

December 10, 2025

To the Board
Albemarle Charlottesville Regional Jail Authority
Charlottesville, Virginia

In connection with our audit of the financial statements of the Albemarle Charlottesville Regional Jail Authority (Authority) for the year ended June 30, 2025, we have the following comments and suggestions for your consideration.

Employee Access

During our review of user access rights for terminated employees, it was noted in multiple instances where employees were terminated, however access to the network, building and other accounts were not removed within a timely manner. We recommend when an employee is terminated, there is an immediate communication between Human Resources and Information Technology to remove all access the employee may have.

Capital Assets

During our testing of capital assets, we noted one item was not properly recorded as part of capital assets and accounts payable in the prior year. We recommend implementing a thorough review of all subsequent disbursements to ensure items meeting capitalization criteria are properly recorded in the correct period.

New GASB Pronouncements

At June 30, 2025, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the Authority. The statements which might impact the Authority are as follows:

GASB Statement No. 103, Financial Reporting Model Improvements

This Statement will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

Statement No. 103 will be effective for the Authority beginning with its year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*

The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnership and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

Statement No. 104 will be effective for the Authority beginning with its year ending June 30, 2026.

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This report is intended solely for the information and use of management, the Board and others within the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

If you have any questions concerning any of these items or if we can be of further assistance, please contact us. We thank you for the opportunity to conduct your audit for the year ended June 30, 2025 and express our appreciation to everyone for their cooperation during this engagement.

PBMares, LLP

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