

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2004	2003
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 6,185	\$ 6,791
Accounts Receivable - Main Campus	-	48
Accounts receivable, net of allowances for doubtful accounts of \$466 and \$382	736	406
Loans receivable, current portion	572	603
Prepaid expenses	31	27
Total current assets	<u>7,524</u>	<u>7,875</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	122	136
Loans receivable, net of allowances for doubtful accounts of \$729 and \$695	1,233	1,267
Capital assets, net	17,544	17,916
Total noncurrent assets	<u>18,899</u>	<u>19,319</u>
<b>TOTAL ASSETS</b>	<u>\$ 26,423</u>	<u>\$ 27,194</u>

(continued)

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2004	2003
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$ 423	\$ 587
Accounts payable - Main Campus	92	-
Accrued liabilities	96	116
Accrued payroll	1,039	650
Deposits	42	-
Deferred revenue	363	148
Due to the Commission	45	42
Compensated absences, current portion	486	526
College system debt owed to the Commission, current portion	213	199
Debt service assessment payable to the Commission, current portion	266	433
Leases payable, current portion	126	118
Notes payable, current portion	262	167
Total current liabilities	<u>3,453</u>	<u>2,986</u>
Noncurrent Liabilities:		
Compensated absences	1,847	2,302
College system debt owed to the Commission	1,995	2,208
Advances from federal government	1,604	1,604
Debt service assessment payable to the Commission	1,345	1,633
Leases payable	237	337
Notes payable	383	217
Other noncurrent liabilities	118	191
Total noncurrent liabilities	<u>7,529</u>	<u>8,492</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 10,982</u>	<u>\$ 11,478</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	\$ 13,262	\$ 12,837
Restricted for:		
Nonexpendable:		
Other	50	50
Total nonexpendable	<u>50</u>	<u>50</u>
Expendable:		
Scholarships and fellowships	42	42
Sponsored programs	1,067	959
Loans	616	571
Capital projects	(555)	164
Other	52	-
Total expendable	<u>1,222</u>	<u>1,736</u>
Unrestricted	<u>907</u>	<u>1,093</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 15,441</u>	<u>\$ 15,716</u>

## WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS YEAR ENDED JUNE 30, 2004

(Dollars in Thousands)

	Community & Technical College	Four-Year & Other Components	Combined Institution
<b>OPERATING REVENUES</b>			
Student tuition and fees, net of scholarship allowances of \$1,830	\$ 1,570	\$ 4,186	\$ 5,756
Federal grants and contracts	25	3,649	3,674
State grants and contracts	460	391	851
Nongovernmental grants and contracts	13	912	925
Sales and services of educational departments	49	118	167
Auxiliary enterprises, net of scholarship allowances of \$849	-	1,685	1,685
Interest on student loans receivable	-	61	61
Operating Revenue from Main Campus	-	2	2
Other operating revenues (including revenue from outsourced enterprise of \$54)	1	363	364
Total operating revenues	<u>2,118</u>	<u>11,367</u>	<u>13,485</u>
<b>OPERATING EXPENSES</b>			
Salaries and wages	2,923	9,064	11,987
Benefits	1,118	2,113	3,231
Scholarships and fellowships	221	1,179	1,400
Utilities	179	947	1,126
Supplies and other services	774	4,054	4,828
Depreciation	50	917	967
Loan cancellations and write-offs	-	40	40
Assessments by the Commission for operations	28	65	93
Other operating expenses	-	15	15
Total operating expenses	<u>5,293</u>	<u>18,394</u>	<u>23,687</u>
<b>OPERATING LOSS</b>	<u>(3,175)</u>	<u>(7,027)</u>	<u>(10,202)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State appropriations	3,232	6,337	9,569
Gifts	-	1	1
Investment income	13	68	81
Interest on capital leases	(2)	(13)	(15)
Assessments by the Commission for system debt	-	297	297
Other nonoperating expenses	(2)	(4)	(6)
Net nonoperating revenues	<u>3,241</u>	<u>6,686</u>	<u>9,927</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>\$ 66</u>	<u>\$ (341)</u>	<u>\$ (275)</u>

## WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS YEAR ENDED JUNE 30, 2003

(Unaudited; Dollars in Thousands)

	Community & Technical College	Four Year & Other Components	Combined Institution
<b>OPERATING REVENUES</b>			
Student tuition and fees, net of scholarship allowances of \$1,612	\$ 1,125	\$ 3,989	\$ 5,114
Federal grants and contracts	225	2,990	3,215
State grants and contracts	319	666	985
Nongovernmental grants and contracts	-	856	856
Sales and services of educational departments	57	137	194
Auxiliary enterprises, net of scholarship allowances of \$546	-	2,002	2,002
Interest on student loans receivable	-	53	53
Other operating revenues (including revenue from outsourced enterprise of \$54)	5	309	314
Total operating revenues	<u>1,731</u>	<u>11,002</u>	<u>12,733</u>
<b>OPERATING EXPENSES</b>			
Salaries and wages	3,238	8,644	11,882
Benefits	835	3,051	3,886
Scholarships and fellowships	17	1,223	1,240
Utilities	186	828	1,014
Supplies and other services	753	4,176	4,929
Depreciation	-	997	997
Operating Expenditures to the University	-	2	2
Loan cancellations and write-offs	-	48	48
Assessments by the Commission for operations	28	65	93
Other operating expenses	-	269	269
Total operating expenses	<u>5,057</u>	<u>19,303</u>	<u>24,360</u>
<b>OPERATING LOSS</b>	<u>(3,326)</u>	<u>(8,301)</u>	<u>(11,627)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State appropriations	3,719	7,128	10,847
Investment income	29	202	231
Interest on capital leases	(4)	(9)	(13)
Assessments by the Commission for system debt	-	226	226
Assessments by the Commission for Operations	(113)	113	-
Other nonoperating expenses	-	(32)	(32)
Net nonoperating revenues	<u>3,631</u>	<u>7,628</u>	<u>11,259</u>
<b>INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	<u>305</u>	<u>(673)</u>	<u>(368)</u>
Bond proceeds from the Commission	-	5	5
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>\$ 305</u>	<u>\$ (668)</u>	<u>\$ (363)</u>

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 5,731	\$ 5,091
Grants and contracts	5,440	4,942
Payments to suppliers	(5,034)	(4,794)
Payments to employees	(11,657)	(12,101)
Payments for benefits	(3,840)	(3,411)
Payments to utilities	(950)	(1,077)
Payments for scholarships and fellowships	(1,392)	(1,245)
Collection (disbursements) of loans to students	25	(59)
Interest earned on loans to students	61	53
Auxiliary enterprise charges	1,737	2,138
Sales and service of educational departments	167	194
Payments of operating expenses to (from) Main Campus	142	(50)
Other receipts - net	90	121
Net cash used in operating activities	<u>(9,480)</u>	<u>(10,198)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State appropriations	9,569	10,847
Gifts	1	-
Assessments by the Commission for operations	297	226
Other nonoperating receipts - net	257	180
Net cash provided by noncapital financing activities	<u>10,124</u>	<u>11,253</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Payments on Commission debt assessment payable	(653)	(603)
Purchases of capital assets	(507)	(232)
Principal paid on capital debt and leases	(170)	(93)
Interest paid on capital debt and leases	(15)	(13)
Net cash used in capital financing activities	<u>(1,345)</u>	<u>(941)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	81	231
Net cash provided by investing activities	<u>81</u>	<u>231</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(620)	345
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>6,927</u>	<u>6,582</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 6,307</u>	<u>\$ 6,927</u>

(continued)

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2004	2003
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss	\$ (10,202)	\$ (11,627)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	967	997
Changes in assets and liabilities:		
Accounts receivable, net	(294)	(117)
Loans receivable, net	65	(11)
Notes receivable, net	-	-
Prepaid expenses	(4)	5
Inventories	-	-
Accounts payable	(85)	6
Accrued liabilities	295	114
Accrued payroll	-	-
Deposits	42	-
Deferred revenue	216	71
Due to the Commission	15	(13)
Compensated absences	(495)	377
Advances from federal government	-	-
Net cash used in operating activities	<u>\$ (9,480)</u>	<u>\$ (10,198)</u>
Noncash Transactions:		
Equipment purchased on capital lease	<u>\$ 31</u>	<u>\$ 414</u>
Loss on disposition	<u>\$ 2</u>	<u>\$ 29</u>
<b>Reconciliation of cash and cash equivalents to the statements of net assets:</b>		
Cash and cash equivalents classified as current assets	\$ 6,185	\$ 6,791
Cash and cash equivalents classified as noncurrent assets	122	136
	<u>\$ 6,307</u>	<u>\$ 6,927</u>

West Virginia University - Institute of Technology  
 FUNCTIONAL CLASSIFICATIONS OF EXPENSES  
 YEAR ENDED JUNE 30, 2004  
 (Dollars in Thousands)

COMMUNITY & TECHNICAL COLLEGE

Functional Classification	Natural Classification							Total			
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs		Assessments by the Commission	Operating Expenses	Other
Instruction	\$ 1,664	\$ 696	\$ -	\$ -	\$ 284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,644
Public Service	176	44	-	-	90	-	-	-	-	-	310
Academic Support	328	143	-	-	91	-	-	-	-	-	562
Student Services	192	54	-	-	24	-	-	-	-	-	270
Operation and Maintenance of Plant	199	87	-	179	86	-	-	-	-	-	551
General Institutional Support	316	83	-	-	196	-	-	-	-	-	595
Scholarship and Fellowship	-	-	221	-	-	-	-	-	-	-	221
Auxiliary Enterprises	48	11	-	-	3	-	-	-	-	-	62
Depreciation	-	-	-	-	-	50	-	-	-	-	50
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	28	-	-	28
Total Expenses	\$ 2,923	\$ 1,118	\$ 221	\$ 179	\$ 774	\$ 50	\$ 28	\$ -	\$ -	\$ -	\$ 5,293

FOUR-YEAR & OTHER COMPONENTS

Functional Classification	Natural Classification							Total			
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs		Assessments by the Commission	Operating Expenses	Other
Instruction	\$ 5,175	\$ 1,349	\$ -	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	6,974
Research	81	7	-	-	276	-	-	-	-	-	364
Public Service	269	44	-	-	110	-	-	-	-	-	423
Academic Support	772	146	-	10	425	-	-	-	-	-	1,353
Student Services	528	112	-	40	214	-	-	-	-	-	894
Operation and Maintenance of Plant	498	136	-	472	390	-	-	-	-	-	1,496
General Institutional Support	936	131	-	3	645	-	-	-	-	15	1,730
Scholarship and Fellowship	-	-	1,179	-	-	-	-	-	-	-	1,179
Auxiliary Enterprises	805	188	-	-	1,544	-	-	-	-	-	2,959
Depreciation	-	-	-	-	-	917	-	-	-	-	917
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	65	-	-	65
Loan Cancellations and Write Offs	-	-	-	-	-	-	40	-	-	-	40
Total Expenses	\$ 9,064	\$ 2,113	\$ 1,179	\$ 947	\$ 4,054	\$ 917	\$ 40	\$ 65	\$ 15	\$ -	\$ 18,394

COMBINED INSTITUTION

Functional Classification	Natural Classification							Total			
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs		Assessments by the Commission	Operating Expenses	Other
Instruction	\$ 6,839	\$ 2,045	\$ -	\$ -	\$ 734	\$ -	\$ -	\$ -	\$ -	\$ -	9,618
Research	81	7	-	-	276	-	-	-	-	-	364
Public Service	445	88	-	-	200	-	-	-	-	-	733
Academic Support	1,100	289	-	10	516	-	-	-	-	-	1,915
Student Services	720	166	-	40	238	-	-	-	-	-	1,164
Operation and Maintenance of Plant	697	223	-	651	476	-	-	-	-	-	2,047
General Institutional Support	1,252	214	-	3	841	-	-	-	15	\$ -	2,325
Scholarship and Fellowship	-	-	1,400	-	-	-	-	-	-	-	1,400
Auxiliary Enterprises	853	199	-	-	1,547	-	-	-	-	-	3,021
Depreciation	-	-	-	-	-	967	-	-	-	-	967
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	93	-	-	93
Loan Cancellations and Write Offs	-	-	-	-	-	-	40	-	-	-	40
Total Expenses	\$ 11,987	\$ 3,231	\$ 1,400	\$ 1,126	\$ 4,828	\$ 967	\$ 40	\$ 93	\$ 15	\$ -	\$ 23,687

West Virginia University - Institute of Technology  
**FUNCTIONAL CLASSIFICATIONS OF EXPENSES**  
 YEAR ENDED JUNE 30, 2003  
 (Unaudited; Dollars in Thousands)

Functional Classification	COMMUNITY & TECHNICAL COLLEGE							Total			
	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
Instruction	\$ 1,926	\$ 493	\$ -	\$ -	\$ 241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,666
Public Service	279	49	-	-	113	-	-	-	-	-	441
Academic Support	270	75	-	-	75	-	-	-	-	-	421
Student Services	189	50	-	-	29	-	-	-	-	-	268
Operation and Maintenance of Plant	202	81	-	178	69	-	-	-	-	-	530
General Institutional Support	318	73	-	-	221	-	-	-	-	-	613
Scholarship and Fellowship	-	-	17	-	-	-	-	-	-	-	17
Auxiliary Enterprises	54	14	-	-	5	-	-	-	-	-	73
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	28	-	-	28
Total Expenses	\$ 3,238	\$ 835	\$ 17	\$ 186	\$ 753	\$ -	\$ -	\$ 28	\$ -	\$ -	\$ 5,057

**FOUR-YEAR & OTHER COMPONENTS**

Functional Classification	FOUR-YEAR & OTHER COMPONENTS							Total			
	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
Instruction	\$ 4,288	\$ 1,411	\$ -	\$ 19	\$ 701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,419
Research	14	-	-	-	304	-	-	-	-	-	318
Public Service	397	100	-	-	185	-	-	-	-	-	682
Academic Support	671	203	-	8	389	-	-	-	-	-	1,271
Student Services	658	316	-	25	251	-	-	-	-	-	1,250
Operation and Maintenance of Plant	478	150	-	396	550	-	-	-	-	-	1,574
General Institutional Support	1,278	523	-	2	446	-	-	-	269	-	2,518
Scholarship and Fellowship	-	-	1,223	-	-	-	-	-	-	-	1,223
Auxiliary Enterprises	860	348	-	378	1,350	-	-	-	-	-	2,936
Depreciation	-	-	-	-	-	997	-	-	-	-	997
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	65	-	-	65
Loan Cancellations and Write Offs	-	-	-	-	-	-	48	-	-	-	48
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	2	-	2
Total Expenses	\$ 8,644	\$ 3,051	\$ 1,223	\$ 828	\$ 4,176	\$ 997	\$ 48	\$ 65	\$ 2	\$ 269	\$ 19,303

**COMBINED INSTITUTION**

Functional Classification	COMBINED INSTITUTION							Total			
	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
Instruction	\$ 6,214	\$ 1,904	\$ -	\$ 25	\$ 942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,085
Research	14	-	-	-	304	-	-	-	-	-	318
Public Service	676	149	-	-	298	-	-	-	-	-	1,123
Academic Support	941	278	-	9	464	-	-	-	-	-	1,692
Student Services	847	280	-	25	366	-	-	-	-	-	1,518
Operation and Maintenance of Plant	680	231	-	574	619	-	-	-	-	-	2,104
General Institutional Support	1,596	596	-	3	667	-	-	-	269	-	3,131
Scholarship and Fellowship	-	-	1,240	-	-	-	-	-	-	-	1,240
Auxiliary Enterprises	914	362	-	378	1,355	-	-	-	-	-	3,009
Depreciation	-	-	-	-	-	997	-	-	-	-	997
Tuition and Fees Assessed by the Commission	-	-	-	-	-	-	-	93	-	-	93
Loan Cancellations and Write Offs	-	-	-	-	-	-	48	-	-	-	48
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	2	-	2
Total Expenses	\$ 11,882	\$ 3,886	\$ 1,240	\$ 1,014	\$ 4,929	\$ 997	\$ 48	\$ 93	\$ 2	\$ 269	\$ 24,360