

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2015**

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY  
WEYERS CAVE, VIRGINIA**

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# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS

### CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY WEYERS CAVE, VIRGINIA

#### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Central Shenandoah Criminal Justice Training Academy, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Central Shenandoah Criminal Justice Training Academy's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Central Shenandoah Criminal Justice Training Academy, as of June 30, 2015, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matter***

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2015, on our consideration of Central Shenandoah Criminal Justice Training Academy's 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Shenandoah Criminal Justice Training Academy's internal control over financial reporting and compliance.

*Robinson, Fawcett, Cox Associates*  
Charlottesville, Virginia  
August 31, 2015

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**STATEMENT OF NET POSITION - PROPRIETARY ENTERPRISE FUND**  
**JUNE 30, 2015**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 434,328
Accounts receivable	3,090
Prepaid items	1,388
	<hr/>
TOTAL CURRENT ASSETS	\$ 438,806
	<hr/>

**NONCURRENT ASSETS**

**CAPITAL ASSETS**

Building	\$ 7,200,537
Equipment	404,699
Vehicles	87,272
Land and site development	132,560
Software	3,549
	<hr/>

TOTAL CAPITAL ASSETS, COST	\$ 7,828,617
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Accumulated depreciation	<hr/> (3,199,511)
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NET CAPITAL ASSETS	<hr/> \$ 4,629,106
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TOTAL NONCURRENT ASSETS	<hr/> \$ 4,629,106
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TOTAL ASSETS	<hr/> <hr/> \$ 5,067,912
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**LIABILITIES AND NET POSITION**

**CURRENT LIABILITIES**

Accounts payable	\$ 41,450
Compensated absences	12,159
Accrued wages	15,670
Accrued interest	32,757
Notes payable, current portion	338,000
Credit card payables	766
Unearned revenue	94,240
	<hr/>

TOTAL CURRENT LIABILITIES	<hr/> \$ 535,042
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**LONG-TERM LIABILITIES**

Notes payable, less current portion	<hr/> \$ 2,531,000
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TOTAL LIABILITIES	<hr/> \$ 3,066,042
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**NET POSITION**

Net investment in capital assets	\$ 1,760,106
Unrestricted	241,764
	<hr/>

TOTAL NET POSITION	<hr/> \$ 2,001,870
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TOTAL LIABILITIES AND NET POSITION	<hr/> <hr/> \$ 5,067,912
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The accompanying notes to financial statements are an integral part of the financial statements.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**- PROPRIETARY ENTERPRISE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

<b>OPERATING REVENUES</b>	
Member agency contributions	\$ 1,112,900
Tuition	22,331
State special fee funds	210,400
Miscellaneous income	3,789
	<hr/>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 1,349,420</b>
<b>OPERATING EXPENSES</b>	
Salaries	\$ 315,353
Payroll taxes	22,675
Employee benefits	105,136
Other Expenses	75
General Operations	159,614
Building and ground expenses	49,920
Office/General Administration Expenses	12,012
Insurance	14,572
Equipment Lease	5,346
Travel & Staff training	9,111
Dues & Membership	1,429
Supplies	40,535
Replacement Costs	1,527
Depreciation	198,424
	<hr/>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 935,729</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 413,691</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment income, net of fees	\$ 440
Bond issuance costs	(82,514)
Interest expense	(117,685)
	<hr/>
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>\$ (199,759)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 213,932</b>
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<b>1,787,938</b>
	<hr/>
<b>TOTAL NET POSITION - END OF YEAR</b>	<b>\$ 2,001,870</b>
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The accompanying notes to financial statements are an integral part of the financial statements.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**STATEMENT OF CASH FLOWS**  
**- PROPRIETARY ENTERPRISE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from member agencies	\$ 1,076,880
State special fee funds	210,400
Other student receipts	26,120
Payments to suppliers	(300,344)
Payments to and for employees	(444,413)
	<hr/>
Net cash provided by operating activities	\$ 568,643

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Proceeds from issuance of bonds	\$ 3,079,000
Principal paid on bonds	(3,707,742)
Interest expense	(96,089)
Bond issuance costs	(82,514)
	<hr/>
Net cash used for capital and related financing activities	\$ (807,345)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest earned, net of fees	\$ 440
	<hr/>
Net cash provided by investing activities	\$ 440

NET INCREASE IN CASH	\$ (238,262)
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CASH - BEGINNING OF YEAR	<hr/> 672,590
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CASH - END OF YEAR	<hr/> <hr/> \$ 434,328
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**Reconciliation of operating income (loss) to net cash provided by operating activities:**

Operating income (loss)	\$ 413,691
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	198,424
Changes in:	
Accounts receivable	11,220
Prepaid items	(1,388)
Accounts payable	(3,179)
Compensated absences	(2,092)
Accrued wages	843
Credit card payables	(1,636)
Unearned revenue	(47,240)
	<hr/>
Net cash provided by operating activities	\$ 568,643

The accompanying notes to financial statements are an integral part of the financial statements.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Business**

The Central Shenandoah Criminal Justice Training Academy is organized as a law enforcement training academy located in Weyers Cave, Virginia. It serves the Central Shenandoah region of Virginia. Its activities include the administration of state grants and the provision of training and related services.

**B. Financial Reporting Entity**

The Academy was created under the provisions of Chapter 17, Article V, Title 15.2 of the Code of Virginia of 1950, as amended (the "Code"), by the respective governing bodies of the several localities or other public bodies located in the 5<sup>th</sup>, 6<sup>th</sup>, 9<sup>th</sup>, and 10<sup>th</sup> Planning Districts, in order, among other things, to conduct criminal justice education and training for criminal justice personnel, including law enforcement officers and special police officers appointed under the Code. The Board of Directors has oversight responsibility and is accountable for all significant fiscal matters and management including budget approval, setting rates, asset ownership and contract negotiations. Accordingly, the Academy is an independent reporting entity.

**C. Basis of Presentation and Accounting**

The Academy is operated in a manner similar to private businesses and is accounted for as a proprietary enterprise fund. The records are maintained using the accrual method of accounting. Accordingly, revenues and expenses are recorded in the period earned and incurred.

**D. Allowance For Bad Debts**

The Academy follows the policy of writing off bad debts in the period deemed uncollectible. Accordingly, no allowance for bad debts has been recorded in the statement of net position. The differences between the use of this method and the allowance method are insignificant.

**E. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

**F. Capital Assets**

Property, equipment, and intangibles purchased or acquired with an original cost of \$1,000 or more with a useful life of more than two years are reported at cost and include assets acquired by grants and noncash donations. Donated assets are reported at fair value.



**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

**F. Capital Assets: (Continued)**

Depreciation is computed using the straight-line method based on estimated useful lives:

Equipment	3 - 10 years
Vehicles	5 - 7 years
Building	10 - 40 years
Land improvements	5 - 10 years
Software	3 years

**G. Revenue and Expense Classification**

Member agency contributions and fees collected for student services are recorded as operating revenues. All expenses, with the exception of interest expense, relate to the ongoing operations of the Academy and therefore are recorded as operating expenses. State grants received are recorded as operating income, and may be used for operations or capital acquisitions, at the discretion of the Academy.

Grants and noncash donations that are designated for capital acquisitions are recorded as capital contributions in the statement of revenues, expenses and changes in net position.

**H. Statement of Cash Flows**

For purposes of the statement of cash flows, the Academy considers all highly liquid debt instruments purchased with a maturity of three months or less from the date of acquisition to be cash equivalents.

**I. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates, which are elements of these financial statements, include useful lives for tangible and intangible property. Actual results could differ from those estimates.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

**J. Deferred Outflow/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Academy does not have any deferred outflows of resources as of June 30, 2015.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Academy does not have any deferred inflows of resources as of June 30, 2015.

**K. Net Position**

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

**L. Net Position Flow Assumption**

Sometimes the Academy will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Academy's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**2. DEPOSITS AND INVESTEMENTS**

**Deposits**

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**2. DEPOSITS AND INVESTMENTS: (CONTINUED)**

**Investments**

Statutes authorize the Academy to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP).

The Academy has no investments at June 30, 2015.

**3. ECONOMIC DEPENDENCY**

The Academy received an annual grant worth \$52,914 from the Commonwealth of Virginia, Department of Criminal Justice Services. Also, that agency awarded \$157,486 in special fee funds in November 2014. Local agencies provide additional operating revenue in the form of fees for individual officers served, which totaled \$1,112,900 for the fiscal year ended June 30, 2015. The Academy is economically dependent upon this funding received through grants and localities.

**4. PENSION PLAN**

Employees of the Academy participate in the Virginia Retirement System through the City of Waynesboro, Virginia as their fiscal agent. Payments of \$39,393 were made to the City for VRS and \$290 for ICMA costs. Actuarial information, trend information, and the funding status and progress of the plan are included in the annual financial report for the City of Waynesboro, Virginia. The information required by GASB 68 is not separately identifiable for the Academy and therefore not included herein.

**5. RISK MANAGEMENT**

The Academy is covered by commercial insurance for losses or claims pertaining to health, workers' compensation, property and liability, and automobile. There have been no significant reductions in insurance coverage, and settlements have not exceeded insurance coverage for each of the past three fiscal years.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

**6. CAPITAL ASSET SUMMARY**

The following is a summary of changes in capital assets during the fiscal year:

	<b>Balance 7/1/2014</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 6/30/2015</b>
Capital assets not being depreciated:				
Land and site development	\$ 132,560	\$ -	\$ -	\$ 132,560
Total capital assets not being depreciated	\$ 132,560	\$ -	\$ -	\$ 132,560
Other capital assets:				
Equipment	\$ 476,459	\$ -	\$ 71,760	\$ 404,699
Vehicles	93,927	-	6,655	87,272
Building cost	7,200,537	-	-	7,200,537
Software	3,549	-	-	3,549
Total other capital assets	\$ 7,774,472	\$ -	\$ 78,415	\$ 7,696,057
Accumulated depreciation:				
Equipment	\$ 425,338	\$ 17,505	\$ 71,760	\$ 371,083
Vehicles	86,108	4,408	6,655	83,861
Building cost	2,565,385	175,633	-	2,741,018
Software	2,671	878	-	3,549
Total accumulated depreciation	\$ 3,079,502	\$ 198,424	\$ 78,415	\$ 3,199,511
Other capital assets, net	\$ 4,694,970	\$ (198,424)	\$ -	\$ 4,496,546
<b>Net capital assets</b>	<b>\$ 4,827,530</b>	<b>\$ (198,424)</b>	<b>\$ -</b>	<b>\$ 4,629,106</b>

**7. LONG-TERM LIABILITIES**

Long-term debt activity for the year ended June 30, 2015 was as follows:

	<b>Beginning Balance</b>	<b>Issuances</b>	<b>Retirements</b>	<b>Ending Balance</b>	<b>Principal Due Due Within One Year</b>
Notes Payable:					
SunTrust Bank	\$ 603,611	\$ -	\$ 603,611	\$ -	\$ -
Rural Development Loans	2,894,131	-	2,894,131	-	-
BB&T Bond 2014A	-	2,567,000	104,000	2,463,000	132,000
BB&T Bond 2014B	-	512,000	106,000	406,000	206,000
	<b>\$ 3,497,742</b>	<b>\$ 3,079,000</b>	<b>\$ 3,707,742</b>	<b>\$ 2,869,000</b>	<b>\$ 338,000</b>

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**7. LONG-TERM LIABILITIES (CONTINUED)**

The Academy's bonds payable at June 30, 2015 were as follows:

2014A bonds issued by BB&T in the amount of \$2,567,000. Annual principal payments ranging from \$140,000 to \$201,000 with semi-annual interest payments at 3.05% through February 1, 2030.	\$ 2,463,000
2014B bonds issued by BB&T in the amount of \$512,000. Annual principal payments ranging from \$106,000 to \$206,000 with semi-annual interest payments at 1.13% through February 1, 2017.	<u>406,000</u>
Total bonds payable	\$ 2,869,000
Less current portion	<u>338,000</u>
Long-term portion	<u><u>\$ 2,531,000</u></u>

Annual requirements to amortize long term debt and related interest are as follows:

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 338,000	\$ 79,709
2017	336,000	73,356
2018	140,000	66,948
2019	144,000	62,677
2020	149,000	58,286
2021-2025	815,000	220,515
2026-2030	<u>947,000</u>	<u>88,389</u>
	<u><u>\$ 2,869,000</u></u>	<u><u>\$ 649,880</u></u>

**8. COMPENSATED ABSENCES**

In accordance with GASB Statement 16, Accounting for Compensated Absences, the Academy has accrued the liability arising from outstanding compensated absences. Academy employees earn vacation and sick leave based upon length of service. The Academy has outstanding accrued vacation pay totaling \$12,159.

**CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**9. LEASING COMMITMENTS**

Operating - The Academy entered into an operating lease for a copier in May 2015. The lease calls for 60 payments at \$319.

Below is a schedule of lease liability.

2016	\$	3,826
2017		3,826
2018		3,826
2019		3,826
2020		<u>3,188</u>
	\$	<u><u>18,492</u></u>

**10. UNEARNED REVENUE**

Unearned revenue consists of members who paid their member agency contributions for the fiscal year 2015-2016 before June 30, 2015.

**11. LITIGATION**

At June 30, 2015 there were no matters of litigation involving the Academy which would materially affect the Academy's financial position should any court decisions on pending matters not be favorable to the Academy.

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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## **INDEPENDENT AUDITORS' 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**

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### **TO THE MEMBERS**

### **CENTRAL SHENANDOAH CRIMINAL JUSTICE TRAINING ACADEMY WEYERS CAVE, VIRGINIA**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of Central Shenandoah Criminal Justice Training Academy as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Central Shenandoah Criminal Justice Training Academy's basic financial statements and have issued our report thereon dated August 31, 2015.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Central Shenandoah Criminal Justice Training Academy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Shenandoah Criminal Justice Training Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Shenandoah Criminal Justice Training Academy's internal control.

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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Shenandoah Criminal Justice Training Academy's 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*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Robinson, Fawcett, Cox Associates*

Charlottesville, Virginia  
August 31, 2015