

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
FOUR YEAR & OTHER COMPONENTS  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2005  
(Dollars in Thousands)**

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**ASSETS**

Current Assets:		
Cash and cash equivalents	\$	6,579
Accounts receivable - West Virginia Institute of Technology CTC		27
Accounts receivable, net of allowances for doubtful accounts of \$509		929
Due from the Commission		734
Loans receivable, current portion		594
Prepaid expenses		27
Total current assets		<u>8,890</u>
Noncurrent Assets:		
Restricted cash and cash equivalents		74
Investments		2,023
Loans receivable, net of allowances for doubtful accounts of \$784		1,178
Capital assets, net		16,521
Total noncurrent assets		<u>19,796</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>28,686</u></b>

(continued)

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
FOUR YEAR & OTHER COMPONENTS  
STATEMENT OF NET ASSETS (CONTINUED)  
AS OF JUNE 30, 2005  
(Dollars in Thousands)**

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**LIABILITIES**

Current Liabilities:	
Accounts payable	\$ 523
Accrued liabilities	49
Accrued payroll	558
Deposits	33
Deferred revenue	1,417
Due to the Commission	85
Compensated absences, current portion	418
College system debt owed to the Commission, current portion	229
Debt service assessment payable to the Commission, current portion	259
Leases payable, current portion	113
Notes payable, current portion	145
Total current liabilities	<u>3,829</u>
Noncurrent Liabilities:	
Compensated absences	1,547
College system debt owed to the Commission	1,766
Advances from federal government	1,681
Debt service assessment payable to the Commission	1,086
Leases payable	124
Notes payable	238
Other noncurrent liabilities	76
Total noncurrent liabilities	<u>6,518</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 10,347</u>

**NET ASSETS**

Invested in capital assets, net of related debt	\$ 12,562
Restricted for:	
Nonexpendable:	
Loans	2,023
Total nonexpendable	<u>2,023</u>
Expendable:	
Scholarships and fellowships	26
Sponsored programs	66
Loans	539
Capital projects	486
Other	-
Total expendable	<u>1,117</u>
Unrestricted	2,637
<b>TOTAL NET ASSETS</b>	<u>\$ 18,339</u>

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY**  
**FOUR YEAR AND OTHER COMPONENTS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2005**  
(Dollars in Thousands)

**OPERATING REVENUES**

Student tuition and fees, net of scholarship allowances of \$1,526	\$	4,880
Federal grants and contracts		1,719
State grants and contracts		444
Nongovernmental grants and contracts		819
Sales and services of educational departments		98
Auxiliary enterprises, net of scholarship allowances of \$546		1,942
Interest on student loans receivable		48
Operating revenue from West Virginia University Institute of Technology CTC		631
Service agreement revenue		3,115
Other operating revenues (including revenue from outsourced enterprise of \$54		188
Total operating revenues		13,884

**OPERATING EXPENSES**

Salaries and wages		9,793
Benefits		2,794
Scholarships and fellowships		709
Utilities		1,077
Supplies and other services		4,203
Depreciation		844
Operating expenses to Main Campus		16
Loan cancellations and write-offs		142
Assessments by the Commission for operations		71
Operating expenses to West Virginia University Institute of Technology CTC		899
Service agreement expense		311
Other operating expenses		2
Total operating expenses		20,861

**OPERATING LOSS**

(6,977)

**NONOPERATING REVENUES (EXPENSES)**

State appropriations		6,846
Gifts		13
Investment income		2,126
Interest on capital asset-related debt		(11)
Assessments by the Commission for system debt		203
Other nonoperating revenues		207
Net nonoperating revenues		9,384

**INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES**

2,407

Bond/capital projects proceeds from the Commission

998

**INCREASE IN NET ASSETS BEFORE TRANSFER**

3,405

**TRANSFER OF ASSETS FROM RESEARCH CORPORATION**

10

**INCREASE IN NET ASSETS**

3,415

**NET ASSETS--BEGINNING OF YEAR**

14,924

**NET ASSETS--END OF YEAR**

\$ 18,339

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
FOUR YEAR AND OTHER COMPONENTS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2005**

(Dollars in Thousands)

	<b>2005</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Tuition and fees	\$ 4,839
Grants and contracts	4,013
Payments to suppliers	(4,003)
Payments to employees	(10,118)
Payments for benefits	(2,762)
Payments to utilities	(1,271)
Payments for scholarships and fellowships	(640)
Loan advances from federal government	78
Disbursements of loans to students	(109)
Interest earned on loans to students	48
Auxiliary enterprise charges	1,233
Sales and service of educational departments	98
Payment of operating expenses from Main Campus and WVUIT CTC	2,402
Other receipts - net	43
Net cash used in operating activities	<u>(6,149)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
State appropriations	6,846
Gifts	13
Assessments by the Commission for operations	203
Other nonoperating receipts - net	39
Net cash provided by noncapital financing activities	<u>7,101</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Proceeds from Commission debt assessment payable	529
Purchases of capital assets	(29)
Principal paid on capital debt and leases	(220)
Interest paid on capital debt and leases	(11)
Net cash provided by capital financing activities	<u>269</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment income	103
Net cash provided by investing activities	<u>103</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,324
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>5,329</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 6,653</u>

(continued)

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
 FOUR YEAR AND OTHER COMPONENTS  
 STATEMENT OF CASH FLOWS  
 YEAR ENDED JUNE 30, 2005**

(Dollars in Thousands)

**2005**

**Reconciliation of operating loss to net cash  
 used in operating activities:**

Operating loss	\$	(6,977)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense		844
Changes in assets and liabilities:		
Accounts receivable, net		(306)
Due from the Commission		(699)
Loans receivable, net		33
Prepaid expenses		4
Accounts payable		94
Accrued liabilities		(368)
Deposits		(9)
Deferred revenue		1,239
Due to the Commission		40
Compensated absences		(121)
Advances from federal government		77
Net cash used in operating activities	<u>\$</u>	<u>(6,149)</u>

**Reconciliation of cash and cash equivalents  
 to the statements of net assets:**

Cash and cash equivalents classified as current assets	\$	6,579
Cash and cash equivalents classified as noncurrent assets		74
	<u>\$</u>	<u>6,653</u>

**THE COMMUNITY AND TECHNICAL COLLEGE AT  
WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2005  
(Dollars in Thousands)**

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**ASSETS**

Current Assets:

Cash and cash equivalents	\$	604
Accounts receivable, net of allowances for doubtful accounts of \$138		38
Due from the Commission		1
Total current assets		<u>643</u>

Noncurrent Assets:

Restricted cash and cash equivalents		50
Capital assets, net		162
Total noncurrent assets		<u>212</u>

**TOTAL ASSETS**

\$ 855

**LIABILITIES**

Current Liabilities:

Accounts payable	\$	2
Accounts payable - West Virginia Institute of Technology		27
Accrued payroll		180
Deferred revenue		33
Compensated absences, current portion		47
Total current liabilities		<u>289</u>

Noncurrent Liabilities:

Compensated absences		186
Total noncurrent liabilities		<u>186</u>

**TOTAL LIABILITIES**

\$ 475

**NET ASSETS**

Invested in capital assets, net of related debt

\$ 162

Restricted for:

Nonexpendable:

Other		50
Total nonexpendable		<u>50</u>

Expendable:

Sponsored programs		59
Other		104
Total expendable		<u>163</u>

Total expendable

Unrestricted

5

**TOTAL NET ASSETS**

\$ 380

**THE COMMUNITY AND TECHNICAL COLLEGE AT  
WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2005  
(Dollars in Thousands)**

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**OPERATING REVENUES**

Student tuition and fees, net of scholarship allowances of \$615	\$	1,160
Federal grants and contracts		763
State grants and contracts		298
Nongovernmental grants and contracts		116
Sales and services of educational departments		35
Auxiliary enterprises, net of scholarship allowances of \$54		93
Operating revenue from West Virginia University Institute of Technology		899
Service agreement revenue		311
Other operating revenues		3
		<hr/>
Total operating revenues		3,678

**OPERATING EXPENSES**

Salaries and wages		1,752
Benefits		429
Scholarships and fellowships		455
Utilities		12
Supplies and other services		571
Depreciation		47
Assessments by the Commission for operations		30
Operating expenses to West Virginia University Institute of Technology		631
Service agreement expense		3,115
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Total operating expenses		7,042

**OPERATING LOSS**

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**(3,364)**

**NONOPERATING REVENUES**

State appropriations		3,200
Investment income		27
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Net nonoperating revenues		3,227

**LOSS BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES**

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**(137)**

**DECREASE IN NET ASSETS**

**(137)**

**NET ASSETS--BEGINNING OF YEAR**

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**517**

**NET ASSETS--END OF YEAR**

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**\$ 380**

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**THE COMMUNITY AND TECHNICAL COLLEGE AT  
WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2005  
(Dollars in Thousands)**

	<b>2005</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Tuition and fees	\$ 1,159
Grants and contracts	1,186
Payments to suppliers	(656)
Payments to employees	(1,775)
Payments for benefits	(443)
Payments to utilities	(12)
Payments for scholarships and fellowships	(455)
Auxiliary enterprise charges	(55)
Sales and service of educational departments	35
Payments of operating expenses to Main Campus and WVUIT	(2,509)
Other payments - net	(26)
Net cash used in operating activities	<u>(3,551)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
State appropriations	3,200
Net cash provided by noncapital financing activities	<u>3,200</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment income	27
Net cash provided by investing activities	<u>27</u>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	(324)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>978</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 654</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (3,364)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	47
Changes in assets and liabilities:	
Accounts receivable, net	13
Due from the Commission	(1)
Accounts payable	(57)
Accrued liabilities	(23)
Deferred revenue	(152)
Compensated absences	(14)
Net cash used in operating activities	<u>\$ (3,551)</u>
<b>Reconciliation of cash and cash equivalents to the statements of net assets:</b>	
Cash and cash equivalents classified as current assets	\$ 604
Cash and cash equivalents classified as noncurrent assets	50
	<u>\$ 654</u>



West Virginia University - Institute of Technology  
**FUNCTIONAL CLASSIFICATIONS OF EXPENSES**  
**YEAR ENDED JUNE 30, 2005**  
(Dollars in Thousands)

Functional Classification	COMMUNITY & TECHNICAL COLLEGE													Total		
	Natural Classification															
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Operating Expenses to WVUIT	Loan Cancellations & Write Offs	Assessments by the Commission	Operating Expenses to Main Campus	Service Agreement Expense	Other Operating Expenses				
Instruction	\$ 1,311	\$ 274	\$ -	\$ -	\$ 278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,863
Research	41	48	-	-	9	-	-	-	-	-	-	-	-	-	-	98
Public Service	125	14	-	-	44	-	-	-	-	-	-	-	-	-	-	183
Academic Support	210	77	-	-	12	-	-	-	-	-	-	-	-	-	-	299
Student Services	58	8	-	2	2	-	-	-	-	-	-	-	-	-	-	70
Operation and Maintenance of Plant	-	-	-	10	10	-	-	-	-	-	-	-	-	-	-	20
General Institutional Support	3	8	-	-	213	-	-	-	-	-	-	-	-	-	-	224
Student Financial Aid	-	-	455	-	-	-	-	-	-	-	-	-	-	-	-	455
Auxiliary Enterprises	4	-	-	-	3	-	-	-	-	-	-	-	-	-	-	7
Depreciation	-	-	-	-	-	47	-	-	-	-	-	-	-	-	-	47
Assessments by Commission for Operations	-	-	-	-	-	-	-	-	30	-	-	-	-	-	-	30
Operating Expenses to WVUIT	-	-	-	-	-	-	631	-	-	-	-	-	-	-	-	631
Service Agreement	-	-	-	-	-	-	-	-	-	3,115	-	-	-	-	-	3,115
Total Expenses	\$ 1,752	\$ 429	\$ 455	\$ 12	\$ 571	\$ 47	\$ 631	\$ -	\$ 30	\$ -	\$ 3,115	\$ -	\$ -	\$ -	\$ -	\$ 7,042

Functional Classification	FOUR-YEAR & OTHER COMPONENTS													Total		
	Natural Classification															
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Operating Expenses to WVUIT CTC	Loan Cancellations & Write Offs	Assessments by the Commission	Operating Expenses to Main Campus	Service Agreement Expense	Other Operating Expenses				
Instruction	\$ 4,803	\$ 1,216	\$ -	\$ -	\$ 436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,455
Research	319	112	-	-	556	-	-	-	-	-	-	-	-	-	-	987
Public Service	193	30	-	-	36	-	-	-	-	-	-	-	-	-	-	259
Academic Support	978	317	-	9	516	-	-	-	-	-	-	-	-	-	-	1,820
Student Services	676	291	-	26	263	-	-	-	-	-	-	-	-	-	-	1,256
Operation and Maintenance of Plant	697	369	-	608	450	-	-	-	-	-	-	-	-	-	-	2,124
General Institutional Support	1,220	244	-	1	904	-	-	-	-	-	-	-	-	-	2	2,371
Student Financial Aid	-	-	709	-	-	-	-	-	-	-	-	-	-	-	-	709
Auxiliary Enterprises	907	215	-	433	1,042	-	-	-	-	-	-	-	-	-	-	2,597
Depreciation	-	-	-	-	-	844	-	-	-	-	-	-	-	-	-	844
Assessments by Commission for Operations	-	-	-	-	-	-	-	71	-	-	-	-	-	-	-	71
Loan Cancellations and Write Offs	-	-	-	-	-	-	-	142	-	-	-	-	-	-	-	142
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	16	-	-	-	-	-	-	16
Operating Expenses to CTC WVUIT	-	-	-	-	-	-	899	-	-	-	-	-	-	-	-	899
Service Agreement	-	-	-	-	-	-	-	-	-	311	-	-	-	-	-	311
Total Expenses	\$ 9,793	\$ 2,794	\$ 709	\$ 1,077	\$ 4,203	\$ 844	\$ 899	\$ 142	\$ 71	\$ 16	\$ 311	\$ -	\$ -	\$ 2	\$ -	\$ 20,861

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2005	2004
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 7,183	\$ 6,185
Accounts receivable, net of allowances for doubtful accounts of \$647 and \$466	967	701
Due from the Commission	735	35
Loans receivable, current portion	594	572
Prepaid expenses	27	31
Total current assets	<u>9,506</u>	<u>7,524</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	124	122
Investments	2,023	-
Loans receivable, net of allowances for doubtful accounts of \$784 and \$729	1,178	1,233
Capital assets, net	16,683	17,544
Total noncurrent assets	<u>20,008</u>	<u>18,899</u>
<b>TOTAL ASSETS</b>	<u>\$ 29,514</u>	<u>\$ 26,423</u>

(continued)

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY**

**COMBINED STATEMENTS OF NET ASSETS (CONTINUED)  
AS OF JUNE 30, 2005 AND 2004**

(Dollars in Thousands)

	2005	2004
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$ 525	\$ 423
Accounts payable - Main Campus	-	92
Accrued liabilities	49	96
Accrued payroll	738	1,039
Deposits	33	42
Deferred revenue	1,450	363
Due to the Commission	85	45
Compensated absences, current portion	465	486
College system debt owed to the Commission, current portion	229	213
Debt service assessment payable to the Commission, current portion	259	266
Leases payable, current portion	113	126
Notes payable, current portion	145	262
Total current liabilities	<u>4,091</u>	<u>3,453</u>
Noncurrent Liabilities:		
Compensated absences	1,733	1,847
College system debt owed to the Commission	1,766	1,995
Advances from federal government	1,681	1,604
Debt service assessment payable to the Commission	1,086	1,345
Leases payable	124	237
Notes payable	238	383
Other noncurrent liabilities	76	118
Total noncurrent liabilities	<u>6,704</u>	<u>7,529</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 10,795</u>	<u>\$ 10,982</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	\$ 12,724	\$ 13,262
Restricted for:		
Nonexpendable:		
Loans	2,023	-
Other	50	50
Total nonexpendable	<u>2,073</u>	<u>50</u>
Expendable:		
Scholarships and fellowships	26	42
Sponsored programs	125	1,067
Loans	539	616
Capital projects	486	(555)
Other	104	52
Total expendable	<u>1,280</u>	<u>1,222</u>
Unrestricted	<u>2,642</u>	<u>907</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 18,719</u>	<u>\$ 15,441</u>

# WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

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

(Dollars in Thousands)

	2005	2004
<b>OPERATING REVENUES</b>		
Student tuition and fees, net of scholarship allowances of \$2,141 and \$1,830	\$ 6,040	\$ 5,756
Federal grants and contracts	2,482	3,674
State grants and contracts	742	851
Nongovernmental grants and contracts	935	925
Sales and services of educational departments	133	167
Auxiliary enterprises, net of scholarship allowances of \$600 and \$849	2,035	1,685
Interest on student loans receivable	48	61
Operating revenue from Main Campus	-	2
Other operating revenues (including revenue from outsourced enterprise of \$54 and \$54)	191	364
Total operating revenues	<u>12,606</u>	<u>13,485</u>
<b>OPERATING EXPENSES</b>		
Salaries and wages	11,545	11,987
Benefits	3,223	3,231
Scholarships and fellowships	1,164	1,400
Utilities	1,089	1,126
Supplies and other services	4,774	4,828
Depreciation	891	967
Operating expenses to Main Campus	16	-
Loan cancellations and write-offs	142	40
Assessments by the Commission for operations	101	93
Other operating expenses	2	15
Total operating expenses	<u>22,947</u>	<u>23,687</u>
<b>OPERATING LOSS</b>	<u>(10,341)</u>	<u>(10,202)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State appropriations	10,046	9,569
Gifts	13	1
Investment income	2,153	81
Interest on capital asset-related debt	(11)	(15)
Assessments by the Commission for debt service	203	297
Other nonoperating revenues (expenses) - net	207	(6)
Net nonoperating revenues	12,611	9,927
<b>INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	2,270	(275)
Bond/capital projects proceeds from the Commission	998	-
<b>INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER</b>	3,268	(275)
<b>TRANSFER OF ASSETS FROM RESEARCH CORPORATION</b>	10	-
<b>INCREASE (DECREASE) IN NET ASSETS</b>	3,278	(275)
<b>NET ASSETS--BEGINNING OF YEAR</b>	<u>15,441</u>	<u>15,716</u>
<b>NET ASSETS--END OF YEAR</b>	<u>\$ 18,719</u>	<u>\$ 15,441</u>

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY**

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

(Dollars in Thousands)

	2005	2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 5,998	\$ 5,731
Grants and contracts	5,199	5,440
Payments to suppliers	(4,659)	(5,034)
Payments to employees	(11,893)	(11,657)
Payments for benefits	(3,205)	(3,840)
Payments to utilities	(1,283)	(950)
Payments for scholarships and fellowships	(1,095)	(1,392)
Loan advances from federal government	78	-
Collection (disbursements) of loans to students	(109)	25
Interest earned on loans to students	48	61
Auxiliary enterprise charges	1,178	1,737
Sales and service of educational departments	133	167
Payments of operating expenses from (to) Main Campus	(107)	142
Other receipts - net	17	90
Net cash used in operating activities	<u>(9,700)</u>	<u>(9,480)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State appropriations	10,046	9,569
Gifts	13	1
Assessments by the Commission for operations	203	297
Other nonoperating receipts - net	39	257
Net cash provided by noncapital financing activities	<u>10,301</u>	<u>10,124</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Payments on Commission debt assessment payable	(469)	(653)
Bond/capital projects proceeds from the Commission	998	-
Purchases of capital assets	(29)	(507)
Principal paid on capital debt and leases	(220)	(170)
Interest paid on capital debt and leases	(11)	(15)
Net cash provided by (used in) capital financing activities	<u>269</u>	<u>(1,345)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	130	81
Purchase of investments	-	-
Purchase of guaranteed investment contract	-	-
Net cash provided by investing activities	<u>130</u>	<u>81</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,000	(620)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>6,307</u>	<u>6,927</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 7,307</u>	<u>\$ 6,307</u>

(continued)

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY**

**COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)**

**YEARS ENDED JUNE 30, 2005 AND 2004**

(Dollars in Thousands)

	2005	2004
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss	\$ (10,341)	\$ (10,202)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	891	967
Changes in assets and liabilities:		
Accounts receivable, net	(266)	(258)
Due from the Commission	(700)	(36)
Loans receivable, net	33	65
Prepaid expenses	4	(4)
Accounts payable	10	(85)
Accrued liabilities	(391)	295
Deposits	(9)	42
Deferred revenue	1,087	216
Due to the Commission	40	15
Compensated absences	(135)	(495)
Advances from federal government	77	-
Net cash used in operating activities	<u>\$ (9,700)</u>	<u>\$ (9,480)</u>
Noncash Transactions:		
Equipment purchased on capital lease	<u>\$ -</u>	<u>\$ 31</u>
Loss on disposition	<u>\$ -</u>	<u>\$ 2</u>
<b>Reconciliation of cash and cash equivalents to the statement of net assets:</b>		
Cash and cash equivalents classified as current assets	\$ 7,183	\$ 6,185
Cash and cash equivalents classified as noncurrent assets	124	122
	<u>\$ 7,307</u>	<u>\$ 6,307</u>

West Virginia University - Institute of Technology  
**FUNCTIONAL CLASSIFICATION OF EXPENSES**  
(Dollars in Thousands)

Year Ended June 30, 2005  
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	\$ 6,114	\$ 1,491	\$ -	\$ -	\$ 714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,319
Research	360	160	-	-	565	-	-	-	-	-	1,085
Public Service	318	44	-	-	80	-	-	-	-	-	442
Academic Support	1,188	394	-	9	528	-	-	-	-	-	2,119
Student Services	734	299	-	28	265	-	-	-	-	-	1,326
Operation and Maintenance of Plant	697	369	-	618	460	-	-	-	-	-	2,144
General Institutional Support	1,223	251	-	1	1,117	-	-	-	-	2	2,594
Student Financial Aid	-	-	1,164	-	-	-	-	-	-	-	1,164
Auxiliary Enterprises	911	215	-	433	1,045	-	-	-	-	-	2,604
Depreciation	-	-	-	-	-	891	-	-	-	-	891
Assessments by Commission for Operations	-	-	-	-	-	-	-	101	-	-	101
Loan Cancellations and Write Offs	-	-	-	-	-	-	142	-	-	-	142
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	16	-	16
<b>Total Expenses</b>	<b>\$ 11,545</b>	<b>\$ 3,223</b>	<b>\$ 1,164</b>	<b>\$ 1,089</b>	<b>\$ 4,774</b>	<b>\$ 891</b>	<b>\$ 142</b>	<b>\$ 101</b>	<b>\$ 16</b>	<b>\$ 2</b>	<b>\$ 22,947</b>

West Virginia University - Institute of Technology  
**FUNCTIONAL CLASSIFICATION OF EXPENSES**  
(Dollars in Thousands)

Year Ended June 30, 2004

Functional Classification	Natural Classification											Total
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs	Assessments by the Commission	Other Operating Expenses			
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
Student Financial Aid	-	-	1,400	-	-	-	-	-	-	-	-	1,400
Auxiliary Enterprises	853	199	-	422	1,547	-	-	-	-	-	-	3,021
Depreciation	-	-	-	-	-	967	-	-	-	-	-	967
Assessments by Commission for Operations	-	-	-	-	-	-	-	93	-	-	-	93
Loan Cancellations and Write Offs	-	-	-	-	-	-	40	-	-	-	-	40
Operating Expenditures to Main Campus	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 11,987</b>	<b>\$ 3,231</b>	<b>\$ 1,400</b>	<b>\$ 1,126</b>	<b>\$ 4,828</b>	<b>\$ 967</b>	<b>\$ 40</b>	<b>\$ 93</b>	<b>\$</b>	<b>\$</b>	<b>15</b>	<b>\$ 23,687</b>