

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

STATEMENTS OF NET ASSETS AS OF JUNE 30, 2004 AND 2003

(Dollars in Thousands)

	2004	2003
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 4,104	\$ 3,775
Accounts Receivable - Main Campus	-	17
Accounts receivable, net of allowances for doubtful accounts of \$358 and \$116	132	147
Loans receivable, current portion	2	2
Inventories	234	221
Total current assets	<u>4,472</u>	<u>4,162</u>
Noncurrent Assets:		
Loans receivable, net of allowances for doubtful accounts of \$5 and \$5	4	4
Capital assets, net	2,490	2,605
Total noncurrent assets	<u>2,494</u>	<u>2,609</u>
TOTAL ASSETS	<u>\$ 6,966</u>	<u>\$ 6,771</u>

(continued)

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

**STATEMENTS OF NET ASSETS (CONTINUED)
AS OF JUNE 30, 2004 AND 2003**

(Dollars in Thousands)

	2004	2003
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 307	\$ 301
Accounts payable - Main Campus	2	-
Accrued liabilities	4	5
Accrued payroll	97	69
Deposits	37	40
Deferred revenue	103	143
Due to the Commission	8	4
Compensated absences, current portion	229	208
Debt service assessment payable to the Commission, current portion	54	50
Leases payable, current portion	9	22
Notes payable, current portion	70	-
Total current liabilities	<u>920</u>	<u>842</u>
Noncurrent Liabilities:		
Compensated absences	694	642
Debt service assessment payable to the Commission	456	528
Leases payable	2	12
Notes payable	140	210
Other noncurrent liabilities	16	18
Total noncurrent liabilities	<u>1,308</u>	<u>1,410</u>
TOTAL LIABILITIES	<u>\$ 2,228</u>	<u>\$ 2,252</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 1,968	\$ 1,992
Restricted for:		
Expendable:		
Scholarships and fellowships	30	10
Loans	29	28
Capital projects	5	4
Other	10	-
Total expendable	<u>74</u>	<u>42</u>
Unrestricted	<u>2,696</u>	<u>2,485</u>
TOTAL NET ASSETS	<u>\$ 4,738</u>	<u>\$ 4,519</u>

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2004 AND 2003

(Dollars in Thousands)

	2004	2003
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances of \$1,248 and \$1,090	\$ 2,061	\$ 1,579
Federal grants and contracts	1,922	1,658
State grants and contracts	15	58
Nongovernmental grants and contracts	1	-
Sales and services of educational departments	195	132
Auxiliary enterprises, net of scholarship allowances of \$83 and \$83	2,060	1,920
Other operating revenues (including revenue from outsourced enterprise of \$30 and \$30)	121	215
Total operating revenues	<u>6,375</u>	<u>5,562</u>
OPERATING EXPENSES		
Salaries and wages	4,824	4,821
Benefits	1,421	1,308
Scholarships and fellowships	466	425
Utilities	532	500
Supplies and other services	2,606	2,256
Depreciation	299	366
Operating expenses to Main Campus	61	15
Loan cancellations and write-offs	-	30
Assessments by the Commission for operations	58	58
Other operating expenses	1	19
Total operating expenses	<u>10,268</u>	<u>9,798</u>
OPERATING LOSS	<u>(3,893)</u>	<u>(4,236)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	4,146	4,765
Investment income	25	95
Interest on capital asset-related debt	(2)	(3)
Assessments by the Commission for debt service	(22)	(48)
Other nonoperating expenses - net	(35)	(4)
Net nonoperating revenues	<u>4,112</u>	<u>4,805</u>
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	219	569
Bond/capital projects proceeds from the Commission	-	1
INCREASE IN NET ASSETS	219	570
NET ASSETS--BEGINNING OF YEAR	<u>4,519</u>	<u>3,949</u>
NET ASSETS--END OF YEAR	<u>\$ 4,738</u>	<u>\$ 4,519</u>

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

**STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2004 AND 2003**

(Dollars in Thousands)

	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 2,291	\$ 1,592
Grants and contracts	1,919	1,805
Payments to suppliers	(2,569)	(2,200)
Payments to employees	(4,800)	(4,814)
Payments for benefits	(1,349)	(1,261)
Payments to utilities	(536)	(536)
Payments for scholarships and fellowships	(516)	(406)
Disbursements of loans to students	-	(31)
Auxiliary enterprise charges	2,062	1,947
Sales and service of educational departments	195	132
Payments of operating expenses to (from) Main Campus	(42)	(33)
Other receipts (payments) - net	(159)	98
Net cash used in operating activities	<u>(3,504)</u>	<u>(3,707)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	4,146	4,765
Assessments by the Commission for operations	(22)	(48)
Other nonoperating receipts - net	-	206
Net cash provided by noncapital financing activities	<u>4,124</u>	<u>4,923</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Proceeds from (payments on) Commission debt assessment payable	76	99
Purchases of capital assets	(368)	(574)
Principal paid on capital debt and leases	(22)	(20)
Interest paid on capital debt and leases	(2)	(3)
Net cash used in capital financing activities	<u>(316)</u>	<u>(498)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	25	95
Net cash provided by investing activities	<u>25</u>	<u>95</u>
INCREASE IN CASH AND CASH EQUIVALENTS	329	813
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>3,775</u>	<u>2,962</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 4,104</u>	<u>\$ 3,775</u>

(continued)

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

**STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2004 AND 2003**

(Dollars in Thousands)

	2004	2003
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (3,893)	\$ (4,236)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	299	366
Changes in assets and liabilities:		
Accounts receivable, net	31	(72)
Loans receivable, net	-	(1)
Prepaid expenses	-	5
Inventories	(13)	(33)
Accounts payable	12	(22)
Accrued liabilities	25	40
Deposits	(2)	16
Deferred revenue	(40)	126
Due to the Commission	4	16
Compensated absences	73	88
Net cash used in operating activities	<u>\$ (3,504)</u>	<u>\$ (3,707)</u>
Noncash Transactions:		
Loss on dispositions	<u>\$ 35</u>	<u>\$ -</u>
Reconciliation of cash and cash equivalents to the statements of net assets:		
Cash and cash equivalents classified as current assets	\$ 4,104	\$ 3,775
Cash and cash equivalents classified as noncurrent assets	-	-
	<u>\$ 4,104</u>	<u>\$ 3,775</u>

West Virginia University Potomac State College
NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION
(Dollars in Thousands)

Year Ended June 30, 2004

Functional Classification	Natural Classification										Total
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Assessments by the Commission	Operating Expenses to Main Campus	Other Operating Expenses		
Instruction	\$ 1,669	\$ 475	\$ -	\$ 155	\$ 270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,569
Research	38	15	-	-	-	-	-	-	-	-	53
Public Service	85	21	-	-	28	-	-	-	-	-	134
Academic Support	375	91	-	46	161	-	-	-	-	-	673
Student Services	731	207	-	2	416	-	-	-	-	-	1,356
Operation and Maintenance of Plant	403	130	-	38	485	-	-	-	-	-	1,056
General Institutional Support	814	216	-	1	207	-	-	-	-	1	1,239
Student Financial Aid	-	-	466	-	-	-	-	-	-	-	466
Auxiliary Enterprises	709	266	-	290	1,039	-	-	-	-	-	2,304
Depreciation	-	-	-	-	-	299	-	-	-	-	299
Assessments by Commission for Operations	-	-	-	-	-	-	58	-	-	-	58
Loan Cancellations and Write Offs	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	-	61	61
Total Expenses	\$ 4,824	\$ 1,421	\$ 466	\$ 532	\$ 2,606	\$ 299	\$ 58	\$ 61	\$ -	\$ -	\$ 10,268

West Virginia University Potomac State College
NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION
(Dollars in Thousands)

Year Ended June 30, 2003
Natural Classification

Functional Classification	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs	Assessments by the Commission	Operating Expenses to Main Campus	Other Operating Expenses	Total
Instruction	\$ 1,659	\$ 367	\$ 8	\$ -	\$ 155	\$ 268	\$ -	\$ -	\$ -	\$ -	\$ 2,449
Research	26	8	-	-	-	-	-	-	-	-	34
Public Service	77	16	-	-	-	23	-	-	-	-	116
Academic Support	478	136	-	-	48	311	-	-	-	-	973
Student Services	629	117	-	-	2	291	-	-	-	-	1,039
Operation and Maintenance of Plant	448	244	-	41	296	-	-	-	-	-	1,029
General Institutional Support	799	193	-	-	-	164	-	-	-	19	1,175
Student Financial Aid	-	-	425	-	-	-	-	-	-	-	425
Auxiliary Enterprise:	705	227	-	-	253	903	-	-	-	-	2,088
Depreciation	-	-	-	-	-	366	-	-	-	-	366
Assessments by Commission for Operation:	-	-	-	-	-	-	-	58	-	-	58
Loan Cancellations and Write Off:	-	-	-	-	-	-	30	-	-	-	30
Operating Expenditures to Main Campus:	-	-	-	-	-	-	-	-	16	-	16
Total Expenses	\$ 4,821	\$ 1,308	\$ 425	\$ 499	\$ 2,256	\$ 366	\$ 30	\$ 58	\$ 16	\$ 19	\$ 9,798