

January 11, 2002

Dr. Charles L. Downs  
Interim President  
Northern Virginia Community College  
4001 Wakefield Chapel Road  
Annandale, Virginia 22003-3796

INDEPENDENT ACCOUNTANT'S REPORT

We have reviewed the accompanying balance sheet of Northern Virginia Community College as of June 30, 2001, and the related statements of changes in fund balances and current fund revenues, expenditures, and other changes for the year then ended. All information included in these financial statements is the responsibility of the management of Northern Virginia Community College.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, 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, nothing came to our attention that caused us to believe that the accompanying financial statements are not presented, in all material respects, in conformity with generally accepted accounting principles.

This report is intended solely for the information and use of the accreditation review board and is not intended to be and should not be used by anyone other than this specified party.

Sincerely,

Walter J. Kucharski  
Auditor of Public Accounts

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Enclosure

VIRGINIA COMMUNITY COLLEGE SYSTEM  
NORTHERN VIRGINIA COMMUNITY COLLEGE  
BALANCE SHEET  
As of June 30, 2001

ASSETS	
Current Funds Unrestricted:	
Cash and cash equivalents	\$ 9,353,990
Investments	13,222,945
Accounts receivable	222,870
Inventories	31,526
Total unrestricted	<u>22,831,331</u>
Current Funds Restricted:	
Cash and cash equivalents	1,778,142
Investments	22,643
Accounts receivable	163,960
Total restricted	<u>1,964,745</u>
Total current funds	<u>\$ 24,796,076</u>
Loan Funds:	
Cash and cash equivalents	\$ 279,188
Notes receivable	3,794,425
Total loan funds	<u>\$ 4,073,613</u>
Endowment and Similar Funds:	
Cash and cash equivalents	\$ 139,381
Total endowment and similar funds	<u>\$ 139,381</u>
Plant Funds Unexpended:	
Cash and cash equivalents	\$ 180,028
Appropriations available	17,994,874
Investments	2,580,362
Accounts receivable	7,000
Total unexpended	<u>20,762,264</u>
Plant Funds Renewals, Replacements, and Debt Retirement:	
Due from system office	75,576
Total renewal/replace/retire	<u>75,576</u>
Plant Funds Investment in Plant:	
Land	6,585,949
Site improvements	15,450,059
Buildings	61,115,916
Equipment and library books	25,271,485
Construction in progress	27,442,338
Total investment in plant	<u>135,865,747</u>
Total plant funds	<u>\$ 156,703,587</u>
Agency Funds:	
Cash and cash equivalents	27,318
Investments	1,376,193
Total agency funds	<u>\$ 1,403,511</u>

VIRGINIA COMMUNITY COLLEGE SYSTEM  
NORTHERN VIRGINIA COMMUNITY COLLEGE  
BALANCE SHEET  
As of June 30, 2001

LIABILITIES AND FUND BALANCES	
Current Funds Unrestricted:	
Accounts payable	\$ 1,073,214
Accrued expenses	4,544,194
Accrued leave	5,132,353
Due to the commonwealth	40,000
Deferred revenue	6,376,041
Deposits pending distribution	17,303
Fund Balances	<u>5,648,226</u>
Total unrestricted	<u>22,831,331</u>
Current Funds Restricted:	
Accounts payable	15,084
Accrued expenses	186,959
Accrued leave	31,551
Fund balances - restricted	<u>1,731,151</u>
Total restricted	<u>1,964,745</u>
Total current funds	<u>\$ 24,796,076</u>
Loan Funds:	
Fund balances - college funds	913,832
Fund balances - federal funds	<u>3,159,781</u>
Total loan funds	<u>\$ 4,073,613</u>
Endowment and Similar Funds:	
Fund balances - quasi restricted	<u>139,381</u>
Total endowment and similar funds	<u>\$ 139,381</u>
Plant Funds Unexpended:	
Accounts payable	\$ 356,654
Retainage payable	1,016,696
Fund balances-unrestricted	6,896,087
Fund balances-restricted	<u>12,492,827</u>
Total unexpended	<u>20,762,264</u>
Plant Funds Renewals, Replacements, and Debt Retirement:	
Accounts payable	70,156
Retainage payable	<u>5,420</u>
Total renewal/replace/retire	<u>75,576</u>
Plant Funds Investment in Plant:	
Capital leases payable	1,249,033
Installment payable	1,098,896
Bonds payable	2,108,435
Net investment in plant	<u>131,409,383</u>
Total investment in plant	<u>135,865,747</u>
Total plant funds	<u>\$ 156,703,587</u>
Agency Funds:	
Deposits held in custody for others	<u>1,403,511</u>
Total agency funds	<u>\$ 1,403,511</u>

VIRGINIA COMMUNITY COLLEGE SYSTEM  
NORTHERN VIRGINIA COMMUNITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2001

	Current Funds			Endowment
	Unrestricted	Restricted	Loan Funds	Funds
Revenue and other additions:				
Unrestricted current fund revenue	\$ 112,322,558	\$ -	\$ -	\$ -
State appropriations - restricted	-	1,324,709	-	-
Local appropriations - restricted	-	-	-	-
Federal grants and contracts - restricted	-	9,912,871	-	-
State grants and contracts - restricted	-	2,916,605	-	-
Local grants and contracts - restricted	-	-	-	-
Non-governmental grants and contracts restricted	-	936,016	-	-
Private gifts - restricted	-	-	-	-
Investment income - restricted	-	(108)	1,897	5,329
Endowment income	-	-	-	-
U.S. government advances	-	-	176,584	-
Interest on loans receivable	-	-	69,050	-
Expended for plant facilities (including \$3,568,319 charged to current funds)	-	-	-	-
Retirement of indebtedness (including \$79,104 charged to current funds)	-	-	-	-
Recovery of writeoffs	-	-	-	-
Maintenance reserve allocation	-	-	-	-
Other sources	-	-	7,860	-
Total revenues and other additions	112,322,558	15,090,093	255,391	5,329
Expenditures and other deductions:				
Educational and general expenditures	109,117,839	13,464,804	-	-
Auxiliary enterprises expenditures	911,985	-	-	-
Indirect costs recovered	-	579,700	-	-
Refunded to grantors	-	138,078	-	-
Administrative and collection costs	-	-	69,801	-
Loan cancellations and writeoffs	-	-	15,138	-
Expended for plant facilities (includes noncapitalized expenditures of \$980,814)	-	-	-	-
Disposal of plant facilities	-	-	-	-
Retirement of indebtedness	-	-	-	-
Liquidation of endowment	-	-	-	-
Interest on indebtedness	-	-	-	-
Total expenditures and other deductions	110,029,824	14,182,582	84,939	0
Transfers among funds-additions/deductions:				
Mandatory	(58,861)	-	58,861	-
Non-mandatory	(4,614,425)	-	10,000	(10,000)
Total transfers among funds	(4,673,286)	-	68,861	(10,000)
Net increase/(decrease) in fund balances	(2,380,552)	907,511	239,313	(4,671)
Fund balance July 1, 2000	8,028,778	823,640	3,834,300	144,052
Fund balance June 30, 2001	\$ 5,648,226	\$ 1,731,151	\$ 4,073,613	\$ 139,381

VIRGINIA COMMUNITY COLLEGE SYSTEM  
NORTHERN VIRGINIA COMMUNITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2001

	Plant Funds		
	Unexpended	Renewals, Replacement, and Debt Retirement	Investment in Plant
Revenue and other additions:			
Unrestricted current fund revenue	\$ -	\$ -	\$ -
State appropriations - restricted	311,239	1,017,230	-
Local appropriations - restricted	1,086,477	-	-
Federal grants and contracts - restricted	-	-	-
State grants and contracts - restricted	-	-	-
Local grants and contracts - restricted	-	-	-
Non-governmental grants and contracts restricted	-	-	-
Private gifts - restricted	1,500,000	-	259,657
Investment income - restricted	460,911	-	-
Endowment income	-	-	-
U.S. government advances	-	-	-
Interest on loans receivable	-	-	-
Expended for plant facilities (including \$3,568,319 charged to current funds)	-	-	11,781,796
Retirement of indebtedness (including \$79,104 charged to current funds)	-	-	-
	-	-	1,140,321
Recovery of writeoffs	-	-	-
Maintenance reserve allocation	-	548,034	-
Other sources	-	-	-
Total revenues and other additions	3,358,627	1,565,264	13,181,774
Expenditures and other deductions:			
Educational and general expenditures	-	-	-
Auxiliary enterprises expenditures	-	-	-
Indirect costs recovered	-	-	-
Refunded to grantors	-	-	-
Administrative and collection costs	-	-	-
Loan cancellations and writeoffs	-	-	-
Expended for plant facilities (includes noncapitalized expenditures of \$980,814)	8,414,925	779,366	-
Disposal of plant facilities	-	-	1,277,774
Retirement of indebtedness	-	1,061,217	-
Liquidation of endowment	-	-	-
Interest on indebtedness	-	148,474	-
Total expenditures and other deductions	8,414,925	1,989,057	1,277,774
Transfers among funds-additions/deductions:			
Mandatory	-	-	-
Non-mandatory	4,190,632	423,793	-
Total transfers among funds	4,190,632	423,793	-
Net increase/(decrease) in fund balances	(865,666)	-	11,904,000
Fund balance July 1, 2000	20,254,580	-	119,505,383
Fund balance June 30, 2001	\$ 19,388,914	\$ -	\$ 131,409,383

VIRGINIA COMMUNITY COLLEGE SYSTEM  
NORTHERN VIRGINIA COMMUNITY COLLEGE  
STATEMENT OF CURRENT FUNDS, REVENUES, EXPENDITURES, AND OTHER CHANGES  
For the Year Ended June 30, 2001

	Unrestricted	Restricted	Total
Revenues:			
Tuition and fees	\$ 42,879,717	\$ -	\$ 42,879,717
State appropriations (Note 6)	63,928,589	1,324,774	65,253,363
Local appropriations	187,429	-	187,429
Federal grants and contracts	254,846	9,408,187	9,663,033
State grants and contracts	307,392	1,821,578	2,128,970
Local grants and contracts	-	-	-
Non-governmental grants and contracts	17,462	910,265	927,727
Private gifts	-	-	-
Endowment income	-	-	-
Sales and services of educational departments	-	-	-
Sales and services of auxiliary enterprises	3,178,708	-	3,178,708
Other sources:	-	-	-
Commissions on auxiliary operations	1,376,413	-	1,376,413
Investment income	147,366	-	147,366
Rents and leases	-	-	-
Surplus property sales	-	-	-
Insurance recoveries	-	-	-
Miscellaneous	44,636	-	44,636
Total revenues	112,322,558	13,464,804	125,787,362
Expenditures and mandatory transfers:			
Educational and general expenditures:			
Instruction	58,868,370	2,882,191	61,750,561
Public service	357,021	-	357,021
Academic support	13,971,532	-	13,971,532
Student services	9,338,039	436,042	9,774,081
Institutional support	15,433,987	9,067	15,443,054
Operation and maintenance of plant	10,952,522	-	10,952,522
Scholarships and fellowships	196,368	10,137,504	10,333,872
Total educational and general expenditures	109,117,839	13,464,804	122,582,643
Mandatory transfers for:			
Loan fund matching grant	58,861	-	58,861
Total educational and general	109,176,700	13,464,804	122,641,504
Auxiliary enterprises:			
Expenditures	911,985	-	911,985
Total expenditures and mandatory transfers	110,088,685	-	123,553,489
Other transfers and additions/(deductions):			
Excess of restricted receipts over transfers to revenue	-	1,045,589	1,045,589
Refunded to grantors	-	(138,078)	(138,078)
Nonmandatory transfers:	-	-	-
(To)/from current funds	-	-	-
(To)/from loan funds	-	-	-
(To)/from endowment and similar funds	-	-	-
(To)/from plant funds	(4,614,425)	-	(4,614,425)
Total other transfers and additions/(deductions)	(4,614,425)	907,511	(3,706,914)
Net increase (decrease) in fund balances	\$ (2,380,552)	\$ 907,511	\$ (1,473,041)