

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

STATEMENTS OF NET ASSETS AS OF JUNE 30, 2005 AND 2004

(Dollars in Thousands)

	2005	2004
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,871	\$ 4,104
Accounts receivable, net of allowances for doubtful accounts of \$271 and \$358	133	130
Due from the Commission	9	2
Loans receivable, current portion	-	2
Inventories	208	234
Total current assets	<u>4,221</u>	<u>4,472</u>
Noncurrent Assets:		
Loans receivable, net of allowances for doubtful accounts of \$0 and \$5	-	4
Capital assets, net	2,923	2,490
Total noncurrent assets	<u>2,923</u>	<u>2,494</u>
TOTAL ASSETS	<u>\$ 7,144</u>	<u>\$ 6,966</u>

(continued)

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

STATEMENTS OF NET ASSETS (CONTINUED)

AS OF JUNE 30, 2005 AND 2004

(Dollars in Thousands)

	2005	2004
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 316	\$ 307
Accounts payable - Main Campus	-	2
Accrued liabilities	6	4
Accrued payroll	103	97
Deposits	46	37
Deferred revenue	138	103
Due to the Commission	1	8
Compensated absences, current portion	219	229
Debt service assessment payable to the Commission, current portion	57	54
Leases payable, current portion	2	9
Notes payable, current portion	70	70
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Total current liabilities	958	920
Noncurrent Liabilities:		
Compensated absences	671	694
Debt service assessment payable to the Commission	399	456
Leases payable	-	2
Notes payable	140	140
Other noncurrent liabilities	14	16
	<hr/>	<hr/>
Total noncurrent liabilities	1,224	1,308
	<hr/>	<hr/>
TOTAL LIABILITIES	\$ 2,182	\$ 2,228
NET ASSETS		
Invested in capital assets, net of related debt	\$ 2,464	\$ 1,968
Restricted for:		
Expendable:		
Scholarships and fellowships	13	30
Sponsored programs	-	-
Loans	23	29
Capital projects	331	5
Other	-	10
Total expendable	<hr/>	<hr/>
	367	74
Unrestricted	<hr/>	<hr/>
	2,131	2,696
	<hr/>	<hr/>
TOTAL NET ASSETS	\$ 4,962	\$ 4,738

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2005 AND 2004**

(Dollars in Thousands)

	2005	2004
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances of \$839 and \$1,248	\$ 2,052	\$ 2,061
Federal grants and contracts	1,836	1,922
State grants and contracts	16	15
Nongovernmental grants and contracts	-	1
Sales and services of educational departments	37	195
Auxiliary enterprises, net of scholarship allowances of \$467 and \$83	1,601	2,060
Other operating revenues (including revenue from outsourced enterprise of \$30 and \$30)	186	121
Total operating revenues	<u>5,728</u>	<u>6,375</u>
OPERATING EXPENSES		
Salaries and wages	4,869	4,824
Benefits	1,279	1,421
Scholarships and fellowships	448	466
Utilities	527	532
Supplies and other services	2,355	2,606
Depreciation	292	299
Operating expenses to Main Campus	31	61
Loan cancellations and write-offs	6	-
Assessments by the Commission for operations	71	58
Other operating expenses	1	1
Total operating expenses	<u>9,879</u>	<u>10,268</u>
OPERATING LOSS	<u>(4,151)</u>	<u>(3,893)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	4,018	4,146
Investment income	58	25
Interest on capital asset-related debt	-	(2)
Assessments by the Commission for debt service	(33)	(22)
Other nonoperating expenses	(7)	(35)
Net nonoperating revenues	<u>4,036</u>	<u>4,112</u>
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	<u>(115)</u>	<u>219</u>
Capital grants and gifts	14	-
Bond/capital projects proceeds from the Commission	325	-
INCREASE IN NET ASSETS	<u>224</u>	<u>219</u>
NET ASSETS--BEGINNING OF YEAR	<u>4,738</u>	<u>4,519</u>
NET ASSETS--END OF YEAR	<u>\$ 4,962</u>	<u>\$ 4,738</u>

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

**STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2005 AND 2004**

(Dollars in Thousands)

	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 1,957	\$ 2,291
Grants and contracts	1,901	1,919
Payments to suppliers	(2,408)	(2,569)
Payments to employees	(4,863)	(4,800)
Payments for benefits	(1,266)	(1,349)
Payments to utilities	(509)	(536)
Payments for scholarships and fellowships	(419)	(516)
Auxiliary enterprise charges	1,602	2,062
Sales and service of educational departments	37	195
Payments of operating expenses to Main Campus	(34)	(42)
Other receipts (payments) - net	181	(159)
Net cash used in operating activities	<u>(3,821)</u>	<u>(3,504)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	4,018	4,146
Assessments by the Commission for operations	(33)	(22)
Net cash provided by noncapital financing activities	<u>3,985</u>	<u>4,124</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Payments on Commission debt assessment payable	(54)	76
Bond/capital projects proceeds from the Commission	325	-
Purchases of capital assets	(717)	(368)
Principal paid on capital debt and leases	(9)	(22)
Interest paid on capital debt and leases	-	(2)
Net cash used in capital financing activities	<u>(455)</u>	<u>(316)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	58	25
Net cash provided by investing activities	<u>58</u>	<u>25</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(233)	329
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,104	3,775
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,871</u>	<u>\$ 4,104</u>

(continued)

WEST VIRGINIA UNIVERSITY - POTOMAC STATE COLLEGE

STATEMENTS OF CASH FLOWS (CONTINUED)

YEARS ENDED JUNE 30, 2005 AND 2004

(Dollars in Thousands)

	2005	2004
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (4,151)	\$ (3,893)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	292	299
Changes in assets and liabilities:		
Accounts receivable, net	(4)	33
Due from the Commission	(7)	(2)
Loans receivable, net	6	-
Inventories	26	(13)
Accounts payable	7	12
Accrued liabilities	5	25
Deposits	9	(2)
Deferred revenue	36	(40)
Due to the Commission	(8)	4
Compensated absences	(32)	73
Net cash used in operating activities	<u>\$ (3,821)</u>	<u>\$ (3,504)</u>
Noncash Transactions:		
Donated capital assets	<u>\$ 14</u>	<u>\$ -</u>
Loss on dispositions	<u>\$ 7</u>	<u>\$ 35</u>
Reconciliation of cash and cash equivalents to the statements of net assets:		
Cash and cash equivalents classified as current assets	<u>\$ 3,871</u>	<u>\$ 4,104</u>
	<u>\$ 3,871</u>	<u>\$ 4,104</u>

West Virginia University Potomac State College

NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION

(Dollars in Thousands)

Year Ended June 30, 2005

Natural Classification

Functional Classification	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Canc & Write Offs	Assessments by the Commission	Operating Expenses to Main Campus	Other Operating Expenses	Total
Instruction	\$ 1,580	\$ 369	\$ -	\$ 141	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,340
Research	18	4	-	-	-	-	-	-	-	-	22
Public Service	74	15	-	-	6	-	-	-	-	-	95
Academic Support	508	162	-	52	232	-	-	-	-	-	954
Student Services	815	232	-	2	437	-	-	-	-	-	1,486
Operation and Maintenance of Plant	394	134	-	64	200	-	-	-	-	-	792
General Institutional Support	737	192	-	2	295	-	-	-	-	1	1,227
Student Financial Aid	-	-	448	-	-	-	-	-	-	-	448
Auxiliary Enterprises	743	171	-	266	935	-	-	-	-	-	2,115
Depreciation	-	-	-	-	-	292	-	-	-	-	292
Assessments by Commission for Operations	-	-	-	-	-	-	-	71	-	-	71
Loan Cancellations and Write Offs	-	-	-	-	-	-	6	-	-	-	6
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	31	-	31
Total Expenses	\$ 4,869	\$ 1,279	\$ 448	\$ 527	\$ 2,355	\$ 292	\$ 6	\$ 71	\$ 31	\$ 1	\$ 9,879

West Virginia University Potomac State College

NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION

(Dollars in Thousands)

Year Ended June 30, 2004

Natural Classification

Functional Classification	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Assessments by the Commission	Operating Expenses to Main Campus	Other Operating Expenses	Total
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
Operating Expenses to Main Campus	-	-	-	-	-	-	-	61	-	61
Total Expenses	\$ 4,824	\$ 1,421	\$ 466	\$ 532	\$ 2,606	\$ 299	\$ 58	\$ 61	\$ 1	\$ 10,268