



THOMAS NELSON COMMUNITY COLLEGE

REVIEW REPORT FOR THE YEAR ENDED JUNE 30, 2014

Auditor of Public Accounts
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March 4, 2015

Dr. John T. Dever
President, Thomas Nelson Community College

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying Statement of Net Position of **Thomas Nelson Community College** as of June 30, 2014, 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. We did not perform review procedures on the activity of Thomas Nelson Community College Educational Foundation, a discretely presented component unit of Thomas Nelson Community College, which is presented in the accompanying financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 accounting principles generally accepted in the United States of America.

Thomas Nelson Community College is one of 23 community colleges that comprise the Virginia Community College System, which is a component unit of the Commonwealth of Virginia. Federal funds received by the Commonwealth of Virginia are audited at a statewide level by the Auditor of Public Accounts under the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133. As a major program, the Auditor of Public Accounts audits Federal Student Financial Aid at Virginia's state-supported colleges and universities generally on a triennial cyclic basis. The Auditor of Public Accounts audited Thomas Nelson Community College's Federal Student Aid programs in fiscal years 2011 and 2014 and did not report any material compliance issues. Copies of our audits of the system-wide financial statements of the Virginia Community College System along with copies of our statewide Single Audits may be found on our website at www.apa.virginia.gov.

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

AUDITOR OF PUBLIC ACCOUNTS

EMS/clj

Virginia Community College System
Thomas Nelson Community College
Statement of Net Position
As of June 30, 2014

	<u>Component Unit</u>	
	<u>Community College</u>	<u>Thomas Nelson Community College Educational Foundation</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 14,018,703	\$ 83,693
Short term investments	142	-
Accounts receivable, net	1,147,900	1,134
Pledges receivable	-	23,448
Prepaid expenses	132,859	-
Inventories	642	-
Total Current Assets	15,300,246	108,275
Noncurrent Assets		
Endowment cash and cash equivalents	-	58,421
Endowment investments	-	4,574,781
Other long-term investments	-	3,273,091
Accounts receivable, net	9,997	-
Investments in real estate	-	333,941
Non-depreciable capital assets, net	4,035,408	-
Depreciable capital assets, net	60,015,597	-
Total Noncurrent Assets	64,061,002	8,240,234
Total Assets	79,361,248	8,348,509
Deferred Outflows of Resources	-	-
Total Assets and Deferred Outflows of Resources	79,361,248	8,348,509
Liabilities		
Current Liabilities		
Accounts and retainage payable	533,243	27,843
Accrued payroll expense	2,999,852	-
Unearned revenue	2,365,530	-
Long-term liabilities-current portion	1,056,645	14,155
Securities lending obligation	4,540	-
Due to Commonwealth	15,000	-
Deposits	1,473,402	-
Total Current Liabilities	8,448,212	41,998
Noncurrent Liabilities		
Long-term liabilities	2,404,670	254,725
Total Noncurrent Liabilities	2,404,670	254,725
Total Liabilities	10,852,882	296,723
Deferred Inflows of Resources	-	-
Total Liabilities and Deferred Inflows of Resources	10,852,882	296,723
Net Position		
Net investment in capital assets	62,097,896	-
Restricted for:		
Nonexpendable	-	2,820,066
Expendable	2,422,230	2,847,007
Unrestricted	3,988,240	2,384,713
Total Net Position	\$ 68,508,366	\$ 8,051,786

See Independent Accountant's Review Report

**Virginia Community College System
Thomas Nelson Community College
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2014**

	Community College	Component Unit Thomas Nelson Community College Educational Foundation
Revenues		
Operating Revenue		
Tuition and fees (net of scholarship allowance of \$8,804,192)	\$ 20,739,641	\$ -
Federal grants and contracts	1,690,365	-
Nongovernmental grants	-	15,250
Sales/services of education department	8,572	-
Auxiliary enterprises (net of scholarship allowance of \$31,476)	634,393	-
Gifts and contributions	-	125,664
Endowment income	-	619,624
Other operating revenues	1,767,114	299,909
Total Operating Revenue	24,840,085	1,060,447
Expenses		
Operating Expenses		
Instruction	22,726,255	13,421
Public service	854,802	41,688
Academic support	3,608,053	5,307
Student services	5,685,134	-
Institutional support	11,055,296	365,683
Operation and maintenance	5,915,774	-
Scholarships and fellowships	12,300,973	80,141
Auxiliary enterprises	333,726	-
Fundraising	-	23,279
Other expenses	-	2,348
Total Operating Expenses	62,480,013	531,867
Operating Income (Loss)	(37,639,928)	528,580
Nonoperating Revenues(Expenses)		
State appropriations	19,363,337	-
Local appropriations	215,250	-
Grants and gifts	17,929,857	-
Investment income	5,708	624,481
Interest on capital asset related debt	(131,526)	-
Other nonoperating revenue (expense)	(83,539)	-
Net Nonoperating Revenue	37,299,087	624,481
Income before other revenues, expenses gains (losses)	(340,841)	1,153,061
Capital appropriations-state	(48,875)	-
Capital appropriations-local	585,205	-
Capital gifts, grants and contracts	29,806	-
Additions to permanent and term endowments	-	136,548
Increase (Decrease) in Net Position	225,295	1,289,609
Net Position		
Net Position beginning of year	68,283,071	6,762,177
Net Position end of year	\$ 68,508,366	\$ 8,051,786

See Independent Accountant's Review Report