

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

statement audits. All costs for this additional audit will be incurred by APA's general fund. The establishment of a separate governance structure creates the need to complete a full financial statement audit for RBC each year, including the issuance of a separate opinion and report on internal control and compliance. The current APA workplan does include audit hours for RBC, however, because this audit is currently completed as part of the W&M financial statement audit, staff and administrative hours to plan, perform, and issue reports are condensed. The estimated additional hours take into account a standalone audit engagement of RBC, using historical audit hours of the institution in conjunction with consideration of separate financial statement audits of similar size. The bill provides that for the FY25 audit of RBC, the College would still be considered as part of W&M; this audit would be completed in FY26 and is part of the APA's existing workplan and resources. The FY26 audit would be the first for RBC as an independent entity; this audit would be completed in FY27. As a result, any impact to APA would occur in FY27.

Other: This is a similar bill to substitute HB2157. The house bill differs by delaying the effective date by one year and requires a report be issued to the General Assembly by December 31, 2025 to report progress on the transition.