AND COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The General Assembly, and Legislative
Agencies and Commissions of the
Commonwealth of Virginia

We have audited the accompanying cash basis financial statements of the General Assembly, and Legislative Agencies and Commissions of the Commonwealth of Virginia ("the Agencies") as of and for the year ended June 30, 2006, as listed in the table of contents. These cash basis financial statements are the responsibility of the respective managements of the Agencies. Our responsibility is to express an opinion on these cash basis financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the General Assembly, and Legislative Agencies and Commissions of the Commonwealth of Virginia as of and for the year ended June 30, 2006, and its cash basis revenues and expenditures for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2006, on our consideration of the Agencies' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 15, 2006

GENERAL ASSEMBLY OF THE COMMONWEALTH

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES

IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For The Year Ended June 30, 2006

| | General Fund | | Variance Positive (Negative) |
|---|---------------------|---------------|------------------------------------|
| | Budget | Actual | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 26,899,316 | \$ 26,899,316 | \$ - |
| Prior year surplus re-appropriated | 6,450,667 | 6,450,667 | - |
| Other adjustments and transfers, net | 2,251,295 | 2,251,295 | - |
| Total revenue | 35,601,278 | 35,601,278 | - |
| EXPENDITURES | 35,601,278 | 28,963,593 | 6,637,685 |
| Excess of revenue over expenditures | \$ - | 6,637,685 | \$ 6,637,685 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 6,637,685 | |

AUDITOR OF PUBLIC ACCOUNTS
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2006

| | General Fund | | Variance Positive (Negative) |
|--|---------------------|---------------------|------------------------------------|
| | Budget | Actual | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 9,167,778 | \$ 9,167,778 | \$ - |
| Prior years surplus re-appropriated | 3,874,488 | 3,874,488 | - |
| Other adjustments and transfers, net | (1,380,724) | (1,380,724) | - |
| From the Federal Government | - | - | - |
| From local governments | - | 331,571 | 331,571 |
| Total revenue | <u>11,661,542</u> | <u>11,993,113</u> | <u>331,571</u> |
| EXPENDITURES | <u>11,661,542</u> | <u>8,899,383</u> | <u>2,762,159</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>3,093,730</u> | <u>\$ 3,093,730</u> |
| CASH BALANCE, beginning of year | | <u>50</u> | |
| CASH BALANCE, end of year | | <u>\$ 3,093,780</u> | |

The Notes to Financial Statements are an integral part of this statement.

Special Revenue Fund

| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|----------------|---------------------|---|
| \$ - | \$ - | \$ - |
| - | - | - |
| - | (6,331) | (6,331) |
| 732,171 | 829,006 | 96,835 |
| - | - | - |
| <u>732,171</u> | <u>822,675</u> | <u>90,504</u> |
| <u>732,171</u> | <u>727,748</u> | <u>4,423</u> |
| <u>\$ -</u> | <u>94,927</u> | <u>\$ 94,927</u> |
| | <u>1,090,019</u> | |
| | <u>\$ 1,184,946</u> | |

CAPITAL SQUARE PRESERVATION COUNCIL
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2006

| | General Fund | | Variance Positive (Negative) |
|--------------------------------------|---------------------|------------|------------------------------------|
| | Budget | Actual | |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth: | | | |
| Original | \$ 101,471 | \$ 101,471 | \$ - |
| Prior year surplus re-appropriated | 33,575 | 33,575 | - |
| Other adjustments and transfers, net | 6,707 | 6,707 | - |
| Other | - | - | - |
| Total revenue | 141,753 | 141,753 | - |
| EXPENDITURES | 141,753 | 93,762 | 47,991 |
| Excess of revenue over expenditures | \$ - | 47,991 | \$ 47,991 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 47,991 | |

* Amount was shown as a carry-over from prior year and recorded in CARS system as a revenue. It has not been included in revenue in this statement since it was included in beginning cash.

The Notes to Financial Statements are an integral part of this statement.

Special Revenue Fund

| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------|------------------|---|
| \$ - | \$ - | \$ - |
| - | - | - |
| - | - | - |
| - | 800 | 800 |
| - | 800 | 800 |
| - | - | - |
| <u>\$ -</u> | <u>800</u> | <u>\$ 800</u> |
| | <u>29,475</u> * | |
| | <u>\$ 30,275</u> | |

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CHESAPEAKE BAY COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|---|---------------------|------------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 205,856 | \$ 205,856 | \$ - |
| Other adjustments and transfers, net | 6,403 | 6,403 | - |
| Total revenue | 212,259 | 212,259 | - |
| EXPENDITURES | 212,259 | 212,259 | - |
| Excess of revenue over expenditures | \$ - | - | \$ - |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ - | |

COMMISSION ON THE VIRGINIA ALCOHOL SAFETY ACTION PROGRAM
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE and FEDERAL TRUST FUND
For The Year Ended June 30, 2006

| | Special Revenue Fund | | |
|--|-----------------------------|--------------|------------------------------------|
| | Budget | Actual | Variance Positive (Negative) |
| REVENUE: | | | |
| Driver reinstatement fees and other fees | \$ 1,364,089 | \$ 1,602,544 | \$ 238,455 |
| Grant awards | - | - | - |
| Other adjustments and transfers, net | 16,864 | (166,057) | (182,921) |
| Total revenue | 1,380,953 | 1,436,487 | (55,534) |
| EXPENDITURES | 1,380,953 | 895,583 | 485,370 |
| Excess of revenue over expenditures | \$ - | 540,904 | \$ 540,904 |
| CASH BALANCE, beginning of year | | 2,076,172 | |
| CASH BALANCE, end of year | | \$ 2,617,076 | |

The Notes to Financial Statements are
an integral part of this statement.

Federal Trust Fund

| Budget | Actual | Variance Positive (Negative) |
|-------------|-------------------|------------------------------------|
| \$ - | \$ - | \$ - |
| 631,000 | 203,878 | (427,122) |
| - | 162,014 | 162,014 |
| 631,000 | 365,892 | 265,108 |
| 631,000 | 203,066 | 427,934 |
| <u>\$ -</u> | <u>162,826</u> | <u>\$ 162,826</u> |
| | <u>44,254</u> | |
| | <u>\$ 207,080</u> | |

DIVISION OF CAPITAL POLICE
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and FEDERAL TRUST FUNDS
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|--------------------------------------|---------------------|--------------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth: | | | |
| Original | \$ 5,329,741 | \$ 5,329,741 | \$ - |
| Prior year surplus re-appropriated | 390,613 | 390,613 | - |
| Other adjustments and transfers, net | 961,681 | 961,681 | - |
| Total revenue | 6,682,035 | 6,682,035 | - |
| EXPENDITURES | 6,682,035 | 5,944,020 | 738,015 |
| Excess of revenue over expenditures | \$ - | 738,015 | \$ 738,015 |
| CASH BALANCE, beginning of year | | 100 | |
| CASH BALANCE, end of year | | \$ 738,115 | |

* Amount was shown as a carry-over from prior year and recorded in CARS system as a revenue. It has not been included in revenue in this statement since it was included in beginning cash.

The Notes to Financial Statements are an integral part of this statement.

Federal Trust Fund

| Budget | Actual | Variance Positive (Negative) |
|---------|-----------|------------------------------------|
| \$ - | \$ - | \$ - |
| - | - | - |
| 143,128 | - | (143,128) |
| 143,128 | - | 143,128 |
| 143,128 | 131,485 | 11,643 |
| \$ - | (131,485) | \$ (131,485) |
| | 143,128 * | |
| | \$ 11,643 | |

DIVISION OF LEGISLATIVE AUTOMATED SYSTEMS
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2006

| | General Fund | | Variance Positive (Negative) |
|--|---------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 2,842,760 | \$ 2,842,760 | \$ - |
| Prior year surplus re-appropriated | 250,689 | 250,689 | - |
| Other adjustments and transfers, net | 29,015 | 29,015 | - |
| Other | - | - | - |
| Total revenue | <u>3,122,464</u> | <u>3,122,464</u> | <u>-</u> |
| EXPENDITURES | <u>3,122,464</u> | <u>2,728,618</u> | <u>393,846</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>393,846</u> | <u>\$ 393,846</u> |
| CASH BALANCE, beginning of year | | <u>100</u> | |
| CASH BALANCE, end of year | | <u>\$ 393,946</u> | |

The Notes to Financial Statements are
an integral part of this statement.

Special Revenue Fund

| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|----------------|-------------------|---|
| \$ - | \$ - | \$ - |
| - | - | - |
| - | - | - |
| <u>277,527</u> | <u>141,196</u> | <u>(136,331)</u> |
| <u>277,527</u> | <u>141,196</u> | <u>136,331</u> |
| <u>277,527</u> | <u>-</u> | <u>277,527</u> |
| <u>\$ -</u> | <u>141,196</u> | <u>\$ 141,196</u> |
| | <u>456,254</u> | |
| | <u>\$ 597,450</u> | |

DIVISION OF LEGISLATIVE SERVICES
(An Agency of the General Assembly of the Commonwealth of Virginia)

**CASH BASIS STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN CASH BALANCE -
BUDGET AND ACTUAL - GENERAL, ENTERPRISE and SPECIAL REVENUE FUNDS**
For The Year Ended June 30, 2006

| | General Fund | | |
|--------------------------------------|---------------------|--------------|------------------------------------|
| | Budget | Actual | Variance Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth: | | | |
| Original | \$ 4,502,254 | \$ 4,502,254 | \$ - |
| Prior year surplus re-appropriated | 366,414 | 366,414 | - |
| Other adjustments and transfers, net | 299,021 | 299,021 | - |
| Other | - | - | - |
| Total revenue | 5,167,689 | 5,167,689 | - |
| EXPENDITURES | 5,167,689 | 4,921,214 | 246,475 |
| Excess of revenue over expenditures | \$ - | 246,475 | \$ 246,475 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 246,475 | |

The Notes to Financial Statements are
an integral part of this statement.

| Enterprise Fund | | | Special Revenue Fund | | |
|------------------------|----------------|---|-----------------------------|-----------------|---|
| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
| \$ 20,000 | \$ - | \$ (20,000) | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | (6,300) | (6,300) | - | 6,300 | 6,300 |
| - | - | - | - | 911 | 911 |
| <u>20,000</u> | <u>(6,300)</u> | <u>26,300</u> | <u>-</u> | <u>7,211</u> | <u>(7,211)</u> |
| <u>20,000</u> | <u>-</u> | <u>20,000</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ -</u> | <u>(6,300)</u> | <u>\$ (6,300)</u> | <u>\$ -</u> | <u>7,211</u> | <u>\$ 7,211</u> |
| | <u>6,300</u> | | | <u>-</u> | |
| | <u>\$ -</u> | | | <u>\$ 7,211</u> | |

DR. MARTIN LUTHER KING, JR. MEMORIAL COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2006

| | General Fund | | Variance Positive (Negative) |
|--|---------------------|-----------|------------------------------------|
| | Budget | Actual | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 50,000 | \$ 50,000 | \$ - |
| Prior year surplus re-appropriated | 57,158 | 57,158 | - |
| Other adjustments and transfers, net | - | - | - |
| Total revenue | 107,158 | 107,158 | - |
| EXPENDITURES | 107,158 | 19,447 | 87,711 |
| Excess of revenue over expenditures | \$ - | 87,711 | \$ 87,711 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 87,711 | |

* Amount was shown as a carry-over from prior year and recorded in CARS system as a revenue. It has not been included in revenue in this statement since it was included in beginning cash.

The Notes to Financial Statements are an integral part of this statement.

Special Revenue Fund

| <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|--------------------|-------------------------|------------------------------------|
| \$ - | \$ - | \$ - |
| 25,408 | - | (25,408) |
| <u>-</u> | <u>-</u> | <u>-</u> |
| 25,408 | - | 25,408 |
| <u>25,408</u> | <u>9,904</u> | <u>15,504</u> |
| <u><u>\$ -</u></u> | <u>(9,904)</u> | <u><u>\$ (9,904)</u></u> |
| | <u>25,408</u> * | |
| | <u><u>\$ 15,504</u></u> | |

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JOINT COMMISSION ON HEALTH CARE
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|---|---------------------|------------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 443,882 | \$ 443,882 | \$ - |
| Prior year surplus re-appropriated | 232,139 | 232,139 | - |
| Other adjustments and transfers, net | (122,050) | (122,050) | - |
| Total revenue | 553,971 | 553,971 | - |
| EXPENDITURES | 553,971 | 446,357 | 107,614 |
| Excess of revenue over expenditures | \$ - | 107,614 | \$ 107,614 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 107,614 | |

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JOINT COMMISSION ON TECHNOLOGY AND SCIENCE
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | <u>General Fund</u> | | Variance Positive (Negative) |
|---|---------------------|-------------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 165,709 | \$ 165,709 | \$ - |
| Prior year surplus re-appropriated | 17,649 | 17,649 | - |
| Other adjustments and transfers, net | <u>11,860</u> | <u>11,860</u> | <u>-</u> |
| Total revenue | <u>195,218</u> | <u>195,218</u> | <u>-</u> |
| EXPENDITURES | <u>195,218</u> | <u>168,915</u> | <u>26,303</u> |
| Excess of revenue over expenditures | <u><u>\$ -</u></u> | <u><u>26,303</u></u> | <u><u>\$ 26,303</u></u> |
| CASH BALANCE, beginning of year | | <u>-</u> | |
| CASH BALANCE, end of year | | <u><u>\$ 26,303</u></u> | |

JOINT LEGISLATIVE AUDIT AND REVIEW COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and TRUST and AGENCY FUNDS
For The Year Ended June 30, 2006

| | <u>General Fund</u> | | Variance Positive (Negative) |
|--|---------------------|-------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 2,809,438 | \$ 2,809,438 | \$ - |
| Prior year surplus re-appropriated | 740,595 | 740,595 | - |
| Other adjustments and transfers, net | (90,410) | (90,410) | - |
| Total revenue | <u>3,459,623</u> | <u>3,459,623</u> | <u>-</u> |
| EXPENDITURES | <u>3,459,623</u> | <u>2,724,963</u> | <u>734,660</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>734,660</u> | <u>\$ 734,660</u> |
| CASH BALANCE, beginning of year | | <u>100</u> | |
| CASH BALANCE, end of year | | <u>\$ 734,760</u> | |

The Notes to Financial Statements are
an integral part of this statement.

Trust and Agency Fund

| Budget | Actual | Variance Positive (Negative) |
|-----------|-----------|------------------------------------|
| \$ 99,701 | \$ 99,701 | \$ - |
| - | - | - |
| 3,069 | (679) | (3,748) |
| 102,770 | 99,022 | 3,748 |
| 102,770 | 99,022 | 3,748 |
| \$ - | - | \$ - |
| | - | |
| | \$ - | |

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NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | |
|---|---------------------|-----------|------------------------------------|
| | Budget | Actual | Variance Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 62,500 | \$ 62,500 | \$ - |
| Prior year surplus re-appropriated | 435 | 435 | - |
| Total revenue | 62,935 | 62,935 | - |
| EXPENDITURES | 62,935 | 52,767 | 10,168 |
| Excess of revenue over expenditures | \$ - | 10,168 | \$ 10,168 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 10,168 | |

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DISABILITY COMMISSION

(An Agency of the General Assembly of the Commonwealth of Virginia)

**CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006**

| | <u>General Fund</u> | | |
|---|---------------------|------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 25,000 | \$ 25,000 | \$ - |
| Total revenue | <u>25,000</u> | <u>25,000</u> | <u>-</u> |
| EXPENDITURES | <u>25,000</u> | <u>5,458</u> | <u>19,542</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>19,542</u> | <u>\$ 19,542</u> |
| CASH BALANCE, beginning of year | | <u>-</u> | |
| CASH BALANCE, end of year | | <u>\$ 19,542</u> | |

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VIRGINIA COAL AND ENERGY COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|-------------------------------------|---------------------|-----------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth: | | | |
| Original | \$ 21,320 | \$ 21,320 | \$ - |
| Prior year surplus re-appropriated | 57,955 | 57,955 | - |
| Total revenue | 79,275 | 79,275 | - |
| EXPENDITURES | 79,275 | 5,769 | 73,506 |
| Excess of revenue over expenditures | \$ - | 73,506 | \$ 73,506 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 73,506 | |

VIRGINIA CODE COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and SPECIAL REVENUE FUNDS
For The Year Ended June 30, 2006

| | <u>General Fund</u> | | Variance Positive (Negative) |
|--|---------------------|------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 38,538 | \$ 38,538 | \$ - |
| Prior year surplus re-appropriated | 29,118 | 29,118 | - |
| Total revenue | <u>67,656</u> | <u>67,656</u> | <u>-</u> |
| EXPENDITURES | <u>67,656</u> | <u>37,797</u> | <u>29,859</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>29,859</u> | <u>\$ 29,859</u> |
| CASH BALANCE, beginning of year | | <u>-</u> | |
| CASH BALANCE, end of year | | <u>\$ 29,859</u> | |

The Notes to Financial Statements are
an integral part of this statement.

Special Revenue Fund

| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------|------------------|---|
| \$ 24,000 | \$ 24,000 | \$ - |
| <u>-</u> | <u>-</u> | <u>-</u> |
| <u>24,000</u> | <u>24,000</u> | <u>-</u> |
| <u>24,000</u> | <u>-</u> | <u>24,000</u> |
| <u>\$ -</u> | <u>24,000</u> | <u>\$ 24,000</u> |
| | <u>70,184</u> | |
| | <u>\$ 94,184</u> | |

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VIRGINIA COMMISSION ON INTERGOVERNMENTAL COOPERATION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|-------------------------------------|---------------------|------------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth: | | | |
| Original | \$ 676,330 | \$ 676,330 | \$ - |
| Prior year surplus re-appropriated | 267,137 | 267,137 | - |
| Total revenue | 943,467 | 943,467 | - |
| EXPENDITURES | 943,467 | 628,391 | 315,076 |
| Excess of revenue over expenditures | \$ - | 315,076 | \$ 315,076 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 315,076 | |

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VIRGINIA COMMISSION ON YOUTH
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | <u>General Fund</u> | | Variance Positive (Negative) |
|---|---------------------|-------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 292,178 | \$ 292,178 | \$ - |
| Prior year surplus re-appropriated | 138,886 | 138,886 | - |
| Other adjustments and transfers, net | <u>(50,745)</u> | <u>(50,745)</u> | <u>-</u> |
| Total revenue | <u>380,319</u> | <u>380,319</u> | <u>-</u> |
| EXPENDITURES | <u>380,319</u> | <u>244,338</u> | <u>135,981</u> |
| Excess of revenue over expenditures | <u>\$ -</u> | <u>135,981</u> | <u>\$ 135,981</u> |
| CASH BALANCE, beginning of year | | <u>50</u> | |
| CASH BALANCE, end of year | | <u>\$ 136,031</u> | |

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VIRGINIA FREEDOM OF INFORMATION ADVISORY COUNCIL
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|--------------------------------------|---------------------|------------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General | | | |
| Fund of the Commonwealth | | | |
| Original | \$ 149,960 | \$ 149,960 | \$ - |
| Prior year surplus re-appropriated | 37,982 | 37,982 | - |
| Other adjustments and transfers, net | 13,248 | 13,248 | - |
| Total revenue | 201,190 | 201,190 | - |
| EXPENDITURES | 201,190 | 163,093 | 38,097 |
| Excess of revenue over expenditures | \$ - | 38,097 | \$ 38,097 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 38,097 | |

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VIRGINIA HOUSING STUDY COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended June 30, 2006

| | General Fund | | Variance |
|---|---------------------|-----------|------------------------|
| | Budget | Actual | Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth | | | |
| Original | \$ 20,000 | \$ 20,000 | \$ - |
| Prior year surplus re-appropriated | 428 | 428 | - |
| Other adjustments and transfers, net | (428) | (428) | - |
| Total revenue | 20,000 | 20,000 | - |
| EXPENDITURES | 20,000 | 11,523 | 8,477 |
| Excess of revenue over expenditures | \$ - | 8,477 | \$ 8,477 |
| CASH BALANCE, beginning of year | | - | |
| CASH BALANCE, end of year | | \$ 8,477 | |

VIRGINIA STATE CRIME COMMISSION
(An Agency of the General Assembly of the Commonwealth of Virginia)

CASH BASIS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN CASH BALANCE - BUDGET AND ACTUAL - GENERAL and FEDERAL TRUST FUNDS
For The Year Ended June 30, 2006

| | General Fund | | |
|--|---------------------|-------------|------------------------------------|
| | Budget | Actual | Variance Positive (Negative) |
| REVENUE: | | | |
| Appropriations from the General Fund of the Commonwealth: | | | |
| Original | \$ 483,670 | \$ 483,670 | \$ - |
| Prior year surplus re-appropriated | 20,672 | 20,672 | - |
| Other adjustments and transfers, net | 38,500 | 38,500 | - |
| Total revenue | 542,842 | 542,842 | - |
| EXPENDITURES | 542,842 | 539,858 | 2,984 |
| Excess of revenue over expenditures | \$ - | 2,984 | \$ 2,984 |
| CASH BALANCE, beginning of year | | 100 | |
| CASH BALANCE, end of year | | \$ 3,084 | |

* Amount was shown as a carry-over from prior year and recorded in CARS system as a revenue. It has not been included in revenue in this statement since it was included in beginning cash.

The Notes to Financial Statements are an integral part of this statement.

Federal Trust Fund

| <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--------------------|--------------------------|---|
| \$ 104,766 | \$ - | \$ (104,766) |
| - | - | - |
| <u>193,222</u> | <u>193,222</u> | <u>-</u> |
| <u>297,988</u> | <u>193,222</u> | <u>104,766</u> |
| <u>297,988</u> | <u>182,904</u> | <u>115,084</u> |
| <u><u>\$ -</u></u> | <u>10,318</u> | <u><u>\$ 10,318</u></u> |
| | <u>99,208</u> * | |
| | <u><u>\$ 109,526</u></u> | |

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**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND
COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 1. Summary of Significant Accounting Policies

Reporting entity:

The General Assembly of the Commonwealth of Virginia (“Agencies”) is the legislative body of the State. The Legislative Agencies and Commissions included herein assist the General Assembly in carrying out its responsibilities (see Note 2).

Fund accounting:

The accounts of the Agencies are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its revenues, expenditures and expenses. The following funds are used by the Agencies:

General Fund – is the operating fund of each agency. It is used to account for all appropriations from the General Fund of the Commonwealth and other receipts that are not specifically allocated by law or other contractual agreement to another fund. Proceeds from the sale of fixed assets are retained in each agency’s general fund and revert to the General Fund of the Commonwealth only upon resolution of the General Assembly. General operating expenditures, fixed charges and capital improvements are paid through this fund.

Special Revenue Funds – are used by certain agencies to account for the proceeds of specific revenue sources that are restricted by legal or regulatory provisions or by administrative action. The Federal Trust Fund is a type of Special Revenue Fund used by certain agencies to account for federal revenue.

Trust and Agency Funds – are used by the Joint Legislative Audit and Review Commission to account for funds the Agency receives from the Virginia Retirement System (“VRS”). The VRS Oversight Act as set forth in Section 30-78 of the *Code of Virginia* requires that the Agency oversee and evaluate the VRS on a continuing basis. These funds are used by the Agency to fulfill these duties

Enterprise Fund – was used by the Division of Legislative Services to account for certain publishing activities. Such activities are similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. The monies in this fund were transferred to the agency’s special revenue fund during the year.

Basis of accounting:

The financial statements are presented on the cash basis of accounting, reflecting only revenues received and expenditures paid. Therefore, receivables and payables, inventories, equipment, and depreciation, which may be material in amount, are not reflected, and these statements do not present the overall financial position or results of operations of the Agencies. The cash basis of accounting demonstrates compliance with the budget laws of the Commonwealth of Virginia.

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND
COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of accounting: (Continued)

Appropriations from the Commonwealth and grant revenue are recorded when made available by the State Comptroller to finance operations during the fiscal year. Appropriations are authorizations to spend funds from the General Fund of the Commonwealth, and they have been reported as revenue available to the Agencies in these financial statements.

Budgets and budgetary accounting:

The budget for the Agencies is established by the Appropriations Act (the "Act") as enacted by the General Assembly of Virginia for the biennium ended June 30, 2006. No payments can be made except as provided for in such Act or in any other Act of the General Assembly making an appropriation. The Act places legal restrictions on expenditures at the Agency level.

The budget is prepared principally on the cash basis. Budgeted amounts reported in the financial statements are as originally appropriated to the Agencies and subsequently adjusted by transfers from other appropriations authorized by the General Assembly.

Cash:

Cash consists primarily of each Agency's share of cash on deposit with the State Treasurer. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent. The amounts in the Treasury Pool are collateralized in accordance with the Virginia Security for Public Deposits Act Section 2.1-359 *et seq.* of the *Code of Virginia*.

Note 2. Description of Agencies and Commissions

General Assembly of the Commonwealth of Virginia – encompasses the House of Delegates, the Senate, the House Appropriations Committee, and the Senate Finance Committee. The General Assembly represents the citizens of the Commonwealth in the formation of public policy, enacts statutory and financial bases for all governmental actions of the Commonwealth, and handles the election of Commonwealth judicial officers and confirmation of executive appointments of the Governor.

Auditor of Public Accounts – audits the accounts and records of various agencies, commissions, and institutions of the Commonwealth.

Capitol Square Preservation Council – coordinates architectural and antiquity research planning.

Chesapeake Bay Commission – assists the legislatures of Maryland, Pennsylvania, and Virginia in evaluating and responding to problems of mutual concern relating to the Chesapeake Bay.

Commission on the Virginia Alcohol Safety Action Program – provides substance abuse education to social drinkers and more intensive counseling for problem drinkers.

(Continued)

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND
COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 2. Description of Agencies and Commissions (Continued)

Division of Capitol Police – responsible for ensuring the security of the Capitol Square and all other property owned or controlled by the Commonwealth.

Division of Legislative Automated Systems – operates an automated data processing center, provides technical assistance, and investigates other data processing related items for the General Assembly. The Division supervises the printing and distribution of bills, resolutions, joint resolutions, House and Senate documents or other matters directed to be printed for use of the House and Senate and intended temporary used, as well as printing and distribution of House journals, Senate journals and Acts of Assembly.

Division of Legislative Services – provides accounting, legal and research support to the General Assembly, including assistance in drafting legislation, advice on the constitutional or legal effect of proposed legislation, and summaries of existing laws.

Dr. Martin Luther King, Jr., Memorial Commission – studies human relations management.

Joint Commission on Health Care – studies and provides recommendations addressing the health care needs of the people of the Commonwealth.

Joint Commission on Technology and Science – studies, plans and coordinates technology research.

Joint Legislative Audit and Review Commission – provides for systematic legislative overview and monitoring by concentrating on an evaluation of the effectiveness, efficiency, and economy of the Commonwealth.

National Conference of Commissioners on Uniform State Laws – ascertains the best means to effect uniformity in the laws of the states.

State Water Commission – studies the policies related to water for the Commonwealth. This commission had no activity during the year ended June 30, 2006 and has been excluded from the financial report.

Virginia Disability Commission – identifies and recommends legislative priorities and policies for adoption or examination by the General Assembly in order to provide ongoing support in developing and reviewing services and funding related to Virginians with physical and sensory disabilities.

Virginia Coal and Energy Commission – studies all aspects of coal as an energy resource and studies the development of renewable and alternative energy sources other than petroleum.

Virginia Code Commission – codifies and prints the acts of the General Assembly in code form, recommends revisions of titles of the Code and supervises the Registrar of Regulations in order to maintain the rules and regulations of agencies and commissions of the Commonwealth.

Virginia Commission on Intergovernmental Cooperation – promotes cooperation between Virginia and other states on matters of joint concern.

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND
COMMISSIONS OF THE COMMONWEALTH OF VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 2. Description of Agencies and Commissions (Continued)

Virginia Commission on Youth – studies and provides recommendations addressing the needs of and services to the Commonwealth’s youth and their families.

Virginia Freedom of Information Advisory Council – promotes freedom of information.

Virginia Housing Study Commission – mandated to ensure that all Virginians have safe, decent, and affordable housing.

Virginia State Crime Commission – studies crime-related issues throughout the Commonwealth.

Note 3. Contingencies

Certain agencies participate in various Federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grant. Agency managements believe that such disallowances, if any, will be immaterial.

COMPLIANCE SECTION

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The General Assembly, and Legislative
Agencies and Commissions of the
Commonwealth of Virginia

We have audited the accompanying cash basis financial statements of the General Assembly, and Legislative Agencies and Commissions of the Commonwealth of Virginia (“the Agencies”) as of and for the year ended June 30, 2006, and have issued our report thereon dated September 15, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agencies’ internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. **We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agencies’ financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.**

This report is intended solely for the respective management of the Agencies and is not intended to be and should not be used by anyone other than these specified parties

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 15, 2006

September 29, 2006

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

We have performed the procedures enumerated on page 2, which were agreed to by the Auditor of Public Accounts and Joint Legislative Audit and Review Commission, to selected accounting records and transactions of the General Assembly and Legislative Agencies and Commissions of the Commonwealth of Virginia, hereafter referred to as "the Agencies", as of June 30, 2006. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report, the Auditor of Public Accounts and Joint Legislative Audit and Review Commission. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the Commission's financial statements or specified elements, accounts or items thereof. Accordingly, we do not express such an opinion. Also, we express no opinion on the effectiveness of the Agencies' internal control over financial reporting or any part thereof. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Our responsibility is limited to the period covered by our agreed-upon procedures and does not extend to any later periods for which we are not engaged.

This report is intended solely for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency for the procedures for their purposes.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 15, 2006

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND COMMISSIONS OF THE
COMMONWEALTH OF VIRGINIA**

PROCEDURES PERFORMED

Accounts Receivable

1. Obtain from agency a summary of accounts receivable that were reported to the Department of Accounts (“DOA”) at June 30 of each year.
2. Obtain the list of invoices that comprise the outstanding balance and test mathematical accuracy of the summary listing.
3. Examine supporting documentation for any individual amount listed greater than \$1,000 to determine that the item represents a valid accounts receivable at June 30.
4. Compare accounts receivable summary balance to prior year and inquire as to reason if balance has changed by more than ten percent.

Capital Assets

1. Obtain from agency a summary of capital asset activity for the year that was reported to the DOA at June 30 of each year.
2. Trace and agree listing of assets reported to the DOA to the capital asset accounting system (FAACS), document any differences.
3. Examine list of additions and have agency provide invoice for such items, document any differences.

Accounts Payable

1. Obtain from agency the summary of accounts payable reported to the DOA at June 30.
2. Obtain a listing of the P-vouchers for the months of July and August of each year.
3. Examine support for any individual P-voucher for the months of July and August greater than \$1,000 to determine that amount is properly recorded as accounts payable and included in amount reported to the DOA.
4. Compare accounts payable summary balance to prior year and inquire as to reason if balance has changed by more than ten percent.

Compensated Absences Payable

1. Obtain from agency the summary of compensated absences reported to the DOA at June 30 of each year.
2. Select five employees haphazardly and determine that amounts calculated comply with the agency's policy related to employee's maximum allowable amounts.
3. Trace and agree the total reported to the DOA to the summary listing report by individual.
4. Test mathematical accuracy of the summary of compensated absences at June 30 of each year.
5. Compare balance of summary of compensated absences to prior year and perform additional analysis if balance has changed by more than ten percent.

**GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES AND COMMISSIONS OF THE
COMMONWEALTH OF VIRGINIA**

FINDINGS

Accounts Receivable

No exceptions noted.

Capital Assets

No exceptions noted.

Accounts Payable

Noted one item improperly shown as an accounts payable at June 30, 2006 at Agency 101 – House of Delegates. The listing has since been corrected prior to submission to the DOA.

Compensated Absences Payable

Noted an instance at Agency 413 – Commission on Virginia Alcohol Safety Action Program where the salary in effect prior to November 25, 2005 was initially used to calculate the compensated absence amount for one employee. The schedule has since been corrected prior to submission to the DOA.

Noted an error in the spreadsheet used to calculate compensated absences at Agency 110 – Joint Legislative Audit and Review Commission. The schedule has since been corrected prior to submission to the DOA.