

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

**REPORT ON AUDIT
FOR THE YEAR ENDED
JUNE 30, 2010**



AUDIT SUMMARY

We have audited the basic financial statements of the following entities as of and for the year ended June 30, 2010, and have issued our reports thereon dated December 1, 2010. Our reports, included in the Entities' Annual Reports, are available at the Auditor of Public Accounts' website at www.apa.virginia.gov and at the Entities' website at www.trs.virginia.gov.

- Local Government Investment Pool
- Virginia College Building Authority
- Virginia Public Building Authority
- Virginia Public School Authority

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 material weaknesses in internal control over financial reporting; and
- no instances of noncompliance or other matters required to be reported under Government Auditing Standards.

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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

December 1, 2010

The Honorable Robert F. McDonnell
Governor of Virginia

The Virginia Treasury Board and Local
Government Investment Pool Participants

The Honorable Charles J. Colgan
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 basic financial statements of the following entities as of and for the year ended June 30, 2010, and have issued our reports thereon dated December 1, 2010.

- Local Government Investment Pool
- Virginia College Building Authority
- Virginia Public Building Authority
- Virginia Public School Authority

Our reports, included in the Entities' Annual Reports, are available at the Auditor of Public Accounts' website at www.apa.virginia.gov and at the Entities' website at www.trs.virginia.gov. We conducted our audits 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 each Entity's 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 deficiency in internal control 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 material weakness is a deficiency, or combination of control deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 each Entity's financial statements are free of material misstatement, we performed tests of each Entity's 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 and Exit Conference

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.

We discussed this report with management at an exit conference held on December 15, 2010.

AUDITOR OF PUBLIC ACCOUNTS

LDJ/alh

BOARD OFFICIALS

As of June 30, 2010

VIRGINIA COLLEGE BUILDING AUTHORITY

William L. Nusbaum, Chairman
John F. “Jack” Carter II, Vice-Chairman
Vinod B. Agarwal
Joseph S. Testa
Edward Villanueva
Elaine R. Wilde

EX-OFFICIO

Manju Ganeriwala, State Treasurer
David A. Von Moll, State Comptroller
Daniel S. Timberlake, Director, Department of Planning and Budget
Daniel LaVista, Executive Director, State Council of Higher Education for Virginia

VIRGINIA PUBLIC BUILDING AUTHORITY

Sarah B. Williams, Chairman
James H. Flinchum, Vice-Chairman
Sharon M. McDonald
Monique Nadeau-Langridge
Steven R. Perkins

EX-OFFICIO

Manju Ganeriwala, State Treasurer
David A. Von Moll, State Comptroller

VIRGINIA PUBLIC SCHOOL AUTHORITY

James M. Holland, Chairman
Woodrow Mullins, Jr., Vice-Chairman
Hady Amr
Brenda L. Skidmore
Kanchana K. Thamodaran

EX-OFFICIO

Manju Ganeriwala, State Treasurer
David A. Von Moll, State Comptroller
Dr. Patricia I. Wright, Superintendent of Public Instruction