

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
 FOUR YEAR & OTHER COMPONENTS
 STATEMENTS OF NET ASSETS
 AS OF JUNE 30, 2007 AND 2006**

(Dollars in Thousands)

	2007	2006
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 4,023	\$ 7,408
Accounts receivable - Research Corporation	-	87
Accounts receivable - West Virginia Institute of Technology CTC	26	-
Accounts receivable, net of allowances for doubtful accounts of \$593 and \$517	401	673
Due from the Commission	485	27
Loans receivable, current portion	417	427
Prepaid expenses	-	15
Total current assets	<u>5,352</u>	<u>8,637</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	10,880	76
Investments	2,610	2,183
Loans receivable, net of allowances for doubtful accounts of \$920 and \$963	1,165	1,067
Capital assets, net	23,365	16,755
Total noncurrent assets	<u>38,020</u>	<u>20,081</u>
TOTAL ASSETS	<u><u>43,372</u></u>	<u><u>28,718</u></u>

(continued)

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
FOUR YEAR & OTHER COMPONENTS
STATEMENTS OF NET ASSETS (CONTINUED)
AS OF JUNE 30, 2007 AND 2006

(Dollars in Thousands)

	2007	2006
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 1,818	\$ 491
Accounts payable - Main Campus	3,620	-
Accrued liabilities	39	41
Accrued payroll	654	592
Deposits	40	30
Deferred revenue	615	375
Due to the Commission	-	23
Compensated absences, current portion	595	432
College system debt owed to the Commission, current portion	204	202
Debt service assessment payable to the Commission, current portion	294	292
Leases payable, current portion	500	91
Notes payable, current portion	191	191
Total current liabilities	<u>8,570</u>	<u>2,760</u>
Noncurrent Liabilities:		
Compensated absences	1,501	1,720
College system debt owed to the Commission	761	964
Advances from federal government	1,799	1,704
Debt service assessment payable to the Commission	1,100	1,394
Leases payable	10,328	28
Notes payable	818	1,009
Other noncurrent liabilities	20	45
Total noncurrent liabilities	<u>16,327</u>	<u>6,864</u>
TOTAL LIABILITIES	<u><u>24,897</u></u>	<u><u>9,624</u></u>
NET ASSETS		
Invested in capital assets, net of related debt	15,207	13,537
Restricted for:		
Nonexpendable:		
Loans	2,610	2,183
Total nonexpendable	<u>2,610</u>	<u>2,183</u>
Expendable:		
Scholarships and fellowships	58	27
Sponsored programs	851	1,077
Loans	419	373
Capital projects	(22)	11
Total expendable	<u>1,306</u>	<u>1,488</u>
Unrestricted	(648)	1,886
TOTAL NET ASSETS	<u><u>\$ 18,475</u></u>	<u><u>\$ 19,094</u></u>

**WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
FOUR YEAR AND OTHER COMPONENTS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2007 AND 2006**

(Dollars in Thousands)

	2007	2006
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances of \$1,708 and \$1,260	\$ 4,539	\$ 4,699
Federal grants and contracts	2,372	2,892
State grants and contracts	418	540
Nongovernmental grants and contracts	591	791
Sales and services of educational departments	80	113
Auxiliary enterprises, net of scholarship allowances of \$567 and \$490	1,713	1,860
Interest on student loans receivable	71	44
Operating revenue from the Research Corporation	203	87
Operating revenue from Main Campus	-	210
Operating revenue from West Virginia University Institute of Technology CTC	5	177
Service agreement revenue	2,999	3,121
Other operating revenues (including revenue from outsourced enterprise of \$54 and \$54)	325	422
Total operating revenues	<u>13,316</u>	<u>14,956</u>
OPERATING EXPENSES		
Salaries and wages	11,815	10,308
Benefits	3,195	3,259
Scholarships and fellowships	847	1,038
Utilities	1,129	1,117
Supplies and other services	4,951	3,889
Depreciation	854	859
Operating expenses to Main Campus	16	-
Loan cancellations and write-offs	55	224
Assessments by the Commission for operations	57	70
Operating expenses to West Virginia University Institute of Technology CTC	-	179
Service agreement expense	467	361
Other operating expenses	2	1
Total operating expenses	<u>23,388</u>	<u>21,305</u>
OPERATING LOSS	<u>(10,072)</u>	<u>(6,349)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	7,926	6,029
Gifts	21	12
Investment income	703	359
Interest on capital asset-related debt	(2)	(5)
Assessments by the Commission for system debt	267	214
Other nonoperating expenses - net	(12)	(27)
Net nonoperating revenues	<u>8,903</u>	<u>6,582</u>
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	(1,169)	233
Bond/capital projects proceeds from the Commission	550	337
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER	(619)	570
TRANSFER OF ASSETS FROM RESEARCH CORPORATION	-	185
INCREASE (DECREASE) IN NET ASSETS	(619)	755
NET ASSETS--BEGINNING OF YEAR	<u>19,094</u>	<u>18,339</u>
NET ASSETS--END OF YEAR	<u>\$ 18,475</u>	<u>\$ 19,094</u>

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
FOUR YEAR AND OTHER COMPONENTS
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006
(Dollars in Thousands)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 4,513	\$ 4,763
Grants and contracts	3,833	3,332
Payments to suppliers	(4,905)	(3,762)
Payments to employees	(11,756)	(10,282)
Payments for benefits	(3,251)	(3,153)
Payments to utilities	(1,110)	(1,100)
Payments for scholarships and fellowships	(878)	(1,066)
Loan advances from federal government	95	23
Collection (disbursements) of loans to students	(142)	53
Interest earned on loans to students	71	44
Auxiliary enterprise charges	1,723	2,564
Sales and service of educational departments	82	112
Payment of operating expenses from Main Campus and WVUIT CTC	6,405	2,995
Other receipts	330	363
Net cash used in operating activities	<u>(4,990)</u>	<u>(5,114)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	7,926	6,029
Gifts	21	12
Assessments by the Commission for debt services	267	214
Other nonoperating receipts (payments)	(200)	815
Net cash provided by noncapital financing activities	<u>8,014</u>	<u>7,070</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Proceeds from Commission debt assessment payable	(493)	(302)
Bond/capital projects proceeds from the Commission	76	337
Purchases of capital assets	(6,170)	(1,219)
Capital projects proceeds from trustees	10,800	-
Principal paid on capital debt and leases	(91)	(135)
Interest paid on capital debt and leases	(2)	(5)
Net cash provided by (used in) capital financing activities	<u>4,120</u>	<u>(1,324)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	275	199
Net cash provided by investing activities	<u>275</u>	<u>199</u>
INCREASE IN CASH AND CASH EQUIVALENTS	7,419	831
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>7,484</u>	<u>6,653</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 14,903</u>	<u>\$ 7,484</u>

(continued)

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
FOUR YEAR AND OTHER COMPONENTS
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006
(Dollars in Thousands)

	2007	2006
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (10,072)	\$ (6,349)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	854	859
Changes in assets and liabilities:		
Accounts receivable, net	334	196
Due from the Commission	14	707
Loans receivable, net	(87)	278
Prepaid expenses	16	12
Accounts payable	3,649	86
Accrued liabilities	36	(6)
Deposits	10	(3)
Deferred revenue	240	(1,042)
Due to the Commission	(23)	(62)
Compensated absences	(56)	187
Advances from federal government	95	23
Net cash used in operating activities	<u>\$ (4,990)</u>	<u>\$ (5,114)</u>
Noncash Transactions:		
Unrealized gain on investments	<u>\$ 427</u>	
Loss on dispositions	<u>\$ 3</u>	<u>\$ -</u>
Assets transferred from Reseach Corporation	<u>\$ -</u>	<u>\$ 87</u>
Reconciliation of cash and cash equivalents to the statements of net assets:		
Cash and cash equivalents classified as current assets	\$ 4,023	\$ 7,408
Cash and cash equivalents classified as noncurrent assets	10,880	76
	<u>\$ 14,903</u>	<u>\$ 7,484</u>

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
 FOUR YEAR AND OTHER COMPONENTS
 NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION
 (Dollars in Thousands)

Functional Classification	Year Ended June 30, 2007											Total	
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Loan Cancellations & Write Offs	Assessments by the Commission	Operating Expenses to Main Campus	Service Agreement Expense	Other Operating Expenses		
Instruction	\$ 5,478	\$ 1,271	\$ -	\$ -	\$ -	\$ 661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,410
Research	761	214	-	-	306	-	-	-	-	-	-	-	1,281
Public Service	92	38	-	-	23	-	-	-	-	-	-	-	153
Academic Support	980	261	-	10	396	-	-	-	-	-	-	-	1,647
Student Services	1,023	332	-	10	427	-	-	-	-	-	-	-	1,792
Operation and Maintenance of Plant	1,089	548	-	658	524	-	-	-	-	-	-	-	2,819
General Institutional Support	1,349	318	-	10	973	-	-	-	-	-	-	2	2,652
Student Financial Aid	-	-	847	-	-	-	-	-	-	-	-	-	847
Auxiliary Enterprises	1,043	213	-	441	1,641	-	-	-	-	-	-	-	3,338
Depreciation	-	-	-	-	-	854	-	-	-	-	-	-	854
Assessments by Commission for Operations	-	-	-	-	-	-	-	57	-	-	-	-	57
Loan Cancellations and Write Offs	-	-	-	-	-	-	-	55	-	-	-	-	55
Operating Expenses to Main Campus	-	-	-	-	-	-	-	-	16	-	-	-	16
Service Agreement Expense	-	-	-	-	-	-	-	-	-	467	-	-	467
Total Expenses	\$ 11,815	\$ 3,195	\$ 847	\$ 1,129	\$ 4,951	\$ 854	\$ 55	\$ 57	\$ 16	\$ 467	\$ 2	\$ 23,588	

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
 FOUR YEAR AND OTHER COMPONENTS
 NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION
 (Dollars in Thousands)

Functional Classification	Year Ended June 30, 2006										Total
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Operating Expenses to WVUIT CTC	Assessments by the Commission	Service Agreement Expense	Other Operating Expenses	
Instruction	\$ 4,898	\$ 1,452	\$ -	\$ -	\$ 632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,982
Research	272	141	-	272	193	-	-	-	-	-	606
Public Service	226	16	-	-	75	-	-	-	-	-	317
Academic Support	1,040	332	-	10	510	-	-	-	-	-	1,892
Student Services	746	173	-	35	317	-	-	-	-	-	1,271
Operation and Maintenance of Plant	738	366	-	644	230	-	-	-	-	-	1,978
General Institutional Support	1,329	424	-	1	787	-	-	-	-	1	2,542
Student Financial Aid	-	-	1,038	-	-	-	-	-	-	-	1,038
Auxiliary Enterprises	1,059	355	-	427	1,145	-	-	-	-	-	2,986
Depreciation	-	-	-	-	-	859	-	-	-	-	859
Assessments by Commission for Operations	-	-	-	-	-	-	70	-	-	-	70
Loan Cancellations and Write Offs	-	-	-	-	-	-	-	-	-	-	224
Operating Expenses to WVUIT CTC	-	-	-	-	-	-	179	-	-	-	179
Service Agreement Expense	-	-	-	-	-	-	-	361	-	-	361
Total Expenses	\$ 10,308	\$ 3,259	\$ 1,038	\$ 1,117	\$ 3,889	\$ 859	\$ 179	\$ 70	\$ 361	\$ 1	\$ 21,305