

***EASTERN WEST VIRGINIA COMMUNITY
AND TECHNICAL COLLEGE***

*Financial Statements for the
Year Ended June 30, 2001, and
Independent Auditors' Reports*

EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE

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INDEPENDENT AUDITORS' REPORT

To the Eastern West Virginia Community and Technical College Governing Board:

We have audited the accompanying financial statements of Eastern West Virginia Community and Technical College (the "College") as of June 30, 2001, and for the year then ended, listed in the foregoing Table of Contents. These financial statements are the responsibility of the management of the College. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the College at June 30, 2001, the changes in fund balances and the current funds revenues, expenditures, transfers and other changes for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2001 on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

DELOITTE & TOUCHE LLP

September 28, 2001

EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE

BALANCE SHEET JUNE 30, 2001

	Current Funds		Plant Funds
	Unrestricted	Restricted	
ASSETS:			
Cash and cash equivalents	\$ 373,202	\$ 39,060	
Appropriation due from Primary Government	1,436,582		
Accounts receivable	389		
Investment in plant			\$ 980,285
	<u>\$ 1,810,173</u>	<u>\$ 39,060</u>	<u>\$ 980,285</u>
LIABILITIES AND FUND BALANCES:			
Accounts payable	\$ 562,020	\$ 7,226	
Accrued liabilities	5,915		
Compensated absences	72,922		
Fund balances:			
College funds	1,169,316	31,834	
Net investment in plant			\$ 980,285
	<u>\$ 1,810,173</u>	<u>\$ 39,060</u>	<u>\$ 980,285</u>

See notes to financial statements.

EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE

STATEMENT OF CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2001

	Current Funds		Plant Funds
	Unrestricted	Restricted	
FUND BALANCE, BEGINNING OF YEAR	\$ -	\$ -	\$ -
REVENUES AND OTHER ADDITIONS:			
Unrestricted current fund revenues	2,881,211		
State contracts and grants - restricted		82,998	
Investment income	2,629	1,841	
Other sources		7,283	908,763
Total revenues and other additions	<u>2,883,840</u>	<u>92,122</u>	<u>908,763</u>
EXPENDITURES AND OTHER DEDUCTIONS -			
Educational and general expenditures (including \$908,763 of capitalized expenditures)	2,078,836	60,288	
Total expenditures and other deductions	<u>2,078,836</u>	<u>60,288</u>	
TRANSFERS:			
Transfer from West Virginia Northern Community College	220,000		
Transfer from the Commission (passed through West Virginia Northern Community College)	144,312		
Transfer of equipment (from West Virginia Northern Community College)			71,522
Total transfers	<u>364,312</u>		<u>71,522</u>
NET INCREASE	<u>1,169,316</u>	<u>31,834</u>	<u>980,285</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,169,316</u>	<u>\$ 31,834</u>	<u>\$ 980,285</u>

See notes to financial statements.

EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE

STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, TRANSFERS AND OTHER CHANGES YEAR ENDED JUNE 30, 2001

	Unrestricted	Restricted	Total
REVENUES:			
Tuition and fees	\$ 6,260		\$ 6,260
State government appropriations	2,874,951		2,874,951
State government contracts and grants		\$ 51,164	51,164
Investment income	2,629	1,841	4,470
Other sources	<u> </u>	<u>7,283</u>	<u>7,283</u>
TOTAL REVENUES	<u>2,883,840</u>	<u>60,288</u>	<u>2,944,128</u>
EXPENDITURES, TRANSFERS AND OTHER CHANGES:			
Educational and general:			
Instruction	179,187		179,187
Public service	49,703	29,266	78,969
Academic support	207,954		207,954
Student services	54,430		54,430
Operations and maintenance of plant	900,736	30,822	931,558
General institutional support	<u>686,826</u>	<u>200</u>	<u>687,026</u>
Total expenditures	<u>2,078,836</u>	<u>60,288</u>	<u>2,139,124</u>
Transfers out (in):			
Transfer from West Virginia Northern Community College	(220,000)		(220,000)
Transfer from the Commission (passed through West Virginia Community College)	<u>(144,312)</u>	<u> </u>	<u>(144,312)</u>
Total transfers	<u>(364,312)</u>	<u> </u>	<u>(364,312)</u>
TOTAL EXPENDITURES TRANSFERS AND OTHER CHANGES	1 714 524	60 288	1 774 812
OTHER RESTRICTED RECEIPTS - Less recognized revenues	<u> </u>	<u>31,834</u>	<u>31,834</u>
NET INCREASE IN FUND BALANCE	<u>\$ 1,169,316</u>	<u>\$ 31,834</u>	<u>\$ 1,201,150</u>

See notes to financial statements.

EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

1. ORGANIZATION

Eastern West Virginia Community and Technical College (the "College") was established by House Bill No. 3019 passed on March 21, 1999 and was governed by the Board of Directors of the State College System of West Virginia (the "Board"). The Board was an agency of the State of West Virginia (the "State") and was responsible for the general determination, control, supervision and management of the financial, business and educational policies and affairs of the State's higher education institutions within the State College System of West Virginia, of which the College is one.

Effective July 1, 2000, the West Virginia Legislature made changes to the governance and structure of West Virginia higher education. On March 19, 2000, the West Virginia Legislature enacted Senate Bill No. 653 ("S.B. 653"), which restructured public higher education in West Virginia. S.B. 653 abolished the Board effective June 30, 2000, and replaced it with a transition year board, the West Virginia Higher Education Interim Governing Board (the "Interim Governing Board"). The Interim Governing Board was granted all powers, duties, and authorities of the Board and transferred each valid agreement and obligation previously transferred to or vested in the Board. The Interim Governing Board was comprised of nine persons appointed by the Governor with the advice and consent of the Senate.

S.B. 653 also created the West Virginia Higher Education Policy Commission (the "Commission"), which will be responsible for developing, gaining consensus around and overseeing the implementation and development of a higher education public policy agenda. Effective July 1, 2001, certain powers transferred to the Interim Governing Board were transferred to the newly created Governing Boards of each of the institutions of higher education.

Each Governing Board has certain powers and duties including but not limited to, the power to determine, control, supervise and manage the financial, business and educational policies and affairs of the institution(s) under its jurisdiction, the duty to develop a master plan for the institution, the power to prescribe the specific functions and institution's budget request, the duty to review at least every five years all academic programs offered at the institution, and the power to fix tuition and other fees for the different classes or categories of students enrolled at its institution.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the College have been prepared in accordance with the accounting guidance and reporting practices applicable to public colleges and universities, as outlined in the accounting pronouncements issued by the Governmental Accounting Standards Board ("GASB"), the American Institute of Certified Public Accountants ("AICPA") Industry Audit Guide *Audits of Colleges and Universities* and the *College and University Business Administration*, published by the National Association of College and University Business Officers. The College follows all GASB pronouncements as well as Financial Accounting Standards Board ("FASB") Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, and has elected not to apply the FASB Statements and Interpretations issued after November 30, 1989 to its financial statements.

- a. *Reporting Entity* - The College is an operating unit of the West Virginia Higher Education Fund and represents separate funds of the State that are not included in the State's general fund. The College is a separate entity which, along with all State institutions of higher education, the Higher Education Policy Commission and the West Virginia Network for Educational Telecomputing ("WVNET"), form the Higher Education Fund of the State. The Higher Education Fund of the State is considered a component unit of the State, which is discretely presented in the State's comprehensive annual financial report.

The accompanying financial statements present all funds under the authority of the College. Prior to July 1, 2000, the activities related to the College were reported within the financial statements of West Virginia Northern Community College. The basic criterion for inclusion in the accompanying financial statements is the exercise of oversight responsibility derived from the College's ability to significantly influence operations and accountability for fiscal matters of related entities. A related foundation of the College is not part of the College reporting entity and is not included in the accompanying financial statements as the College has no ability to designate management, cannot significantly influence operations of this entity and is not accountable for the fiscal matters of the foundation.

- b. *Basis of Accounting* - The financial statements of the College have been prepared on the accrual basis of accounting. Revenues are reported when earned and expenditures are reported when materials or services are received. The statement of current funds' revenues, expenditures, transfers and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of library books and moveable equipment; (2) mandatory transfers, in the case of required provisions for debt amortization and interest, and equipment renewal and replacement; and (3) nonmandatory transfers for all other cases.

- c. *Fund Accounting* - The accounts of the College are maintained in accordance with the principles of fund accounting for educational organizations to reflect the limitations and restrictions on the use of available resources. The accounts relating to specified activities or objectives have been classified into separate funds. Similar funds have been combined for financial reporting purposes.

Within each fund group, resources restricted as to use by outside sources are distinguished from unrestricted resources allocated or designated to specific purposes by the College president or the Board. Restricted resources may only be used for the purpose established by the source of such funds. Restricted current funds are recorded in the restricted fund balance until they are reported as revenues and expenditures when expended for current operating purposes.

Plant funds are used to account for unexpended plant funds, long-lived assets related indebtedness and retirement of indebtedness. Maintenance and repairs are recorded as current funds' expenditures.

- d. *Cash and Cash Equivalents* - Cash and cash equivalent balances on deposit with the West Virginia Treasurer's Office (the "Treasurer") are pooled by the Treasurer with other available funds of the State for investment by the West Virginia Investment Management Board (the "IMB"). These funds are transferred to the IMB, and the IMB is directed by the Treasurer, to invest these funds in specific external investment pools. Balances in the investment pools are recorded at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources, in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments for External Investment Pools." The IMB was established by the State Legislature and is subject to oversight by the State Legislature. Fair value and investment income are allocated to participants in the pool based upon the funds that have been invested. The amounts on deposit with the Treasurer are available for immediate withdrawal and, accordingly, are presented as cash and cash equivalents in the accompanying financial statements.
- e. *Property, Plant and Equipment* - Property, plant and equipment and books and materials, which are part of a catalogued library, are stated at cost at the date of acquisition or construction, or fair market value at the date of donation in the case of gifts. Consistent with current generally accepted accounting principles for public colleges and universities, depreciation on plant assets is not recorded. The College capitalizes items over \$1,000.
- f. *Compensated Absences* - The College accounts for compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." This statement requires entities to accrue for employees' rights to receive compensation for vacation leave or payments in lieu of accrued vacation or sick leave as such benefits are earned and payment becomes probable.

The College's full-time employees earn up to two vacation leave days for each month of service and are entitled to compensation for accumulated, unpaid vacation leave upon termination. Full-time employees also earn 1-1/2 sick leave days for each month of service and are entitled to extend their health or life insurance coverage upon retirement in lieu of accumulated, unpaid sick leave. Generally, two days of accrued sick leave extends health insurance for one month of single coverage and three days extends health insurance for one month of family coverage. (For employees hired after 1988, the employee shares in the cost of the extended benefit coverage to the extent of 50% of the premium required for the extended coverage.)

Certain faculty employees (generally those contracted employees with less than a 12-month contract) earn a similar extended health or life insurance coverage retirement benefit based on years of service. Generally 3-1/3 years of teaching service extends health insurance for one year of single coverage and five years extends health insurance for one year of family coverage.

The estimate of the liability for the extended health or life insurance benefit has been calculated using the vesting method in accordance with the provisions of GASB Statement No. 16. Under that method, the College has identified the accrued sick leave benefit earned to date by each employee, determined the cost of that benefit by reference to the benefit provisions and the current cost experienced by the College for such coverage and estimated the probability of the payment of that benefit to employees upon retirement.

The estimated liability for vacation leave, sick leave or extended health or life insurance retirement payments are recorded principally within the College's current funds.

- g. *Risk Management* - The State's Board of Risk and Insurance Management ("BRIM") provides general, property and casualty and medical malpractice liability coverage to the College and its employees. Such coverage may be provided to the College by BRIM through self-insurance programs maintained by BRIM or policies underwritten by BRIM that may involve experience related premiums or adjustments to BRIM.

BRIM engages an independent actuary to assist in the determination of its premiums so as to minimize the likelihood of premium adjustments to the College or other participants in BRIM's insurance programs. As a result, management does not expect significant differences between the premiums the College is currently charged by BRIM and the ultimate cost of that insurance based on the College's actual loss experience. In the event such differences arise between estimated premiums currently charged by BRIM to the College and the College's ultimate actual loss experience, the difference will be recorded as the change in estimate becomes known.

- h. *Government Grants and Contracts* - Government grants and contracts normally provide for the recovery of direct and indirect costs, subject to audit. The College recognizes revenue associated with direct costs as the related costs are incurred.
- i. *Income Taxes* - The College is exempt from income taxes, except for unrelated business income, as a nonprofit organization under federal income tax laws and regulations of the Internal Revenue Service.
- j. *Use of Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- k. *Recent Statements Issued by the Governmental Accounting Standards Board* - The colleges and universities of the West Virginia Higher Education Fund adopted GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," as amended by GASB No. 36, in the year ended June 30, 2001. The effect of the adoption of these statements did not have a material impact on the College's financial statements. GASB has also issued Statement No. 34, "Basic Financial Statements – and Management's discussion and Analysis – for State and Local Governments," and Statement No. 35, "Basic Financial Statements – and management's Discussion and Analysis – for Public Colleges and Universities." These statements are effective for periods beginning after June 15, 2001. The College has not completed the process of evaluating the impact that will result from adopting Statements No. 34 and No. 35.

3. CASH AND CASH EQUIVALENTS

At June 30, 2001, all unrestricted and restricted cash and cash equivalents were on deposit with the Treasurer.

Cash on deposit with the Treasurer is a noncategorized deposit in accordance with GASB Statement No. 3.

4. INVESTMENT IN PLANT

The composition of investment in plant was as follows at June 30, 2001:

Equipment	\$ 973,808
Library books	<u>6,477</u>
	<u>\$ 980,285</u>

5. LEASE OBLIGATION

The College leases office space under an operating lease agreement requiring lease payments totaling approximately \$1,200 through August 2001. Aggregate payments under this agreement approximated \$7,100 for the year ended June 30, 2001.

6. STATE SYSTEM OF HIGHER EDUCATION INDEBTEDNESS

The College is a State institution of higher education. It receives a State appropriation to finance its operations. In addition, it is subject to the legislative and administrative mandates of State government. Those mandates affect all aspects of the College's operations, its tuition and fee structure, its personnel policies and its administrative practices.

The State has chartered the College System of West Virginia and the State College System of West Virginia (collectively, the "Systems") with the responsibility to construct or renovate, finance and maintain various academic and other facilities of the State's universities and colleges, including certain facilities of the College. As of June 30, 2001, the College has no facilities.

Students of the State's universities and colleges, including students of the College, are assessed certain tuition charges and fees which must be remitted by the universities and the colleges to the Commission for use in repayment of the bonds so issued. Any shortfalls between such tuition and fees remitted and actual debt service obligations are the responsibility of the Commission and the State. To the extent that tuition charges and fees so collected by the Commission exceed debt service obligations, the Commission may remit funds back to the universities and colleges for renewal and replacement or maintenance and repair of the facilities so financed.

For the year ended June 30, 2001, there were no tuition and fees contractually required to be remitted by the College to the Commission (mandatory transfers) and there were no amounts returned or due back from the Commission to the College for plant renewal and maintenance purposes.

7. RETIREMENT PLANS

Substantially all full-time employees of the College participate in either the West Virginia Teachers' Retirement System (the "STRS") or the Teachers' Insurance and Annuities Association - College Retirement Equities Fund (the "TIAA-CREF"). Previously, upon full-time employment, all employees were required to make an irrevocable selection between the STRS and TIAA-CREF. Effective July 1, 1991, the STRS was closed to new participants. Current participants in the STRS are permitted to make a one-time election to cease their participation in that plan and commence contributions to the West Virginia Teachers' Defined Contribution Plan. Contributions to and participation in the West Virginia Teachers' Defined Contribution Plan by College employees have not been significant to date.

The STRS is a cost sharing, defined benefit public employee retirement system. Employer and employee contribution rates are established annually by the State Legislature. The College accrued and paid its contribution to the STRS at the rate of 15%, of each enrolled employee's total annual salary for the year ended June 30, 2001. Required employee contributions were at the rate of 6% of total annual salary in 2001. Participants in the STRS may retire with full benefits upon reaching age 60 with five years of service, age 55 with 30 years of service, or any age with 35 years of service. Lump-sum withdrawal of employee contributions is available upon termination of employment. Pension benefits are based upon 2% of final average salary (the highest five years' salaries out of the last 15 years) multiplied by the number of years of service.

The TIAA-CREF is a defined contribution benefit plan in which benefits are based solely upon amounts contributed plus net investment earnings. Employees who elected to participate in this plan were required to make contributions equal to 6% of total annual compensation for 2001. The College matched the employees' 6% contribution in 2001. Contributions are immediately and fully vested.

Total contributions to the STRS for the year ended June 30, 2001, was \$13,356, which consisted of \$9,540 from the College, and \$3,816 from the covered employees.

The contribution rate is set by the State Legislature on an overall basis, and the STRS does not perform a calculation of the contribution requirement for individual employers, such as the College. Historical trend and net pension obligation information is available from the annual financial report of the Consolidated Public Retirement Board. A copy of the report may be obtained by writing to the Consolidated Public Retirement Board, Building 5, Room 1000, Charleston, WV 25305.

Total contributions to the TIAA-CREF for the year ended June 30, 2001, was \$59,316, which consisted of contributions of \$29,658 from both the College and covered employees.

The College's total payroll for the year ended June 30, 2001, was \$611,404; total covered employees' salaries in the STRS and TIAA-CREF were \$63,600 and \$494,300, respectively.

8. COMPENSATED ABSENCES LIABILITY

The composition of the compensated absences liability was as follows at June 30, 2001:

Accrued annual leave	\$ 37,826
Accrued sick leave	<u>35,096</u>
	<u>\$ 72,922</u>

For the years ended June 30, 2001 the College made no payments for extended health or life insurance coverage retirement benefits.

9. RELATED PARTIES (UNAUDITED)

The Eastern West Virginia Community and Technical College Foundation, Incorporated (the "Foundation"), which was incorporated in fiscal year 2001, is a separate nonprofit organization incorporated in the State and has as its purpose "to support, encourage and assist in the development and growth of the College, ...to render service and assistance to the College, and through it to the citizens of the State of West Virginia...." Oversight of the Foundation is the responsibility of a separate and independently elected Board of Directors, not otherwise affiliated with the College. In carrying out its responsibilities, the Board of Directors of the Foundation employs management, forms policy and maintains fiscal accountability over funds administered by the Foundation. Accordingly, the financial statements of the Foundation are not included in the accompanying financial statements.

The Foundation's net assets, all of which are principally restricted, totaled approximately \$18,000 at June 30, 2001. The net assets include amounts which are restricted by donors to use for specific projects or departments of the College and its affiliated organizations. Contributions to the Foundation, which are not reflected in the accompanying financial statements, totaled approximately \$550 for the year ended June 30, 2001. During the year ended December 31, 2001, the Foundation did not make any contributions to the College.

The College has an affiliation agreement with Eastern WORCS (Workforce Opportunity Regional Center and Services). Although Eastern WORCS has been created "to foster and support applied research and workforce development" at the College, it is a separate nonprofit organization incorporated in the State of West Virginia. Oversight of Eastern WORCS is the responsibility of a separate and independently elected Board of Directors. Accordingly, the financial statements of Eastern WORCS are not included in the accompanying financial statements. For the year ended June 30, 2001, Eastern WORCS received an \$83,000 grant from the College.

10. CONTINGENCIES

The nature of the educational industry is such that, from time-to-time, claims will be presented against the College on account of alleged negligence, acts of discrimination, breach of contract or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system.

In the opinion of management, all known claims are covered by insurance or are such that an award against the College would not seriously impact the financial position of the institution.

11. SUBSEQUENT EVENT

In July 2001, the College entered into a lease agreement for office space. The lease agreement requires monthly payments of \$14,000 and expires in July 2006.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Eastern West Virginia Community and Technical College Governing Board:

We have audited the financial statements of Eastern West Virginia Community and Technical College, (the "College) as of and for the year ended June 30, 2001, and have issued our report thereon dated September 28, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting in order to determine our auditing procedures for the purposes of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the College's internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the College in a separate letter dated September 28, 2000.

This report is intended solely for the information and use of the Eastern West Virginia Community and Technical College Governing Board, managements of the College and the West Virginia Higher Education Policy Commission, and the State of West Virginia and is not intended to be and should not be used by anyone other than these specified parties.

DELOITTE & TOUCHE LLP

September 28, 2001