

**LOCAL GOVERNMENT INVESTMENT POOL
VIRGINIA PUBLIC SCHOOL AUTHORITY
VIRGINIA COLLEGE BUILDING AUTHORITY
VIRGINIA PUBLIC BUILDING AUTHORITY**

**REPORT ON AUDIT
FOR THE YEAR ENDED
JUNE 30, 2007**

APA

**Auditor of
Public Accounts**

COMMONWEALTH OF VIRGINIA

AUDIT SUMMARY

We have audited the following Entities for the year ended June 30, 2007, and have issued our reports on the financial statements dated as indicated below:

- Local Government Investment Pool dated December 14, 2007;
- Virginia Public School Authority dated December 14, 2007;
- Virginia College Building Authority dated December 14, 2007; and
- Virginia Public Building Authority dated December 14, 2007.

The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing. Our audit of the Entities found:

- the financial statements are presented fairly, in all material respects;
- no internal control matters that we consider to be material weaknesses; and
- no instances of noncompliance or other matters required to be reported under Government Auditing Standards.

- TABLE OF CONTENTS -

	<u>Pages</u>
AUDIT SUMMARY	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS	1-2
ENTITY OFFICIALS	3



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

December 14, 2007

The Honorable Timothy M. Kaine
Governor of Virginia

The Virginia Treasury Board and Local
Government Investment Pool Participants

The Honorable Thomas K. Norment, Jr.
Chairman, Joint Legislative Audit
and Review Commission

Board of Directors of:
Virginia College Building Authority
Virginia Public Building Authority
Virginia Public School Authority

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

We have audited the following **Entities** for the year ended June 30, 2007, and have issued our reports on the financial statements dated as indicated below:

- **Local Government Investment Pool dated December 14, 2007;**
- **Virginia Public School Authority dated December 14, 2007;**
- **Virginia College Building Authority dated December 14, 2007; and**
- **Virginia Public Building Authority dated December 14, 2007.**

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 Entities' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entities internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entities internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on

a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Entities' financial statements are free of material misstatement, we performed tests of their 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.

Report Distribution

The "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters" is intended solely for the information and use of the Governor and General Assembly of Virginia, the Entities' Boards and management, and Local Government Investment Pool participants, and is not intended to be and should not be used by anyone, other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

BEM/wdh

BOARD MEMBERS

As of June 30, 2007

VIRGINIA COLLEGE BUILDING AUTHORITY

William L. Nusbaum, Chairman Heidi W. Abbott, Vice Chairman

Vinod B. Agarwal Joseph S. Testa
John F. "Jack" Carter, II Edward Villanueva
Elaine R. Wilde

EX OFFICIO

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David A. Von Moll, State Comptroller
Daniel J. Lavista, Executive Director, State Council of Higher Education for Virginia
Richard D. Brown, Director, Department of Planning and Budget

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Monique Nadeau-Langridge
Steven R. Perkins
Sharon M. McDonald

EX OFFICIO

J. Braxton. Powell, Secretary/Treasurer, State Treasurer
David Von Moll, State Comptroller

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Hady Amr
Woodrow W. Mullins, Jr.
Brenda L. Skidmore

EX OFFICIO

J. Braxton Powell, Secretary and Treasurer, State Treasurer
David Von Moll, State Comptroller
Billy K. Cannaday, Jr., Superintendent of Public Instruction

