



# RICHARD BLAND COLLEGE

## REVIEW REPORT FOR THE YEAR ENDED JUNE 30, 2018

Auditor of Public Accounts  
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Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

April 23, 2019

Debbie L. Sydow  
President, Richard Bland College

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying financial statements of **Richard Bland College**, which comprise the Statement of Net Position as of June 30, 2018, and the related Statement of Revenues, Expenses, and Changes in Net Position, for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of College management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### *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.

### *Accountant's Responsibility*

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. SSARs require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### *Accountant's Conclusion*

Based on our review, except for the issues noted in the Known Departures from Accounting Principles Generally Accepted in the United States of America paragraph, 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 accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

Accounting standards generally accepted in the United States of America define assets as resources with present service capacity that the government presently controls. As such, preparers of financial statements record existing assets in the Statement of Net Position as positive balances. Richard Bland College's Statement of Net Position includes a negative balance in cash and cash equivalents in the current asset section of the statement. This negative balance relates primarily to expenses incurred for capital projects, which have not yet been processed for reimbursement. The Statement of Net Position for Richard Bland College includes related accounts receivable balances that, when included in aggregate with the negative cash balance, eliminate the negative cash in its entirety. As noted in the paragraph below, disclosure related to this particular item is not available due to a known departure from accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

### *Known Departures from Accounting Principles Generally Accepted in the United States of America*

Accounting principles generally accepted in the United States of America require that the financial statements for business-type entities include a Statement of Cash Flows and notes to the financial statements, which are considered part of the basic financial statements. As Richard Bland College shares governance with the College of William and Mary, the combined University issues a consolidated set of basic financial statements; however, Richard Bland College does not prepare separate note disclosures that comply with generally accepted accounting principles nor does Richard Bland College prepare a separate Statement of Cash Flows. In addition, Richard Bland College does not prepare separate required supplementary information, such as management's discussion and analysis, pension and other post-employment benefit-related schedules, which is required to be presented to supplement the basic financial statements. Required supplementary 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. The effect of these departures from accounting principles generally accepted in the United States of America has not been determined.

### *Other Matters*

Federal funds received by the Commonwealth of Virginia are audited at a statewide level by the Auditor of Public Accounts 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of the statewide Single Audit of federal funds, the Auditor of Public Accounts audits Federal Student Financial Aid at Virginia's state-supported colleges and universities. The Auditor of Public Accounts audited Richard Bland College's Federal Student Aid program in fiscal year 2017 and performed follow-up procedures during the fiscal year 2018 audit and did not report any material compliance issues. Copies of our audits of the financial statements

of the College of William and Mary, including Richard Bland College, along with copies of our statewide Single Audits may be found on our website at [www.apa.virginia.gov](http://www.apa.virginia.gov).

This letter 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. However, this letter is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

EMS/clj

**Richard Bland College of  
The College of William and Mary in Virginia  
Statement Of Net Position  
As of June 30, 2018**

<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ (4,914)
Receivables	254,313
Due From Commonwealth	53,097
Prepaid Expenses	139,898
<b>Total Current Assets</b>	<u>442,394</u>
<b>Non-current Assets</b>	
Restricted Cash and Cash Equivalents	1,099,893
Restricted Investments	389,373
Other Restricted Assets	83,000
Capital assets, nondepreciable	4,146,767
Capital assets, depreciable net of accumulated depreciation	48,543,655
<b>Total Non-current Assets</b>	<u>54,262,688</u>
<b>TOTAL ASSETS</b>	<u>54,705,082</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	1,548,301
Other post-employment benefits	750,720
<b>Total assets and deferred outflows of resources</b>	<u>57,004,103</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable and Accrued Expenses	1,961,078
Unearned Revenue	222,855
Deposits held in custody for others	44,202
Obligations Under Securities Lending Program	5,921
Other post-employment benefits-current	46,044
Long-term Obligations-current	1,303,197
<b>Total Current Liabilities</b>	<u>3,583,297</u>
Non-current Liabilities	<u>36,771,491</u>
<b>TOTAL LIABILITIES</b>	<u>40,354,788</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	646,000
Other post-employment benefits	535,929
<b>Total liabilities and deferred inflows of resources</b>	<u>41,536,717</u>
<b>NET POSITION</b>	
Net investment in capital assets	26,992,035
Restricted for:	
Nonexpendable:	
Scholarships and Fellowships	236,118
Expendable:	
Scholarships and Fellowships	153,255
Other	83,000
Unrestricted	(11,997,021)
<b>TOTAL NET POSITION</b>	<u><u>\$ 15,467,387</u></u>

See Independent Accountant's Review Report

**Richard Bland College of**  
**The College of William and Mary in Virginia**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2018**

<b>Operating Revenues:</b>	
Student Tuition and Fees, net of scholarship allowances of \$1,393,807	\$ 2,911,432
Auxiliary Enterprises, net of scholarship allowances of \$1,454,638	3,038,499
Other Operating Revenues	109,888
<b>Total Operating Revenues</b>	<u>6,059,819</u>
<b>Operating Expenses:</b>	
Instruction	4,278,232
Academic Support	820,521
Student Services	2,251,924
Institutional Support	3,952,045
Operation and Maintenance of Plant	1,611,546
Student Aid	165,311
Auxiliary Enterprises	2,780,367
Depreciation	2,448,678
<b>Total Operating Expenses</b>	<u>18,308,624</u>
<b>Operating Loss</b>	<u>(12,248,805)</u>
<b>Nonoperating Revenues (Expenses)</b>	
State Appropriations	8,019,269
Investment Income	125,844
Pell Grants	1,964,003
Interest on Capital Asset Related Debt	(702,226)
Other Nonoperating Revenue	43,297
Other Nonoperating Expense	(214,226)
<b>Net Nonoperating Revenues</b>	<u>9,235,961</u>
<b>Income before Other Revenues, Expenses, Gains or Losses</b>	<u>(3,012,844)</u>
Capital Appropriations	516,613
Capital Grants and Contributions	248,387
Gain on disposal of assets	478
<b>Net Other Revenues</b>	<u>765,478</u>
<b>Change in Net Position</b>	<u>(2,247,366)</u>
<b>Net Position - Beginning of year (as restated)</b>	<u>17,714,752</u>
<b>Net Position - End of year</b>	<u><u>\$ 15,467,387</u></u>

See Independent Accountant's Review Report