

STATE OF WEST VIRGINIA
AUDIT REPORT
OF

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
INSTITUTE, WEST VIRGINIA

NATIONAL DIRECT STUDENT LOAN PROGRAM
COLLEGE WORK-STUDY PROGRAM

U.S. DEPARTMENT OF EDUCATION
ENTITY NUMBER: I-55-0530-601-A1

FOR THE PERIOD
JULY 1, 1981 - JUNE 30, 1983



OFFICE OF LEGISLATIVE AUDITOR

CAPITOL BUILDING

CHARLESTON, WEST VIRGINIA 25305

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
INSTITUTE, WEST VIRGINIA

REPORT OF AUDIT
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COLLEGE WORK-STUDY PROGRAM

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ENTITY NUMBER: 1-55-0530-601-A1

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LEGISLATIVE AUDITOR'S OFFICE
STATE OF WEST VIRGINIA



LEGISLATIVE AUDITOR

CHARLESTON

The Honorable Encil Bailey
Legislative Auditor
State Capitol - West Wing
Charleston, West Virginia

Sir:

In compliance with your instructions and the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, Mr. John T. Davis was assigned to audit the National Direct Student Loan and College Work-Study Programs at West Virginia College of Graduate Studies.

This audit covers the period July 1, 1981 through June 30, 1983. The results of the examination are set forth on the following pages of this report.

Respectfully submitted,

James R. Blake
James R. Blake, Supervisor
Legislative Postaudit Division

JRB/jaw

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES

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West Virginia College of Graduate Studies
Institute, West Virginia

Report of Audit
National Direct Student Loan Program
College Work-Study Program

U.S. Department of Education
Entity Number: 1-55-0530-601-A1

For the Period July 1, 1981 - June 30, 1983

Part I - Introduction

Background

West Virginia College of Graduate Studies is an institution of higher education and was last approved on December 8, 1981 by the U.S. Department of Education for participation in the student financial aid programs. Our examination of the National Direct Student Loan Program and the College Work-Study Program for the two year period ended June 30, 1983 was directed toward the objectives set forth in the U.S. Department of Education's audit guide dated June 1980 and its August-September 1981 Bulletin.

National Direct Student Loan Program (NDSLP)

On November 29, 1973, the College established the NDSLP under the National Defense Education Act of 1958 which was transferred in 1972 to Part E of Title IV of the Higher Education Act of 1965. Loans aggregating \$67,747 have been made to 52 students since the program was established at the College. As of June 30, 1983, the principal outstanding on loans in default amounted to 22.70% of matured principal on all loans.

College Work-Study Program (CWSP)

On November 29, 1973, the College established the CWSP pursuant to Title IV, Part C, of the Higher Education Act of 1965, as amended. During the two year period ended June 30, 1983, three students participated in the program and expenditures for wages for the period aggregated \$1,333.30. The authorization award letters to the College were in the amounts of \$1,120 for the academic year 1981-82 and \$4,500 for 1982-83.

Administration of the Programs

The College officials responsible for the overall administration of the programs are the Assistant Director of Admissions and Records and the Director of Financial Affairs. The Assistant Director of Admissions and Records is responsible for application processing and loan approvals as well as the College's compliance with the various U.S. Department of Education regulations governing the College's participation in federal and state financial aid programs. The Director of Financial Affairs is responsible for the programs' financial management, general ledger accounting, payments, collections and financial reports.

Scope of Audit

Our audit of the National Direct Student Loan Program and the College Work-Study Program was performed in accordance with the financial and compliance elements of the "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" (revised 1981) and the U.S. Department of Education's audit guide dated June 1980 and its August-September 1981 Bulletin. The purpose of the audit was to formulate an opinion on the basic financial statements taken as a whole and to determine if these programs were administered in accordance with applicable laws, regulations, agreements to participate and U.S. Department of Education directives which are set forth in the audit guide.

The audit included:

1. Expressing an opinion on the balance sheets, related statements of changes in fund balances and supplementary schedules.
2. Evaluation of the institution's policies, procedures and practices used to administer the programs.
3. Determination of compliance with applicable sections of the acts, related federal regulations and U.S. Department of Education policies and procedures.
4. Evaluation of the institution's system of internal control, accounting and reporting, and the controls maintained in the operation of and accounting for the funds provided for the programs.
5. Reconciliation of the information reported on the appropriate financial statements (ED Form 646-1) for the years audited.

As part of our audit, we sent letters to six of the 34 borrowers with outstanding loans, requesting confirmation of their June 30, 1983 loan balances, and a letter to one of the three students participating in the CWSP during the audit period, requesting confirmation of wages received during the fiscal year 1982-83. Since no replies were received, we applied alternate auditing procedures to the accounts of all seven students.

Part II - Highlights of Audit Results

During our audit, nothing came to our attention which caused us to believe West Virginia College of Graduate Studies had not generally administered its student financial aid programs (NDSLP and CWSP) in accordance with U.S. Department of Education federal regulations and directives cited in the Department's June 1980 audit guide and its August-September 1981 Bulletin. However, certain areas of the College's management of the student financial aid programs were in need of attention. More specifically: for both programs, (1) the College has not established a self-evaluation system for monitoring and evaluating the programs, and (2) procedural guidelines have not been developed for making awards under the programs; for NDSLP, (1) as of June 30, 1983, the loan default rate of 22.70% exceeded the U.S. Department of Education's target rate of 10% maximum for all participating institutions; for CWSP, (1) time record sheets do not identify the exact hours student participants worked each

day. These matters are discussed more fully under the "Findings and Recommendations" sections of this report. (See pages 4 through 6.) As to our opinion on the financial statements, see below.

Part III - Financial

Auditors' Report on Financial Statements

We have examined the balance sheets of the National Direct Student Loan Program (NDSLP) and the College Work-Study Program (CWSP) at West Virginia College of Graduate Studies as of June 30, 1983 and the related statements of changes in fund balances for the two years then ended. (See Exhibits A through B-1.) Our examination was made in accordance with the financial and compliance elements of the "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" (revised 1981). Accordingly, we conducted such test of the accounting records and such other auditing procedures as were considered necessary in the circumstances. The U.S. Department of Education's audit guide dated June 1980 and its August-September 1981 Bulletin were used as guides in the examination.

In our opinion, the aforementioned financial statements present fairly the financial position of the NDSLP and CWSP at West Virginia College of Graduate Studies at June 30, 1983 and the changes in fund balances for the two year period then ended, in conformity with generally accepted accounting principles applied on a consistent basis except as indicated under "Note to Financial Statements". (See below.)

The examination referred to above was directed primarily toward formulating an opinion on the aforementioned statements as of and for the two year period ended June 30, 1983 taken as a whole, and was not directed toward formulating an opinion on the balance sheets at June 30, 1982, or the statements of changes in fund balances for the individual years ended June 30, 1982 and June 30, 1983. The supplemental data included in Schedules 1 through 10 have been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, are stated fairly in all material respects only when considered in conjunction with the financial statements of the NDSLP and CWSP taken as a whole.

Note to Financial Statements For the Two Year Period Ended June 30, 1983

1. Summary of Significant Accounting Policies:

The financial statements of the NDSLP and CWSP at West Virginia College of Graduate Studies have been prepared in accordance with generally accepted accounting principles and provide for use of the accrual basis of accounting. Except as described in the following paragraph, generally accepted accounting principles are in agreement with the accounting practices prescribed for such programs by the U.S. Department of Education in the Terms of Agreement and in fiscal control and fund accounting procedures.

The prescribed practices for the NDSLP do not provide for accrual of interest on student loans receivable or for the establishment of an allowance for doubtful loans. Accordingly, interest on loans is recorded as received and uncollectible loans are not recognized until the loans are cancelled or

written off in conformity with NDSLPL requirements. These practices do not conform with generally accepted accounting principles.

Findings and Recommendations - Financial

National Direct Student Loan Program

Excessive Default Rate

As of June 30, 1983, the total amount of matured principal on loans was \$67,747. Of this, \$15,379, or 22.70%, was in default 120 days or more. (See Schedule 2.) While this rate compares favorably with the 55.77% rate as of June 30, 1981, it is still in excess of the U.S. Department of Education's goal of 10%.

We recommend the College officials continue intensive efforts to collect delinquent loans and further reduce the default rate.

Part IV - Internal Accounting and Administrative Controls and Compliance

Auditors' Conclusions on Internal Accounting and Administrative Controls and Compliance Information

We have examined the financial statements on the NDSLPL and CWSP at West Virginia College of Graduate Studies for the two year period ended June 30, 1983. Our opinion on the above statements is contained on page 3 of this report. As a part of our examination, we have made a study of the College's system of internal accounting control to the extent we considered necessary to evaluate the system as required by the "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" (revised 1981). Under these standards, the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements.

We have also made a study of those internal accounting control and administrative control procedures at West Virginia College of Graduate Studies that we considered relevant to the criteria established in the U.S. Department of Education's audit guide dated June 1980 and its August-September 1981 Bulletin. Our study included tests of compliance with such procedures during the period July 1, 1981 through June 30, 1983.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We understand that the objective of those administrative control procedures comprehended in the U.S. Department of Education criteria is to provide similar assurance as to compliance with its related requirements. The concept of reasonable assurance recognizes that the cost of a system of internal control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

We understand that procedures in conformity with the criteria referred to in the second paragraph of this PART are considered by the U.S. Department of Education to be adequate for its purposes in accordance with the provisions of the Higher Education Act of 1965 and related regulations, and that the procedures not in conformity therewith indicate some inadequacy for such purposes. Based on this understanding and our study, we believe West Virginia College of Graduate Studies followed procedures which were adequate for the Department's purposes, except for the conditions described on pages 4 through 6, which we believe are not in conformity with the criteria referred to above.

Findings and Recommendations - Internal Accounting and Administrative Controls and Compliance

All Federal Student Financial Aid Programs

Self-Evaluation System

The College has not established a self-evaluation system to monitor and evaluate the federal student financial aid programs to ensure their objectives are being met.

The purpose of a self-evaluation system is to encourage the institution to provide continuous monitoring of the programs' activities to assure that the programs are being operated in an effective, efficient and economical manner.

We recommend a self-evaluation system be established and the programs be reviewed under the system at least annually.

Procedural Guidelines

While the Office of Financial Affairs has prepared written procedures for handling and recording financial aid transactions after awards are made, guidelines have not been prepared for making awards under the student financial aid programs.

We recommend that guidelines be prepared which outline procedures for considering and making awards to students under the programs.

College Work-Study Program

Inadequate Time Records

The time record sheet in use reflects the time a work-study student worked each day but does not identify the exact hours worked.

Part 175.19 of the federal regulations for CWSP requires use of a time record showing the hours each student worked.

We recommend the College revise the time record in use to reflect the specific hours a student works.

Part V - Prior Audit Report for the Period July 1, 1979 - June 30, 1981

The prior audit report included four findings. One finding has been corrected and the other three, listed below, are repeated in this audit report.

All Student Financial Aid Programs:

Self-Evaluation System. (See page 5.)

Procedural Guidelines. (See page 5.)

National Direct Student Loan Program:

Excessive Default Rate. (See page 4.)

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 BALANCE SHEET AS OF JUNE 30, 1983 1/

Assets

Cash on Hand and Depository	\$18,056.49
Student Loans Receivable (See Schedule 1)	<u>41,548.92</u>
Total Assets	<u>\$59,605.41</u>

Liabilities and Fund Balance

Liabilities:	
Accrued Administrative Expenses Payable	\$ 584.42
Fund Balance:	
Capital:	
Federal Contributions:	
Authorized	54,885.00
Repaid	<u>-0-</u>
Balance	54,885.00
Institutional Contributions:	
Authorized	6,437.68
Repaid	<u>-0-</u>
Balance	<u>6,437.68</u>
Capital Fund Balance	61,322.68
Non-Capital Fund Deficit (See Exhibit A-1)	<u>(2,301.69)</u>
Total Fund Balances	<u>59,020.99</u>
Total Liabilities and Fund Balances	<u>\$59,605.41</u>

1/ The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1, except as indicated in Schedule 6.

Exhibit A

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 TWO YEAR PERIOD ENDED JUNE 30, 1983
 AND THE PERIOD NOVEMBER 29, 1973 THROUGH JUNE 30, 1983

<u>Non-Capital Fund Balance</u>	For the Period November 29, 1973 Through June 30, 1983 ^{1/}	Two Year Period Ended June 30, 1983
Additions:		
Reimbursement on Loans - Cancelled	\$ 6,597.32	\$ 3,428.00
Interest Income on Loans	4,296.15	1,804.18
Other Income	<u>619.01</u>	<u>619.01</u>
Total Additions	11,512.48	5,851.19
Deductions:		
Loan Principal and Interest Cancelled:		
Teaching Service	8,282.86	1,686.17
Bankruptcy	1,663.23	1,663.23
Administrative Expenses	2,423.18	267.72
Other Collection Costs	<u>1,444.90</u>	<u>668.17</u>
Total Deductions	<u>13,814.17</u>	<u>4,285.29</u>
Net Increase (Decrease) for the Period	(2,301.69)	1,565.90
Fund Deficit, Beginning of Period	<u>-0-</u>	<u>(3,867.59)</u>
Non-Capital Fund Deficit, June 30, 1983	<u>(\$ 2,301.69)</u>	<u>(\$ 2,301.69)</u>
 <u>Capital Fund Balance</u>		
Federal Contributions	\$54,885.00	\$ -0-
Institutional Contributions	<u>6,437.68</u>	<u>-0-</u>
Total Contributions	61,322.68	-0-
Fund Balance, Beginning of Period	<u>-0-</u>	<u>61,322.68</u>
Fund Balance, End of Period	<u>\$61,322.68</u>	<u>\$61,322.68</u>

^{1/} The amounts reported agree with the figures reported on the Fiscal-Operations Report, Ed Form 646-1, except as indicated in Schedule 6.

Exhibit A-1

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 COLLEGE WORK-STUDY PROGRAM
 BALANCE SHEET AS OF JUNE 30, 1983

Assets

Cash on Hand and in Depository	\$125.05
Total Assets	<u>\$125.05</u>

Liabilities and Fund Balance

Liabilities:	
Accrued Wages	\$134.00
Accrued FICA Matching	8.98
Accrued Administrative Expenses	<u>13.00</u>
Total Liabilities	155.98
Fund Balance <u>1/</u>	<u>(30.93)</u>
Total Liabilities and Fund Balance	<u>\$125.05</u>

1/ Distribution of Fund Balance:	
Federal Share	(\$186.75)
Institutional Share	<u>155.82</u>
Total	<u>(\$ 30.93)</u>

Exhibit B

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE TWO YEAR PERIOD ENDED JUNE 30, 1983

Additions:	
Total Grant Award Authorization	\$5,620.00
Federal Funds Not Requested	<u>(5,238.57)</u>
Net Federal Funds Provided	381.43
Funds Provided by Institution	<u>47.00</u>
Total Additions	428.43
Deductions:	
Wages:	
Federal Share	1,066.64
Institutional Share	266.66
FICA Matching	89.01
Workmen's Compensation	1.50
Administrative Expenses	<u>72.60</u>
Total Deductions	<u>1,496.41</u>
Net (Decrease) for the Period	(1,067.98)
Fund Balance, Beginning of Period	<u>1,037.05</u>
Fund Balance, End of Period	<u><u>(\$ 30.93)</u></u>

Exhibit B-1

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 ANALYSIS OF STUDENT LOANS RECEIVABLE
 TWO YEAR PERIOD ENDED JUNE 30, 1983
 AND THE PERIOD NOVEMBER 29, 1973 THROUGH JUNE 30, 1983

	For the Period November 29, 1973 Through June 30, 1983 ^{1/}	Two Year Period Ended June 30, 1983
Balance, Beginning of Period	\$ -0-	\$45,525.92
Funds Advanced to Students	<u>67,747.00</u>	<u>5,000.00</u>
Total	67,747.00	50,525.92
Less Credits:		
Collections	17,039.42	5,900.84
Cancellations:		
Teaching Service	7,690.00	1,607.50
Bankruptcy	<u>1,468.66</u>	<u>1,468.66</u>
Total Credits	<u>26,198.08</u>	<u>8,977.00</u>
Balance, June 30, 1983	41,548.92	<u><u>\$41,548.92</u></u>
Total of Individual Loan Balances	<u>41,548.92</u>	
Difference	<u><u>\$ -0-</u></u>	

^{1/} The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1.

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 COMPUTATION OF DEFAULT RATE
 AS OF JUNE 30, 1983 1/
 (CUMULATIVE INFORMATION)

Principal Outstanding on Loans in Default

Total Amount Advanced on Loans in Default	\$16,100.00
Deduct: Principal Amount Repaid or Cancelled	<u>721.00</u>
Total Remaining Principal Amount Which Has Not Been Paid, Cancelled or Assigned on Notes in Default	<u><u>\$15,379.00</u></u>

Total Amount of Matured Principal

Total Amount Advanced - All Borrowers	\$67,747.00
Deduct: Amount Not in Repayment Status	<u>-0-</u>
Total Amount of Matured Principal	<u><u>\$67,747.00</u></u>
Percentage of Loans in Default (\$15,379.00 ÷ \$67,747.00)	<u><u>22.70%</u></u>

1/ The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1.

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 ANALYSIS OF CASH FLOW
 TWO YEAR PERIOD ENDED JUNE 30, 1983

Cash Balance, Beginning of Period	\$12,269.94
Add:	
Reimbursement on Loans - Cancelled	3,428.00
Collections on Loans	5,900.84
Interest Income on Loans	1,506.87
Other Income	619.01
	<u>11,454.72</u>
Total Cash Available for the Period	23,724.66
Cash Applied:	
Funds Advanced to Students	5,000.00
Other Collection Costs	668.17
	<u>5,668.17</u>
Total Cash Applied	5,668.17
Cash Balance, End of Period <u>1/</u>	<u>\$18,056.49</u>

1/ The amount reported agrees with the figure reported on the Fiscal-Operations Report, ED Form 646-1.

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 SCHEDULE OF ADMINISTRATIVE COST ALLOWANCE
 FOR THE TWO YEAR PERIOD ENDED JUNE 30, 1983
 (UNAUDITED)

Total Administrative Cost Allowance (NOSLP and CWSP)	\$ 316.25
Deduct Expenditures Related to Student	
Consumer Information Service:	
Preparation of Information Dissemination Topics	214.00
Dissemination of Information to Students	1,500.00
Salaries of Employees	<u>2,542.00</u>
Total Expenditures Related to Student	<u>4,256.00</u>
Consumer Information Service	<u>(3,939.75)</u>
Balance of Allowance	
Deduct Expenditures Directly Related to	
Administering All Title IV Federal Student	
Financial Aid Programs:	
Supplies and Postage	300.00
Salaries of Employees	<u>17,502.00</u>
Total Expenditures Directly Related to	
Administering All Title IV Federal	
Student Financial Aid Programs	<u>17,802.00</u>
Excess Expenditures Over Total	
Administrative Cost Allowance	<u><u>(\$21,741.75)</u></u>

Schedule 4

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE TWO YEAR PERIOD ENDED JUNE 30, 1983

<u>Non-Capital Fund Balance</u>	<u>Year Ended June 30, 1982</u>	<u>Year Ended June 30, 1983</u>	
Additions:			
Reimbursement on Loans - Cancelled	\$ -0-	\$ 3,428.00	
Interest Income on Loans	982.90	821.28	
Other Income	<u>-0-</u>	<u>619.01</u>	
Total Additions	982.90	4,868.29	
Deductions:			
Loan Principal and Interest Cancelled:			
Teaching Service	1,315.37	370.80	
Bankruptcy	1,663.23	-0-	
Administrative Expenses	118.25	149.47	
Other Collection Costs	<u>301.69</u>	<u>366.48</u>	
Total Deductions	<u>3,398.54</u>	<u>886.75</u>	
Net Increase (Decrease) for the Year	(2,415.64)	3,981.54	
Fund Deficit, Beginning of Year	<u>(3,867.59)</u>	<u>(6,283.23)</u>	
Fund Deficit, End of Year	<u>(\$ 6,283.23)</u>	<u>(\$ 2,301.69)</u>	
<u>Capital Fund Balance</u>	<u>Federal</u>	<u>Institutional</u>	<u>Total</u>
Fund Balance, Beginning of Period	\$54,885.00	\$ 6,437.68	\$61,322.68
Add Contributions:			
July 1, 1981 - June 30, 1982	-0-	-0-	-0-
July 1, 1982 - June 30, 1983	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Capital Fund Balance, End of Period <u>1/</u>	<u>\$54,885.00</u>	<u>\$ 6,437.68</u>	<u>\$61,322.68</u>

1/ The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1.

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 COMPARISON OF FISCAL REPORT (ED FORM 646-1)
 WITH ACCOUNTING RECORDS AS AUDITED
 AS OF JUNE 30, 1983

	<u>Per ED 646-1</u>	<u>As Audited</u>	<u>Difference</u>
<u>Debit Balances</u>			
Cash on Hand and in Depository	\$18,056.49	\$18,056.49	\$ -0-
Funds Advanced to Students	67,747.00	67,747.00	-0-
Administrative Expenses	1,838.76	2,423.18	(584.42)
Other Collection Costs	1,444.90	1,444.90	-0-
Loan Principal and Interest Cancelled:			
Teaching Service - Loans Made			
July 1, 1972 and After	8,282.86	8,282.86	-0-
Bankruptcy	<u>1,663.23</u>	<u>1,663.23</u>	<u>-0-</u>
Total Debit Balances	<u>\$99,033.24</u>	<u>\$99,617.66</u>	<u>(\$ 584.42)</u>
<u>Credit Balances</u>			
Loan Principal Collected	\$17,039.42	\$17,039.42	\$ -0-
Loan Principal Cancelled:			
Teaching Service - Loans Made			
July 1, 1972 and After	7,690.00	7,690.00	-0-
Bankruptcy	1,468.66	1,468.66	-0-
Federal Capital Contributions	54,885.00	54,885.00	-0-
Institutional Contributions	6,437.68	6,437.68	-0-
Interest Income on Loans	4,296.15	4,296.15	-0-
Other Income	619.01	619.01	-0-
Reimbursement to Fund of Amounts			
Cancelled on Loans Made			
July 1, 1972 and After	6,597.32	6,597.32	-0-
Accounts Payable	<u>-0-</u>	<u>584.42</u>	<u>(584.42)</u>
Total Credit Balances	<u>\$99,033.24</u>	<u>\$99,617.66</u>	<u>(\$ 584.42)</u>

Schedule 6

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 SCHEDULE OF DISTRIBUTION OF ADMINISTRATIVE EXPENSES CLAIMED
 (NDSL P AND CWSP)
 FISCAL YEAR 1983

<u>Program</u>	<u>Administrative Expenses Claimed</u>	<u>Distribution of Charges For Administrative Expenses Claimed</u>	
		<u>NDSL P</u>	<u>CWSP</u>
National Direct Student Loan Program	\$125.00	\$125.00	\$-0-
College Work-Study Program	<u>13.40</u>	<u>.40</u>	<u>13.00</u>
Totals	<u>\$138.40</u>	<u>\$125.40</u>	<u>\$ 13.00</u>

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 SCHEDULE OF DISTRIBUTION OF ADMINISTRATIVE EXPENSES CLAIMED
 (NDSL P AND CWSP)
 FISCAL YEAR 1982

<u>Program</u>	<u>Administrative Expenses Claimed</u>	<u>Distribution of Charges For Administrative Expenses Claimed</u>	
		<u>NDSL P</u>	<u>CWSP</u>
National Direct Student Loan Program	\$125.00	\$118.25	\$ 6.75
College Work-Study Program	<u>52.85</u>	<u>-0-</u>	<u>52.85</u>
Totals	<u>\$177.85</u>	<u>\$118.25</u>	<u>\$ 59.60</u>

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1983 1/

	<u>Per ED 646-1</u>	<u>As Audited</u>
Additions:		
Total Grant Award Authorization	\$4,500.00	\$4,500.00
Federal Funds Not Requested	(4,500.00)	(4,500.00)
Net Federal Funds Provided	-0-	-0-
Funds Provided by Institution	-0-	-0-
Total Additions	-0-	-0-
Deductions:		
Wages:		
Federal Share	214.40	214.40
Institutional Share	53.60	53.60
FICA Matching	17.96	17.96
Administrative Expenses*	13.00	13.00
Total Deductions	298.96	298.96
Net (Decrease) for the Year	(298.96)	(298.96)
Fund Balance, Beginning of Year	268.03	268.03
Fund Balance, End of Year	<u>(\$ 30.93)</u>	<u>(\$ 30.93)</u>

* Additional earned administrative expenses of 40¢ was charged to NDSLPL.
 (See Schedule 7.)

1/ The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1.

WEST VIRGINIA COLLEGE OF GRADUATE STUDIES
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1982 1/

	<u>Per ED 646-1</u>	<u>As Audited</u>
Additions:		
Total Grant Award Authorization	\$1,120.00	\$1,120.00
Federal Funds Not Requested	(738.57)	(738.57)
Net Federal Funds Provided	<u>381.43</u>	<u>381.43</u>
Funds Provided by Institution	<u>47.00</u>	<u>47.00</u>
Total Additions	428.43	428.43
Deductions:		
Wages:		
Federal Share	852.24	852.24
Institutional Share	213.06	213.06
FICA Matching	71.05	71.05
Workmen's Compensation	1.50	1.50
Administrative Expenses*	<u>59.60</u>	<u>59.60</u>
Total Deductions	<u>1,197.45</u>	<u>1,197.45</u>
Net (Decrease) for the Year	(769.02)	(769.02)
Fund Balance, Beginning of Year	<u>1,037.05</u>	<u>1,037.05</u>
Fund Balance, End of Year	<u>\$ 268.03</u>	<u>\$ 268.03</u>

* Includes earned administrative expenses of \$52.85 for CWSP and \$6.75 for NDSLPL. (See Schedule 8.)

1/ The amounts reported agree with the figures reported on the Fiscal-Operations Report, ED Form 646-1.

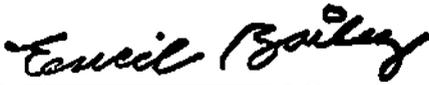
Schedule 10

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Encil Bailey, Legislative Auditor, do hereby certify that the report of audit appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 8th day of May,
1984.


Encil Bailey, Legislative Auditor

Copy forwarded to the Commissioner of the Department of Finance and Administration to be filed as a public record. Copies forwarded to the U.S. Department of Education; West Virginia College of Graduate Studies; West Virginia Board of Regents; Governor; Attorney General; and, State Auditor.