

**THE COMMUNITY AND TECHNICAL COLLEGE AT
WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
COMBINED STATEMENTS OF NET ASSETS
AS OF JUNE 30, 2008 AND 2007**

(Dollars in Thousands)

	2008	2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 984	\$ 601
Accounts receivable - Research Corporation	169	-
Accounts receivable, net of allowances for doubtful accounts of \$346 and \$277	210	440
Due from the Commission	33	3
Total current assets	<u>1,396</u>	<u>1,044</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	109	50
Capital assets, net	618	547
Total noncurrent assets	<u>727</u>	<u>597</u>
TOTAL ASSETS	<u><u>\$ 2,123</u></u>	<u><u>\$ 1,641</u></u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 120	\$ 32
Accounts payable - Main Campus	-	26
Accrued payroll	74	171
Deferred revenue	880	248
Compensated absences, current portion	65	63
Total current liabilities	<u>1,139</u>	<u>540</u>
Noncurrent Liabilities:		
Compensated absences	-	194
Other post employment benefits liability	42	-
Total noncurrent liabilities	<u>42</u>	<u>194</u>
TOTAL LIABILITIES	<u><u>\$ 1,181</u></u>	<u><u>\$ 734</u></u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 618	\$ 547
Restricted for:		
Nonexpendable:		
Other	50	50
Total nonexpendable	<u>50</u>	<u>50</u>
Expendable:		
Scholarships and fellowships	1	-
Sponsored programs	32	107
Total expendable	<u>33</u>	<u>107</u>
Unrestricted	<u>241</u>	<u>203</u>
TOTAL NET ASSETS	<u><u>\$ 942</u></u>	<u><u>\$ 907</u></u>

**THE COMMUNITY AND TECHNICAL COLLEGE AT
WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2008 AND 2007**

(Dollars in Thousands)

	2008	2007
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances of \$885 and \$803	\$ 1,368	\$ 1,291
Federal grants and contracts	941	817
State grants and contracts	242	619
Nongovernmental grants and contracts	193	535
Sales and services of educational departments	9	23
Auxiliary enterprises, net of scholarship allowances of \$78 and \$60	102	98
Service agreement revenue	592	467
Other operating revenues	1	84
	<u>3,448</u>	<u>3,934</u>
OPERATING EXPENSES		
Salaries and wages	2,204	1,938
Benefits	738	541
Scholarships and fellowships	535	575
Utilities	12	1
Supplies and other services	687	696
Depreciation	33	34
Assessments by the Commission for operations	28	25
Operating expenses to Main Campus	27	5
Service agreement expense	3,059	2,999
	<u>7,323</u>	<u>6,814</u>
	<u>(3,875)</u>	<u>(2,880)</u>
OPERATING LOSS		
NONOPERATING REVENUES		
State appropriations	3,431	3,263
Payments on behalf of the University	66	-
Investment income	54	60
	<u>3,551</u>	<u>3,323</u>
	<u>(324)</u>	<u>443</u>
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES		
Capital grants and gifts	149	292
	<u>(175)</u>	<u>735</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE CUMULATIVE EFFECT		
CUMULATIVE EFFECT OF ADOPTION OF ACCOUNTING PRINCIPLE		
	<u>210</u>	<u>-</u>
INCREASE IN NET ASSETS		
	35	735
NET ASSETS--BEGINNING OF YEAR		
	<u>907</u>	<u>172</u>
NET ASSETS--END OF YEAR		
	<u>\$ 942</u>	<u>\$ 907</u>

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

COMBINED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2008 AND 2007

(Dollars in Thousands)

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 1,322	\$ 1,278
Grants and contracts	2,309	1,439
Payments to suppliers	(638)	(760)
Payments to employees	(2,301)	(1,932)
Payments for benefits	(606)	(554)
Payments to utilities	(10)	(1)
Payments for scholarships and fellowships	(501)	(578)
Auxiliary enterprise charges	101	97
Sales and service of educational departments	10	22
Payments of operating expenses from Main Campus	(2,690)	(2,511)
Other receipts (payments)	(81)	69
	<u>(3,085)</u>	<u>(3,431)</u>
Net cash used in operating activities		
	<u>(3,085)</u>	<u>(3,431)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	<u>3,431</u>	<u>3,263</u>
Net cash provided by noncapital financing activities	<u>3,431</u>	<u>3,263</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital gifts and grants received	149	292
Purchases of capital assets	(104)	(434)
Net cash provided by (used in) capital financing activities	<u>45</u>	<u>(142)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	<u>51</u>	<u>60</u>
Net cash provided by investing activities	<u>51</u>	<u>60</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	442	(250)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>651</u>	<u>901</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,093</u>	<u>\$ 651</u>

(continued)

WEST VIRGINIA UNIVERSITY INSTITUTE OF TECHNOLOGY

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED) YEARS ENDED JUNE 30, 2008 AND 2007

(Dollars in Thousands)

	2008	2007
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (3,876)	\$ (2,880)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	33	34
Expenses paid on behalf of University	66	-
Changes in assets and liabilities:		
Accounts receivable, net	64	(347)
Due from the Commission	(30)	2
Accounts payable	62	(44)
Accrued liabilities	(56)	5
Deferred revenue	632	(190)
Compensated absences	20	(11)
Net cash used in operating activities	<u>\$ (3,085)</u>	<u>\$ (3,431)</u>
Noncash Transactions:		
Cumulative effect of adoption of accounting principle	<u>\$ 210</u>	<u>\$ -</u>
Other post employment benefits liability	<u>\$ 42</u>	<u>\$ -</u>
Expenses paid on behalf of WVU	<u>\$ 66</u>	<u>\$ -</u>
Reconciliation of cash and cash equivalents to the statement of net assets:		
Cash and cash equivalents classified as current assets	\$ 984	\$ 601
Cash and cash equivalents classified as noncurrent assets	109	50
	<u>\$ 1,093</u>	<u>\$ 651</u>

15. FUNCTIONAL CLASSIFICATION OF EXPENSES
(Dollars in Thousands)

The Community and Technical College at WVU Institute of Technology's operating expenses by functional and natural classification are as follows:

Functional Classification	Year Ended June 30, 2008										Total	
	Natural Classification											
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Other Services	Supplies & Other Services	Depreciation	Operating Expenses To WVUIT	Assessments by the Commission	Operating Expenses to the University	Service Agreement Expense	
Instruction	\$ 1,748	\$ 557	\$ -	\$ 12	\$ 547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,864
Research	-	7	-	-	10	-	-	-	-	-	-	17
Public Service	8	4	-	-	2	-	-	-	-	-	-	14
Academic Support	-	-	-	-	66	-	-	-	-	-	-	66
Student Services	113	37	-	-	2	-	-	-	-	-	-	152
Operation and Maintenance of Plant	-	-	-	-	18	-	-	-	-	-	-	18
General Institutional Support	335	133	-	-	42	-	-	-	-	-	-	510
Student Financial Aid	-	-	535	-	-	-	-	-	-	-	-	535
Depreciation	-	-	-	-	-	33	-	-	-	-	-	33
Assessments by Commission for Operations	-	-	-	-	-	-	-	-	28	-	-	28
Inter-Institutional Exp - Regional	-	-	-	-	-	-	-	-	-	27	-	27
Service Agreement Expense	-	-	-	-	-	-	-	-	-	-	3,059	3,059
Total Expenses	\$ 2,204	\$ 738	\$ 535	\$ 12	\$ 687	\$ 33	\$ -	\$ 28	\$ 28	\$ 27	\$ 3,059	\$ 7,323

Year Ended June 30, 2007

Functional Classification	Natural Classification										Total	
	Natural Classification											
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Other Services	Supplies & Other Services	Depreciation	Operating Expenses To WVUIT	Assessments by the Commission	Operating Expenses to the University	Service Agreement Expense	
Instruction	\$ 1,479	\$ 393	\$ -	\$ 1	\$ 561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,434
Research	-	-	-	-	-	-	-	-	-	-	-	-
Public Service	24	5	-	-	30	-	-	-	-	-	-	59
Academic Support	-	-	-	-	19	-	-	-	-	-	-	19
Student Services	130	44	-	-	29	-	-	-	-	-	-	203
General Institutional Support	305	99	-	-	57	-	-	-	-	-	-	461
Student Financial Aid	-	-	575	-	-	-	-	-	-	-	-	575
Depreciation	-	-	-	-	-	34	-	-	-	-	-	34
Assessments by Commission for Operations	-	-	-	-	-	-	-	-	25	-	-	25
Operating Expenses to WVUIT	-	-	-	-	-	-	-	5	-	-	-	5
Service Agreement Expense	-	-	-	-	-	-	-	-	-	-	2,999	2,999
Total Expenses	\$ 1,938	\$ 541	\$ 575	\$ 1	\$ 696	\$ 34	\$ -	\$ 5	\$ 25	\$ 25	\$ -	\$ 6,814