

May 28, 1999

Dr. Darrel W. Staat, President  
Central Virginia Community College  
3506 Wards Road  
Lynchburg, Va 24502-2498

Dear Dr. Staat:

We have reviewed the accompanying balance sheet of **Central Virginia Community College** as of June 30, 1998, and the related statements of changes in fund balances and current fund revenues, expenditures and other changes for the year then ended, in accordance with Statements on Standards for Accounting and Review Services, issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Central Virginia Community College.

A review consists principally of inquiries of college personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

This letter is for the expressed use of the Accreditation Review Board and not intended for any other purpose.

Sincerely,

Walter J. Kucharski  
Auditor of Public Accounts

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Enclosure

VIRGINIA COMMUNITY COLLEGE SYSTEM  
CENTRAL VIRGINIA COMMUNITY COLLEGE  
BALANCE SHEET

For the Year Ended June 30, 1998, with Comparative Figures at June 30, 1997

ASSETS	Current Year			Prior Year Total	LIABILITIES AND FUND BALANCES	Current Year			Prior Year Total
	State Funds	Local Funds	Total			State Funds	Local Funds	Total	
<b>Current Funds Unrestricted:</b>					<b>Current Funds Unrestricted:</b>				
Cash and cash equivalents	\$ 243,025	\$ 17,532	\$ 260,557	\$ 406,942	Accounts payable	\$ 42,669	\$ 680	\$ 43,349	\$ 33,881
Investments	-	403,607	403,607	224,583	Accrued expenses	356,949	-	356,949	356,056
Accounts receivable	20,800	5,491	26,291	11,051	Accrued leave	677,449	-	677,449	688,350
Interest receivable	-	1,836	1,836	1,572	Due to the Commonwealth	7,000	-	7,000	7,000
Prepaid expenses	15,839	400	16,239	11,781	Deferred revenue	224,773	-	224,773	267,589
Inventories	27,398	-	27,398	21,570	Deposits pending distribution	-	-	-	25
					Fund balances	(1,001,778)	428,186	(573,592)	(675,402)
Total unrestricted	307,062	428,866	735,928	677,499	Total unrestricted	307,062	428,866	735,928	677,499
<b>Current Funds Restricted:</b>					<b>Current Funds Restricted:</b>				
Cash and cash equivalents	81,909	49	81,958	67,610	Accounts payable	4,360	-	4,360	3,228
					Accrued expenses	8,092	-	8,092	5,400
Total restricted	81,909	49	81,958	67,610	Accrued leave	6,597	-	6,597	3,467
Total current funds	\$ 388,971	\$ 428,915	\$ 817,886	\$ 745,109	Fund balances - restricted	62,860	49	62,909	55,515
					Total restricted	81,909	49	81,958	67,610
<b>Loan Funds:</b>					Total current funds	\$ 388,971	\$ 428,915	\$ 817,886	\$ 745,109
Cash and cash equivalents	\$ -	\$ 15,460	\$ 15,460	\$ 16,015	<b>Loan Funds:</b>				
Notes receivable	-	630	630	461	Fund balances - college funds	\$ -	\$ 16,090	\$ 16,090	\$ 16,476
Total loan funds	\$ -	\$ 16,090	\$ 16,090	\$ 16,476	Total loan funds	\$ -	\$ 16,090	\$ 16,090	\$ 16,476
<b>Plant Funds Unexpended:</b>					<b>Plant Funds Unexpended:</b>				
Cash and cash equivalents	\$ 141	\$ 4,856	\$ 4,997	\$ 344,050	Accounts payable	\$ -	\$ -	\$ -	\$ 5,278
Appropriations available	25,068	-	25,068	278,922	Retainage payable	-	-	-	144,948
Investments	-	472,051	472,051	309,569	Fund balances - restricted	25,755	479,055	504,810	838,896
Accounts receivable	546	-	546	52,076					
Interest receivable	-	2,148	2,148	4,505	Total unexpended	25,755	479,055	504,810	989,122
Total unexpended	25,755	479,055	504,810	989,122	<b>Plant Funds Renewals, Replacements, and Debt Retirement:</b>				
<b>Plant Funds Renewals, Replacements, and Debt Retirement:</b>					Accounts payable	46,108	-	46,108	2,630
Due from system office	106,206	-	106,206	2,630	Retainage payable	60,098	-	60,098	-
Total renewals, replacements, and debt retirement	106,206	-	106,206	2,630	Total renewals, replacements, and debt retirement	106,206	-	106,206	2,630

VIRGINIA COMMUNITY COLLEGE SYSTEM  
CENTRAL VIRGINIA COMMUNITY COLLEGE  
BALANCE SHEET

For the Year Ended June 30, 1998, with Comparative Figures at June 30, 1997

ASSETS	Current Year			Prior Year Total	LIABILITIES AND FUND BALANCES	Current Year			Prior Year Total
	State Funds	Local Funds	Total			State Funds	Local Funds	Total	
<b>Plant Funds Investment in Plant:</b>					<b>Plant Funds Investment in Plant:</b>				
Land	181,780	-	181,780	181,780	Capital leases payable	697,564	-	697,564	667,748
Site improvements	592,242	311,214	903,456	732,087	Installment payable	146,833	-	146,833	169,779
Buildings	3,223,213	-	3,223,213	3,223,213	Net investment in plant	10,604,058	311,214	10,915,272	10,646,144
Equipment and library books	3,578,858	-	3,578,858	3,460,739					
Construction in progress	3,831,721	-	3,831,721	3,870,474	Total investment in plant	11,448,455	311,214	11,759,669	11,483,671
Equity in equipment trust	40,641	-	40,641	15,378	Total plant funds	\$ 11,580,416	\$ 790,269	\$ 12,370,685	\$ 12,475,423
Total investment in plant	11,448,455	311,214	11,759,669	11,483,671	<b>Agency Funds:</b>				
Total plant funds	\$ 11,580,416	\$ 790,269	\$ 12,370,685	\$ 12,475,423	Cash and cash equivalents	\$ -	\$ 32,636	\$ 32,636	\$ 39,761
<b>Agency Funds:</b>					Deposits held in custody for others	\$ -	\$ 32,636	\$ 32,636	\$ 39,761

VIRGINIA COMMUNITY COLLEGE SYSTEM  
CENTRAL VIRGINIA COMMUNITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCES  
For the Year Ended June 30, 1998

	Current Funds				Loan Funds	Plant Funds					
	Unrestricted		Restricted			Unexpended	Renewals, Replacements, and Debt Retirement		Investment in Plant		
	State Funds	Local Funds	State Funds	Local Funds			State Funds	Local Funds	State Funds	Local Funds	
Revenue and Other Additions:											
Unrestricted current fund revenue	\$ 9,702,486	\$ 232,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State appropriations - restricted	-	-	270,924	-	-	231,259	-	172,486	-	-	-
Federal grants and contracts - restricted	-	-	236,040	797,915	-	-	-	-	-	-	-
State grants and contracts - restricted	-	-	-	31,000	-	-	-	-	-	-	-
Private gifts and grants - restricted	-	-	76,514	-	-	-	-	-	-	12,882	-
Investment income - restricted	-	-	-	-	-	-	25,224	-	-	-	-
Expended for plant facilities (including \$105,437 charged to current funds)	-	-	-	-	-	-	-	-	-	165,738	171,369
Retirement of indebtedness (including \$22,946 charged to current funds)	-	-	-	-	-	-	-	-	-	171,080	-
Recovery of write-offs	-	-	-	-	661	-	-	-	-	-	-
Maintenance reserve allocation	-	-	-	-	-	-	-	1,273,429	-	-	-
<b>Total revenues and other additions</b>	<b>9,702,486</b>	<b>232,405</b>	<b>583,478</b>	<b>828,915</b>	<b>661</b>	<b>231,259</b>	<b>25,224</b>	<b>1,445,915</b>	<b>349,700</b>	<b>171,369</b>	<b>-</b>
Expenditures and Other Deductions:											
Educational and general expenditures	9,644,836	80,117	566,197	823,742	-	-	-	-	-	-	-
Auxiliary enterprises expenditures	28,092	23,596	-	-	-	-	-	-	-	-	-
Indirect costs recovered	-	-	9,719	5,124	-	-	-	-	-	-	-
Refunded to grantors	-	-	-	217	-	-	-	-	-	-	-
Loan cancellations and write-offs	-	-	-	-	1,047	-	-	-	-	-	-
Expended for plant facilities (includes noncapitalized expenditures of \$1,688,768)	-	-	-	-	-	439,029	207,980	1,273,429	-	-	-
Disposal of plant facilities	-	-	-	-	-	-	-	-	-	251,941	-
Retirement of indebtedness	-	-	-	-	-	-	-	148,134	-	-	-
Interest on indebtedness	-	-	-	-	-	-	-	24,352	-	-	-
<b>Total expenditures and other deductions</b>	<b>9,672,928</b>	<b>103,713</b>	<b>575,916</b>	<b>829,083</b>	<b>1,047</b>	<b>439,029</b>	<b>207,980</b>	<b>1,445,915</b>	<b>251,941</b>	<b>-</b>	<b>-</b>
Transfers among funds - additions (deductions):											
Nonmandatory	-	(56,440)	-	-	-	52,653	3,787	-	-	-	-
<b>Net increase (decrease) in fund balances</b>	<b>29,558</b>	<b>72,252</b>	<b>7,562</b>	<b>(168)</b>	<b>(368)</b>	<b>(155,117)</b>	<b>(178,969)</b>	<b>-</b>	<b>97,759</b>	<b>171,369</b>	<b>-</b>
Fund balances (deficits) at July 1, 1997, as adjusted	(1,031,336)	355,934	55,298	217	16,476	180,872	658,024	-	10,506,299	139,845	-
<b>Fund balances (deficits) at June 30, 1998</b>	<b>\$ (1,001,778)</b>	<b>\$ 428,186</b>	<b>\$ 62,860</b>	<b>\$ 49</b>	<b>\$ 16,090</b>	<b>\$ 25,755</b>	<b>\$ 479,055</b>	<b>\$ -</b>	<b>\$ 10,604,058</b>	<b>\$ 311,214</b>	<b>\$ -</b>

VIRGINIA COMMUNITY COLLEGE SYSTEM  
CENTRAL VIRGINIA COMMUNITY COLLEGE  
STATEMENT OF CURRENT FUNDS, REVENUES, EXPENDITURES, AND OTHER CHANGES  
For the Year Ended June 30, 1998, with Comparative Figures for 1997

	Current Year					Prior Year Total
	Unrestricted		Restricted		Total	
	State Funds	Local Funds	State Funds	Local Funds		
Revenues:						
Tuition and fees	\$ 3,366,687	\$ 40,176	\$ -	\$ -	\$ 3,406,863	\$ 3,268,337
State appropriations	6,277,590	-	274,005	-	6,551,595	6,084,807
Local appropriations	-	4,929	-	-	4,929	5,305
Federal grants and contracts	14,843	-	227,535	792,742	1,035,120	1,013,929
State grants and contracts	-	-	1,649	31,000	32,649	34,075
Private gifts, grants, and contracts	-	-	63,008	-	63,008	16,999
Sales and services of auxiliary enterprises	28,092	55,522	-	-	83,614	74,813
Other sources:						
Commissions on auxiliary operations	1,021	113,067	-	-	114,088	100,619
Investment income	-	18,482	-	-	18,482	28,904
Surplus property sales	80	-	-	-	80	1,827
Insurance recoveries	2,505	-	-	-	2,505	484
Miscellaneous	11,668	229	-	-	11,897	4,037
<b>Total revenues</b>	<b>9,702,486</b>	<b>232,405</b>	<b>566,197</b>	<b>823,742</b>	<b>11,324,830</b>	<b>10,634,136</b>
Expenditures and mandatory transfers:						
Educational and general expenditures:						
Instruction	5,204,430	-	299,586	-	5,504,016	5,326,187
Public service	94,753	685	-	-	95,438	74,949
Academic support	1,129,383	-	-	-	1,129,383	1,147,837
Student services	655,242	55,194	64,705	-	775,141	732,703
Institutional support	1,778,126	24,238	-	-	1,802,364	1,820,165
Operation and maintenance of plant	758,230	-	-	-	758,230	649,259
Scholarships and fellowships	24,672	-	201,906	823,742	1,050,320	1,018,421
<b>Total educational and general</b>	<b>9,644,836</b>	<b>80,117</b>	<b>566,197</b>	<b>823,742</b>	<b>11,114,892</b>	<b>10,769,521</b>
Auxiliary enterprises:						
Expenditures	28,092	23,596	-	-	51,688	35,813
<b>Total expenditures</b>	<b>9,672,928</b>	<b>103,713</b>	<b>566,197</b>	<b>823,742</b>	<b>11,166,580</b>	<b>10,805,334</b>
Other transfers and additions (deductions):						
Excess of restricted receipts over transfers to revenue	-	-	7,562	49	7,611	19,882
Refunded to grantors	-	-	-	(217)	(217)	(496)
Nonmandatory transfers:						
(To) from plant funds	-	(56,440)	-	-	(56,440)	(413,610)
<b>Total other transfers and additions (deductions)</b>	<b>-</b>	<b>(56,440)</b>	<b>7,562</b>	<b>(168)</b>	<b>(49,046)</b>	<b>(394,224)</b>
<b>Net increase (decrease) in fund balances</b>	<b>\$ 29,558</b>	<b>\$ 72,252</b>	<b>\$ 7,562</b>	<b>\$ (168)</b>	<b>\$ 109,204</b>	<b>\$ (565,422)</b>