

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
MONTGOMERY, WEST VIRGINIA

REPORT OF AUDIT  
PELL GRANT PROGRAM  
SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM  
COLLEGE WORK-STUDY PROGRAM  
PERKINS LOAN PROGRAM  
GUARANTEED STUDENT LOAN PROGRAM

U.S. DEPARTMENT OF EDUCATION  
ENTITY NUMBER: 1-55-6000-830-A1

FOR THE PERIOD  
JULY 1, 1984 - JUNE 30, 1987

LEGISLATIVE AUDITOR'S OFFICE  
STATE OF WEST VIRGINIA

*West Virginia*



**LEGISLATIVE AUDITOR**

**CHARLESTON**

The Joint Committee on Government and Finance:

In compliance with the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the Pell Grant, Supplemental Educational Opportunity Grant, College Work-Study, Perkins Loan and the Guaranteed Student Loan Programs at West Virginia Institute of Technology.

Our examination covers the period July 1, 1984 through June 30, 1987. The results of the examination are set forth on the following pages of this report.

Respectfully submitted,

*Theodore L. Shanklin*

Theodore L. Shanklin, CPA, Director  
Legislative Postaudit Division

TLS/dws

## TABLE OF CONTENTS

<u>Part I - Introduction</u> . . . . .	1
<u>Part II - Highlights of Audit Results</u> . . . . .	3
<u>Part III - Auditors' Report on Statement of Changes in Student Financial Assistance Programs Fund Balances</u> . . . . .	4
Exhibit A - Statement of Changes in Student Financial Assistance Programs Fund Balances . . . . .	6
Notes to Statement of Changes in Student Financial Assistance Programs Fund Balances . . . . .	8
<u>Part IV - Auditors' Report on Internal Accounting Control</u> . . . . .	10
<u>Part V - Auditors' Report on Compliance</u> . . . . .	12
Findings and Recommendations:	
1. No Ledger Established or Maintained - Pell Grant Program, College Work-Study Program, and Supplemental Educational Opportunity Grant Program . . . . .	14
2. Perkins Loan Program - Timeliness of Institutional Capital Contribution . . . . .	15
3. Perkins Loan Program - No Signed Promissory Note . . . . .	15
4. Perkins Loan Program - Outstanding Loans Receivable . . . . .	15
5. Perkins Loan Program - Deposits Not Made Timely . . . . .	16
6. Pell and Supplemental Educational Opportunity Grant Programs - Transfer of Funds . . . . .	16
<u>Part VI - Auditors' Comments on Audit Resolution Matters Relating to the Student Financial Assistance Programs</u> . . . . .	18
<u>Supplemental Information</u>	
Schedule 1 - Schedule of Disbursements and Expenditures for Each Student Financial Assistance Program . . . . .	21
Schedule 2 - Statement of Changes in Student Financial Assistance Programs Fund Balances for the Year Ended June 30, 1987 . . . . .	22
Schedule 3 - Statement of Changes in Student Financial Assistance Programs Fund Balances for the Year Ended June 30, 1986 . . . . .	24

Schedule 4 - Statement of Changes in Student Financial Assistance Programs Fund Balances for the Year Ended June 30, 1985 . . . . .	26
Schedule 5 - Balance Sheet as of June 30, 1987 for Pell Grant Program . . . . .	28
Schedule 6 - Balance Sheet as of June 30, 1987 for Supplemental Educational Opportunity Grant Program . . . . .	29
Schedule 7 - Balance Sheet as of June 30, 1987 for College Work-Study Program . . . . .	30
Schedule 8 - Balance Sheet as of June 30, 1987 for Perkins Loan Program . . . . .	31
Schedule 9 - Analysis of Student Loans Receivable . . . . .	32
Schedule 10 - Statement of Changes in Non-Capital and Capital Fund Balance . . . . .	33
Schedule 11 - Computation of Default Rate as of June 30, 1987 . . . . .	34
Certificate of Director, Legislative Postaudit Division . . . . .	35

West Virginia Institute of Technology  
Montgomery, West Virginia

Report of Audit  
Pell Grant Program  
Supplemental Educational Opportunity Grant Program  
College Work-Study Program  
Perkins Loan Program  
Guaranteed Student Loan Program

U.S. Department of Education  
Entity Number: 1-55-6000-830-A1

For the Period July 1, 1984 - June 30, 1987

Part I - Introduction

Background

West Virginia Institute of Technology is an institution of higher education and was again approved on July 1, 1987 by the U.S. Department of Education for participation in the Student Financial Assistance Programs. Our examination of the Pell Grant Program, Supplemental Educational Opportunity Grant Program, College Work-Study Program, Perkins Loan Program and Guaranteed Student Loan Program for the three-year period ended June 30, 1987, was directed toward the objectives set forth in the U.S. Department of Education's March 1984 Audit Guide for Student Financial Assistance Programs (Guide).

Pell Grant Program (PGP)

The PGP (formerly Basic Educational Opportunity Grant Program) was established under Title IV, Part A-1 of the Higher Education Act of 1965 (P.L. 89-329), as amended. The College began participating in the PGP on July 1, 1973. During the three-year period ended June 30, 1987, awards to students aggregated \$2,546,958.54 while up to 780 students annually participated in the program. U.S. Department of Education authorization award letters to the College were in the amounts of \$796,683.00, \$932,627.00, and \$817,649.00 for the fiscal years ended June 30, 1987, 1986, and 1985, respectively.

Supplemental Educational Opportunity Grant Program (SEOGP)

The SEOGP was established under Title IV, Part A of the Higher Education Act of 1965, as amended. The College began participating in the SEOGP on July 1, 1966. During the three-year period ended June 30, 1987, up to 326 students participated in the program each year and awards to students aggregated \$327,260.91. U.S. Department of Education authorization award letters to the College were in the amounts of \$101,366.00, \$85,000.00, \$101,366.00, for fiscal years ended June 30, 1987, 1986 and 1985, respectively.

### College Work-Study Program (CWSP)

The CWSP was established under Title IV, Part C of the Higher Education Act of 1965, as amended. The College began participating in the CWSP on January 25, 1965. During the three-year period ended June 30, 1987, up to 450 students participated in the program each year and expenditures for wages for the period aggregated \$608,521.14. U.S. Department of Education authorization award letters to the College were in the amounts of \$218,703.00, \$218,000.00, \$218,703.00 for the fiscal years ended June 30, 1987, 1986 and 1985, respectively.

### Perkins Loan Program (PLP)

The PLP (formerly National Direct Student Loan Program) was established 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. The College began participating in the PLP on December 2, 1959 and since that date it has made 4,941 loans aggregating \$4,381,253.32. The principal outstanding on loans in default amounts to 6.01% of the matured principal on all loans as of June 30, 1987.

### Guaranteed Student Loan Program (GSLP)

The GSLP was established under Title IV, Part B of the Higher Education Act of 1965, as amended. The College began participating in the GSLP on October 11, 1965. During the three-year period ended June 30, 1987, guaranteed loans were received by 1,871 students. In fiscal year 1985, 576 students received \$1,057,274.33, while in fiscal year 1986, 626 students received \$1,136,190.94 and in fiscal year 1987, 669 students received \$1,088,973.40.

### Administration of Programs

The College officials responsible for overall administration of the programs are the Vice President of Finance and Facilities and the Acting Business Manager of Student Financial Services. The Acting Business Manager of Student Financial Services 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 assistance programs. The Vice President of Finance and Facilities is responsible for the programs' financial management, general ledger accounting, payments, collections and financial reports.

### Scope of Audit

Our audit of the Pell Grant Program, Supplemental Educational Opportunity Grant Program, College Work-Study Program, Perkins Loan Program and the Guaranteed Student Loan Program was performed in accordance with the financial and compliance elements of the Standards for Audit of Governmental Organizations, Programs, Activities and Functions (1981 Revision) and the Guide. The purpose of the audit was to formulate an opinion of the basic financial statement taken as a whole and to determine if these programs were administered in accordance with the applicable laws, regulations, agreements to participate, and U.S. Department of Education's directives which are set forth in the Guide.

The audit included:

1. Expressing an opinion on the statement of changes in Student Financial Assistance Programs 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 with ED Form 646-1 and ED Form 255-4 for the years audited.

As part of our audit, we obtained confirmation from selected students who received PGP and SEOGP awards, students participating in the CWSP and students who had Perkins Loan Program loan balances as of June 30, 1987.

#### Part II - Highlights of Audit Results

During our audit, nothing came to our attention which caused us to believe that West Virginia Institute of Technology had not generally administered its Student Financial Assistance Programs (PGP, SEOGP, CWSP, PLP, and GSLP) in accordance with the U.S. Department of Education's Federal regulations and directives cited in the Guide for PGP, SEOGP, CWSP, PLP and GSLP. However, certain areas of the College's management of the Student Financial Assistance Programs were in need of attention. More specifically, for Pell, CWS, and SEOG Programs, no ledger was established or maintained as required under the Code of Federal Regulations. For the Perkins Loan Program; (1) the College's Capital Contribution was not made on or before the date of the Federal Capital Contribution, (2) no signed promissory note for one recipient, (3) the Outstanding Loans Receivable per the subsidiary ledgers did not agree with the individual ledger cards, and (4) deposits are not made timely. For SEOGP, (1) the College transferred funds from the SEOGP to the PGP.

These matters are discussed more fully under the "Findings and Recommendations" section of this report. (See pages 14-17.)

Part III - Auditors' Report on Statement of Changes in Student Financial Assistance Programs Fund Balances

The Joint Committee on Government and Finance:

We have examined the accompanying statement of changes in the Student Financial Assistance Programs fund balances of West Virginia Institute of Technology for the three-year period ended June 30, 1987. Our examination was made in accordance with Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. Comptroller General (GAO) in June 1972 and revised February 1981 and the U.S. Department of Education's March 1984 Audit Guide for Student Financial Assistance Programs and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The accompanying statement was prepared for the purpose of complying with the audit requirement relating to the Student Financial Assistance Programs of the U.S. Department of Education and is limited to the activities related to these programs.

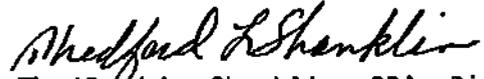
As described in Note One and in accordance with prescribed practices of the Program, the College has not accrued interest on student loans receivable nor provided an allowance for doubtful loans receivable. Interest on loans is recorded when received. Uncollectible loans are recognized when cancelled or written-off in conformity with the Perkins Loan Program requirements. These practices do not conform with generally accepted accounting principles.

In our opinion, except for the effects, if any, of not accruing earned interest on student loans receivable and of not providing an allowance for doubtful loans receivable, the statement referred to above presents fairly the changes in Student Financial Assistance Programs fund balances of West Virginia Institute of Technology for the three-year period ended June 30, 1987, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the accompanying statement of changes in Student Financial Assistance Programs fund balances taken as a whole. The information included in the supplementary schedule of disbursements and expenditures for each Student Financial Assistance Program for the three-year period ended June 30, 1987, is presented for purposes of additional analysis and is not a required part of the accompanying statement of changes in Student Financial Assistance Programs fund balances. The information has been

subjected to the auditing procedures applied in the examination of the accompanying statement of changes in Student Financial Assistance Programs fund balances of West Virginia Institute of Technology and, in our opinion, is fairly stated in all material respects in relation to the accompanying statement taken as a whole.

Respectfully submitted,



Thedford L. Shanklin, CPA, Director  
Legislative Postaudit Division

November 1, 1988

Auditors: Raymond V. Shingler, CPA, Supervisor  
Marvin L. Taylor, Auditor-in-Charge

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
STATEMENT OF CHANGES IN STUDENT FINANCIAL ASSISTANCE  
PROGRAMS FUND BALANCES  
FOR THE THREE-YEAR PERIOD ENDED JUNE 30, 1987

	Grants and College Work-Study		
	<u>Pell</u>	<u>SEOG</u>	<u>CWS</u>
<b>Additions:</b>			
Federal Authorizations	\$2,546,959.00	\$ 287,732.00	\$ 655,406.00
Federal Funds Returned	(70,000.00)	-0-	-0-
Institutional Funds	-0-	-0-	121,744.08
Other Income	-0-	-0-	-0-
Administrative Cost Allowance Received	10,610.00	-0-	-0-
<b>Total Additions</b>	<b>2,487,569.00</b>	<b>287,732.00</b>	<b>777,150.08</b>
<b>Deductions:</b>			
Grants	2,546,958.54	327,260.91	-0-
Administrative Expenses	10,610.00	22,750.86	51,834.32
Loan Cancellations	-0-	-0-	-0-
Collection Costs	-0-	-0-	-0-
Defaulted Loan Principal and Interest Assigned to and Accepted by the U.S. Dept of Ed.	-0-	-0-	-0-
Wages	-0-	-0-	608,521.14
Social Security Matching	-0-	-0-	2,152.86
Workmens' Compensation	-0-	-0-	33.99
Job Location and Development Program	-0-	-0-	44,521.60
<b>Total Deductions</b>	<b>2,557,568.54</b>	<b>350,011.77</b>	<b>707,063.91</b>
<b>Other Changes:</b>			
Funds Used in Excess of (Less Than) Authorizations	889,310.54	93,741.42	(57,695.84)
Transfers Among Programs	(793,340.67)	(34,024.56)	12,001.93
<b>Total Other Changes</b>	<b>95,969.87</b>	<b>59,716.86</b>	<b>(45,693.91)</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>25,970.33</b>	<b>(2,562.91)</b>	<b>24,392.26</b>
<b>Beginning Fund Balance</b>	<b>(14,190.12)</b>	<b>8,126.83</b>	<b>(17,467.96)</b>
<b>Ending Fund Balance</b>	<b>\$ 11,780.21</b>	<b>\$ 5,563.92</b>	<b>\$ 6,924.30</b>

See Notes to Financial Statement

<u>Student Loans</u>	
<u>Perkins</u>	<u>Total</u>
\$ 80,718.00	\$3,570,815.00
-0-	(70,000.00)
8,968.67	130,712.75
92,826.42	92,826.42
-0-	10,610.00
<u>182,513.09</u>	<u>3,734,964.17</u>
-0-	2,874,219.45
2,001.45	87,196.63
18,368.94	18,368.94
8,635.35	8,635.35
119,998.51	119,998.51
-0-	608,521.14
-0-	2,152.86
-0-	33.99
-0-	44,521.60
<u>149,004.25</u>	<u>3,763,648.47</u>
-0-	925,356.12
-0-	(815,363.30)
-0-	109,992.82
33,508.84	81,308.52
<u>1,443,072.19</u>	<u>1,419,540.94</u>
<u>\$1,476,581.03</u>	<u>\$1,500,849.46</u>

Exhibit A

Notes to Statement of Changes in Student Financial  
Assistance Programs Fund Balances

(1) Basis of Presentation

The accompanying statement of changes in Student Financial Assistance Programs fund balances has been prepared in accordance with accounting practices prescribed for such programs by the U.S. Department of Education's fiscal control and fund accounting procedures and the format as set forth in the publication Audit Guide for Student Financial Assistance Programs. The purpose of the statement is to present, in summary form, student financial assistance activities of West Virginia Institute of Technology for the three-year period ended June 30, 1987, which have been financed by the U.S. Department of Education. Except as described in the following paragraph, these accounting practices are in agreement with generally accepted accounting principles.

The Perkins Loan Program does not provide for accrual of interest on student loans receivable nor for a provision of allowance for doubtful loans. Interest on loans is recorded as received and uncollectible loans are recognized when the loans are cancelled or written-off. These practices are in conformity with the Perkins Loan Program requirements. The effects of these variations from generally accepted accounting principles have not been determined.

Because the statement of changes in fund balances presents only a selected portion of the activities of West Virginia Institute of Technology, it is not intended to and does not present either the financial position, changes in fund balances or the current funds, revenues, expenditures and other changes in fund balances of the College.

(2) Administrative Expenses

Participating colleges earn an Administrative Cost Allowance to use as an offset to the actual cost of administering the Student Financial Assistance Programs. The U.S. Department of Education pays the allowance earned by the Pell Grant Program directly to the College. The campus-based programs, (i.e. Supplemental Educational Opportunity Grant Program, College Work-Study Program and the Perkins Loan Program) provide for the allowance to pay the College from monies in the various programs. The Regulations also allow for the payment of the allowance from each of the programs or from any one of the programs.

(3) Other Changes

These changes represent increases or decreases to the various program funds due to transfers among programs, carry forwards and carry backs within the same programs from and to fiscal years outside our audit period, overdrawals of Federal authorizations, amounts returned to the U.S. Department of Education, and Federal awards authorized but not requested.

The College used the Pell Grant Program Account as a clearing account for all Federal funds until September 25, 1985. At that time a separate clearing account was established in a local bank.

(4) Combined Totals

The combined totals contain the totals of similar accounts of the various programs. The totaling of the accounts is for memorandum only and does not indicate that the combined balances are available for any purpose other than provided by laws, rules and regulations governing the separate programs.

## Part IV - Auditors' Report on Internal Accounting Control

The Joint Committee on Government and Finance:

We have examined the statement of changes in fund balances for the Student Financial Assistance Programs of West Virginia Institute of Technology for the three-year period ended June 30, 1987, and have issued our report thereon dated November 1, 1988.

As part of our examination, we made a study and evaluation of the system of internal accounting control of West Virginia Institute of Technology to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. General Accounting Office's Standards for Audit of Governmental Organizations, Programs, Activities and Functions (1981 Revision). For the purpose of this report, we have classified the significant internal accounting controls in the following categories:

1. Receipts
2. Disbursements
3. Granting of Loans
4. Payment of Administrative Expenses
5. Collection of Loan Principal and Interest
6. Payment of Litigation Costs
7. Cancellation of Loans
8. Federal and Institutional Capital Contribution
9. Posting of Transactions

Our study included all of the control categories listed above. The purpose of our study and evaluation was to determine the nature, timing, and extent of performing the auditing procedures necessary for expressing an opinion on the entity's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole or on any of the categories of controls identified above.

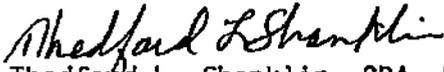
The management of West Virginia Institute of Technology is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of West Virginia Institute of Technology taken as a whole or on any of the categories of controls identified in the first paragraph. However, except as described in the "Findings and Recommendations" section of this report our study and evaluation disclosed no condition that we believe to be a material weakness.

This report is intended solely for the use of management and the U.S. Department of Education and should not be used for any other purpose.

Respectfully submitted,

  
Thedford L. Shanklin, CPA, Director  
Legislative Postaudit Division

November 1, 1988

Auditors: Raymond V. Shingler, CPA, Supervisor  
Marvin L. Taylor, Auditor-in-Charge

## Part V - Auditors' Report on Compliance

The Joint Committee on Government and Finance:

We have examined the accompanying statement of changes in Student Financial Assistance Programs fund balances of West Virginia Institute of Technology for the three-year period ended June 30, 1987 and have issued our report thereon dated November 1, 1988. As part of our examination, we made a study and evaluation of those internal administrative methods and procedures established by West Virginia Institute of Technology to administer and account for Student Financial Assistance Programs in accordance with the significant administrative requirements of the U.S. Department of Education's March 1984 Audit Guide for Student Financial Assistance Programs (Guide), Section II and the following compliance requirements:

- I. Cash Management
- II. Financial Reporting
- III. Institutional Eligibility and Participation
- IV. Coordination of Student Aid Programs
- V. Student File Maintenance Fiscal Procedures and Record Keeping
- VI. Student Eligibility
- VII. Institutional Disbursements to Award Recipients
- VIII. Refund Calculation and Overpayment Determination Procedures

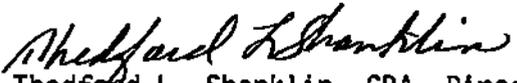
We understand that procedures and systems in conformity with the criteria contained in these significant administrative requirements are considered by the U.S. Department of Education to be adequate for its purposes in accordance with the provisions of the Higher Education Act, as amended. Based on this understanding of our study and evaluation, we believe the institution's procedures and systems were adequate for the U.S. Department of Education's purposes.

In addition, our examination also included tests of controls to ensure compliance with the provisions of certain major program terms and conditions identified in Section II - Compliance Requirements of the Guide. Based upon our examination, we found that for the items tested the institution complied with the material terms and conditions of the student financial assistance award agreements except as described in the "Findings and Recommendations" section of this report.

Further, based on our examination and the procedures referred to above, except as discussed in the preceding paragraph, nothing came to our attention to indicate that West Virginia Institute of Technology had not complied with the material terms and conditions identified in the first paragraph above of West Virginia Institute of Technology's Student Financial Assistance Programs.

This report is intended solely for the use of West Virginia Institute of Technology, the cognizant audit agency and other Federal audit agencies and should not be used for any other purpose.

Respectfully submitted,

  
Theford L. Shanklin, CPA, Director  
Legislative Postaudit Division

November 1, 1988

Auditors: Raymond V. Shinger, CPA, Supervisor  
Marvin L. Taylor, Auditor-in-Charge

## Findings and Recommendations

### No Ledger Established or Maintained - Pell Grant Program, College Work-Study Program and Supplemental Educational Opportunity Grant Program

The College maintained no subsidiary ledger accounts for the Pell Grant Program, College Work-Study Program and Supplemental Educational Opportunity Grant Program. Additionally, we determined during our examination of the bank accounts that not all transactions were recorded on the College's books. In each case there was a receipt and an off-setting disbursement which resulted in no effect on the accounts. However, good internal control and integrity of the accounting records depends on all transactions being accurately recorded.

The College currently maintains check books for the Pell Grant Program and the Supplemental Educational Opportunity Grant Program. The College accounts for the CWSP funds through a State Special Revenue Account (8627-51). These accounts are reconciled on a monthly basis and as a check are reconciled again in the quarterly reports.

CFR 675-19(b), relating to the CWS Program and CFR 676.19(b), relating to the SEOG Program states in part:

"(b) Records and Reporting: (1) An institution must establish and maintain on a current basis financial records that reflect all program transactions. The institution must establish and maintain general ledger control accounts and related subsidiary accounts that identify each program transaction and separate those transactions from all other institutional financial activity."

CFR 690.82 (a) (2), relating to the Pell Grant Program states in part:

"(2) The institution must account for the receipt and expenditure of Pell Grant funds in accordance with generally accepted accounting principles."

This is not only a violation of the aforementioned Federal Code, but also increases the possibility of funds being improperly classified and subsequently reported inaccurately to the Department of Education.

We were told by business office personnel that they were not aware that control ledger accounts had to be maintained for these campus based programs.

We recommend the College establish and maintain the subsidiary ledger accounts for the Pell Grant, College Work-Study and Supplemental Educational Opportunity Grant Programs as required by the aforementioned Federal Code sections. As discussed with business office staff, the "Blue Book" could be utilized as a guide for establishing these ledgers.

### Perkins Loan Program - Timeliness of Institutional Capital Contributions

The institutional capital contribution to the Perkins Loan fund is not being made at the same time as the Federal capital contribution. The College's capital contribution to the fund has been made the following number of days subsequent to the Federal capital contribution during our audit period: 33 days; 35 days; 7 days; 45 days; 39 days; 36 days; and 345 days.

We noted no instances where the institutional capital contribution was made at the same time as the Federal capital contribution.

CFR 674.21 of the Federal Code states in part:

"When an institution deposits any Federal capital contribution to its Fund it must deposit its institutional capital contribution at the same time."

We were told by business office personnel that the Tech Foundation pays the institutional capital contribution. They are billed for the institutional share when the Federal share is received. The amount of the time delay depends on how quickly the Tech Foundation gives the check to the business office. We were also told that they were unaware that it had to be paid at the same time.

We recommend the College comply with CFR 674.21 of the Federal Code.

### Perkins Loan Program - No Signed Promissory Note

One student's file did not have a signed promissory note for a \$400.00 program disbursement on August 25, 1986. The student file did contain a signed truth-in-lending form for the loan received the same semester.

CFR 674.32 of the Federal Code states in part:

"(a) Promissory note. (1) To receive a loan a student must sign a promissory note before the institution makes any advance."

We were told by business office personnel that they believed the promissory note had been misfiled. They are presently endeavoring to locate this promissory note.

We recommend the College comply with CFR.674.34 of the Federal Code.

### Perkins Loan Program - Outstanding Loans Receivable

Loans receivable as of June 30, 1987 per the ledger were \$683.98 under the amount of the individual student ledger cards. This same difference existed on June 30, 1984.

CFR 674.19 (c) states in part:

"(c) Records and reporting. (1) An institution must establish and maintain on a current basis financial records that reflect all program transactions. The institution must establish and maintain general ledger control accounts and related subsidiary accounts that identify each program transaction and separate those transactions from all other institutional financial activity.

(2) The institution must also establish and maintain program and fiscal records that -

(i) Are reconciled at least monthly;

(ii) Identify each student's account and status;"

We recommend the College continue its efforts to reconcile the individual student subsidiary accounts with the control ledger accounts.

#### Perkins Loan Program - Deposits Not Made Timely

During our examination of the Perkins Loan Program bank accounts, we determined that deposits of receipts were generally only made two times per month. We also determined from our review and discussion with business office personnel that the average amount deposited is approximately \$8,000.00. When the payments, which consist primarily of checks, are received they are placed in a locked fireproof cabinet.

The Audit Guide in the specific section for NDSL (now PLP) states in part under Program Performance: "The institution must exercise due care and diligence in the collecting of loans."

Good internal control procedures provides part of the due diligence concept. Internal control over cash receipts requires deposit of each days receipts as soon as practical because it recognizes that delays in making deposits can result in a greater number of individual's checks being returned to the College due to insufficient funds.

We recommend the College review this area of internal control and that it comply with the Audit Guide section cited above.

#### Pell and SEOG Programs - Transfer of Funds

The College transferred funds from the SEOG Program to the Pell Grant Program nine times from January 18, 1985 through February 19, 1987. These transfers aggregated \$82,972.66.

CFR 676.21(a) states in part:

"(a) An institution may transfer up to 10% of its allocation for an award year from its SEOG program to its CWS program and vice versa. The institution must use the funds, when transferred, according to the requirements of the program to which they are transferred."

These transfers were utilized as a loan and reimbursed from the Pell Account to the SEOGP Account when Federal funds were drawn down to the Pell Grant Program. From our conversation with the Business Office staff, we learned that they were unaware that these transfers were a violation of the Federal Code.

We recommend the College comply with CFR 676.21(a) and only utilize transferred funds from the SEOG Program with the College Work-Study Program, up to the 10% of allocation limit.

Part VI - Auditors' Comments on Audit Resolution Matters  
Relating to the Student Financial Assistance Programs

Our prior audit covering the period July 1, 1981 through June 30, 1984 noted five findings. These findings and the corrective action taken by West Virginia Institute of Technology are noted below.

Finding No. 1 . . . . . We noted that the College was using the Pell Account as a clearing account for all Federal funds, and then disbursing the funds to the other accounts.

Action Taken . . . . . The College had established an account to handle Federal funds in a manner consistent with the audit recommendation but had closed it at the request of the West Virginia State Treasurer. After making this finding known to the Treasurer's Office, the College was permitted to reopen a clearing account for Federal funds in September 1985.

Finding No. 2 . . . . . We noted that when loans were assigned to the Federal Government, the College was accruing interest receivable on the assigned loans. The College debited their "Cost of Principle and Interest on loans Assigned to the Federal Government" for the total amount of the principal and accrued interest. The debit had an off-setting credit to "Principal Assigned to the Federal Government" and "Interest Income". This credit overstated interest income since the College never received any money on assigned loans.

Action Taken . . . . . The College has established an "Interest Accrued and Assigned to the Federal Government" Account as per the audit recommendations.

Finding No. 3 . . . . . We noted that loans receivable as of June 30, 1984, were \$1,370,999.37 per the individual ledger cards, and \$1,370,315.39 per the ledger, showing a difference of \$683.98.

Action Taken . . . . . The College has continued their efforts to locate this difference but as of June 30, 1987, the difference was still \$683.98.

Finding No. 4 . . . . . We noted the College participates in the State College Work-Study Program as well as the Federal program. However, there was no separation of the two programs in the College's records, which created a very unclear audit trail.

Action Taken . . . . . The College separated the State and Federal College Work-Study Programs as recommended in the audit.

Finding No. 5 . . . . . We noted the Records Office kept no records for students who were considered "no show" students. These are students who applied for admission, were accepted, registered for classes, and then did not show for classes at the beginning of the semester. Some of these students applied for financial aid and received award letters, checks were processed, and then voided when the student did not show. However, when we tried to verify that the student was eligible, the Records Office had no record of the student. We noted that this not only caused problems while performing an audit, but also for the Financial Aid Office. We also noted that the Admissions Office maintained files for these students but only for two years.

Action Taken . . . . . The College is maintaining a computerized list of admitted students for five years as agreed to in the meeting on December 4, 1985.

**SUPPLEMENTAL INFORMATION**

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 SCHEDULE OF DISBURSEMENTS AND EXPENDITURES  
 FOR EACH STUDENT FINANCIAL ASSISTANCE PROGRAM  
 FOR THE PERIOD JULY 1, 1984 THROUGH JUNE 30, 1987

	Year Ended June 30,		
	1985	1986	1987
<u>Disbursements</u>			
Perkins Loan Program	\$ 34,608.63	\$ 43,824.63	\$ 70,570.99
Total Disbursements	\$ 34,608.63	\$ 43,824.63	\$ 70,570.99
 <u>Expenditures</u>			
Pell Grant Program	\$ 821,132.50	\$ 936,931.39	\$ 799,504.65
Supplemental Educational Opportunity Grant Program	113,112.06	108,657.50	128,242.21
College Work-Study Program	230,961.08	242,145.03	233,957.80
Total Expenditures	\$1,165,205.64	\$1,287,733.92	\$1,161,704.66

Schedule 1

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 STATEMENT OF CHANGES IN STUDENT FINANCIAL  
 ASSISTANCE PROGRAMS FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 1987

	<u>Grants and College Work-Study</u>		
	<u>Pell</u>	<u>SEOG</u>	<u>CWS</u>
<b>Additions:</b>			
Federal Authorizations	\$ 796,683.00	\$ 101,366.00	\$ 218,703.00
Institutional Funds	-0-	-0-	40,275.49
Other Income	-0-	-0-	-0-
Administrative Cost Allowance Received	3,110.00	-0-	-0-
Total Additions	799,793.00	101,366.00	258,978.49
<b>Deductions:</b>			
Grants	796,394.65	124,361.61	-0-
Administrative Expenses	3,110.00	3,880.60	16,286.90
Loan Cancellations	-0-	-0-	-0-
Collection Costs	-0-	-0-	-0-
Defaulted Loan Principal and Interest Assigned to and Accepted by U.S. Dept. of Ed.	-0-	-0-	-0-
Wages	-0-	-0-	201,179.23
Social Security Matching	-0-	-0-	587.52
Job Location and Development Program	-0-	-0-	15,904.15
Total Deductions	799,504.65	128,242.21	233,957.80
<b>Other Changes:</b>			
Funds Used in Excess of (Less Than) Authorizations	8,069.00	5,000.00	(33,115.48)
Transfers Among Programs	-0-	16,870.00	-0-
Total Other Changes	8,069.00	21,870.00	(33,115.48)
Net Increase (Decrease) in Fund Balance	8,357.35	(5,006.21)	(8,094.79)
Beginning Fund Balance	3,422.86	10,570.13	15,019.09
Ending Fund Balance	<u>\$ 11,780.21</u>	<u>\$ 5,563.92</u>	<u>\$ 6,924.30</u>

<u>Student Loans</u>	
<u>Perkins</u>	<u>Total</u>
\$ 32,614.00	\$1,149,366.00
3,623.78	43,899.27
32,374.32	32,374.32
<u>-0-</u>	<u>3,110.00</u>
68,612.10	1,228,749.59
-0-	920,756.26
12,386.00	35,663.50
2,836.53	2,836.53
3,289.54	3,289.54
52,058.92	52,058.92
-0-	201,179.23
-0-	587.52
<u>-0-</u>	<u>15,904.15</u>
70,570.99	1,232,275.65
-0-	(20,046.48)
<u>-0-</u>	<u>16,870.00</u>
<u>-0-</u>	<u>(3,176.48)</u>
(1,958.89)	(6,702.54)
<u>1,478,539.92</u>	<u>1,507,552.00</u>
<u>\$1,476,581.03</u>	<u>\$1,500,849.46</u>

Schedule 2

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 STATEMENT OF CHANGES IN STUDENT FINANCIAL ASSISTANCE  
 PROGRAMS FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 1986

	<u>Grants and College Work-Study</u>		
	<u>Pell</u>	<u>SEOG</u>	<u>CWS</u>
<b>Additions:</b>			
Federal Authorizations	\$ 932,627.00	\$ 85,000.00	\$ 218,000.00
Institutional Funds	-0-	-0-	41,340.20
Other Income	-0-	-0-	-0-
Administrative Cost Allowance Received	<u>3,900.00</u>	<u>-0-</u>	<u>-0-</u>
Total Additions	936,527.00	85,000.00	259,340.20
<b>Deductions:</b>			
Grants	933,031.39	98,607.30	-0-
Administrative Expenses	3,900.00	10,050.20	17,853.30
Loan Cancellations	-0-	-0-	-0-
Collection Costs	-0-	-0-	-0-
Defaulted Loan Principal and Interest Assigned to and Accepted by U.S. Dept. of Ed.	-0-	-0-	-0-
Wages	-0-	-0-	206,700.77
Social Security Matching	-0-	-0-	1,565.34
Workmens' Compensation	-0-	-0-	33.99
Job Location and Development Program	<u>-0-</u>	<u>-0-</u>	<u>15,991.63</u>
Total Deductions	936,931.39	108,657.50	242,145.03
<b>Other Changes:</b>			
Funds Used in Excess of (Less Than) Authorization	183,466.00	11,622.63	(9,022.36)
Transfers Among Programs	<u>(189,511.88)</u>	<u>10,177.37</u>	<u>-0-</u>
Total Other Changes	(6,045.88)	21,800.00	(9,022.36)
Net (Decrease) Increase in Fund Balance	(6,450.27)	(1,857.50)	8,172.81
Beginning Fund Balance	<u>9,873.13</u>	<u>12,427.63</u>	<u>6,846.28</u>
Ending Fund Balance	<u>\$ 3,422.86</u>	<u>\$ 10,570.13</u>	<u>\$ 15,019.09</u>

<u>Student Loans</u>		
<u>Perkins</u>		<u>Total</u>
\$ 26,835.00		\$1,262,462.00
2,981.67		44,321.87
31,970.53		31,970.53
-0-		3,900.00
<hr/>		<hr/>
61,787.20		1,342,654.40
-0-		1,031,638.69
(3,526.53)		28,276.97
11,560.03		11,560.03
4,542.39		4,542.39
31,248.74		31,248.74
-0-		206,700.77
-0-		1,565.34
-0-		33.99
-0-		15,991.63
<hr/>		<hr/>
43,824.63		1,331,558.55
-0-		186,066.27
-0-		(179,334.51)
<hr/>		<hr/>
-0-		6,731.76
<hr/>		<hr/>
17,962.57		17,827.61
<hr/>		<hr/>
1,460,577.35		1,489,724.39
<hr/>		<hr/>
<u>\$1,478,539.92</u>		<u>\$1,507,552.00</u>

Schedule 3

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
STATEMENT OF CHANGES IN STUDENT FINANCIAL ASSISTANCE  
PROGRAMS FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1985

	Grants and College Work-Study		
	<u>Pell</u>	<u>SEOG</u>	<u>CWS</u>
<b>Additions:</b>			
Federal Authorizations	\$ 817,649.00	\$ 101,366.00	\$ 218,703.00
Federal Funds Returned	(70,000.00)	-0-	-0-
Institutional Funds	-0-	-0-	40,128.39
Other Income	-0-	-0-	-0-
Administrative Cost Allowance Received	<u>3,600.00</u>	<u>-0-</u>	<u>-0-</u>
<b>Total Additions</b>	<b>751,249.00</b>	<b>101,366.00</b>	<b>258,831.39</b>
<b>Deductions:</b>			
Grants	817,532.50	104,292.00	-0-
Administrative Expenses	3,600.00	8,820.06	17,694.12
Loan Cancellations	-0-	-0-	-0-
Collection Costs	-0-	-0-	-0-
Defaulted Loan Principal and Interest Assigned to and Accepted by U.S. Dept. of Ed.	-0-	-0-	-0-
Wages	-0-	-0-	200,641.14
Job Location and Development Program	<u>-0-</u>	<u>-0-</u>	<u>12,625.82</u>
<b>Total Deductions</b>	<b>821,132.50</b>	<b>113,112.06</b>	<b>230,961.08</b>
<b>Other Changes:</b>			
Funds Used in Excess of (Less Than) Authorization Transfers Among Programs	<u>697,775.54</u> <u>(603,828.79)</u>	<u>77,118.79</u> <u>(61,071.93)</u>	<u>(15,558.00)</u> <u>12,001.93</u>
<b>Total Other Changes</b>	<b><u>93,946.75</u></b>	<b><u>16,046.86</u></b>	<b><u>(3,556.07)</u></b>
<b>Net Increase in Fund Balance</b>	<b>24,063.25</b>	<b>4,300.80</b>	<b>24,314.24</b>
<b>Beginning Fund Balance</b>	<b><u>(14,190.12)</u></b>	<b><u>8,126.83</u></b>	<b><u>(17,467.96)</u></b>
<b>Ending Fund Balance</b>	<b><u>\$ 9,873.13</u></b>	<b><u>\$ 12,427.63</u></b>	<b><u>\$ 6,846.28</u></b>

<u>Student Loans</u>		
<u>Perkins</u>		<u>Total</u>
\$ 21,269.00		\$1,158,987.00
-0-		(70,000.00)
2,363.22		42,491.61
28,481.57		28,481.57
<u>-0-</u>		<u>3,600.00</u>
52,113.79		1,163,560.18
-0-		921,824.50
(6,858.02)		23,256.16
3,972.38		3,972.38
803.42		803.42
36,690.85		36,690.85
-0-		200,641.14
<u>-0-</u>		<u>12,625.82</u>
34,608.63		1,199,814.27
-0-		759,336.33
<u>-0-</u>		<u>(652,898.79)</u>
<u>-0-</u>		<u>106,437.54</u>
17,505.16		70,183.45
<u>1,443,072.19</u>		<u>1,419,540.94</u>
<u>\$1,460,577.35</u>		<u>\$1,489,724.39</u>

Schedule 4

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
PELL GRANT PROGRAM  
BALANCE SHEET AS OF JUNE 30, 1987

Assets

Cash on Hand	\$13,027.21
Accounts Receivable - Students	288.00
Accounts Receivable - Dept. of Education	<u>85.00</u>
Total Assets	<u>\$13,400.21</u>

Liabilities and Fund Balance

Liabilities:	
Accounts Payable - Students	\$ 1,535.00
Administrative Expenses Payable	<u>85.00</u>
Total Liabilities	1,620.00
Fund Balance	<u>11,780.21</u>
Total Liabilities and Fund Balance	<u>\$13,400.21</u>

Schedule 5

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM  
BALANCE SHEET AS OF JUNE 30, 1987

		<u>Assets</u>	
Cash			<u>\$5,563.92</u>
Total Assets			<u>\$5,563.92</u>
		<u>Fund Balance</u>	
Fund Balance			<u>\$5,563.92</u>
Total Fund Balance			<u>\$5,563.92</u>

Schedule 6

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
COLLEGE WORK-STUDY PROGRAM  
BALANCE SHEET AS OF JUNE 30, 1987

Assets

Cash	\$10,555.45
Funds Receivable - Institution	<u>564.72</u>
Total Assets	<u>\$11,120.17</u>

Liabilities and Fund Balance

Liabilities:	
Accrued Wages Payable	\$ 2,823.59
Administrative Expenses Payable	<u>1,372.28</u>
Total Liabilities	4,195.87
Fund Balance	<u>6,924.30</u>
Total Liabilities and Fund Balance	<u>\$11,120.17</u>

Schedule 7

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
PERKINS LOAN PROGRAM  
BALANCE SHEET AS OF JUNE 30, 1987

Assets

Cash	\$ 24,763.81
Student Loans Receivable	1,450,329.05
Funds Receivable - Department of Education	1,612.00
Funds Receivable - Institution	<u>1,183.38</u>
Total Assets	<u>\$1,477,888.24</u>

Liabilities and Fund Balance

Liabilities:	
Accounts Payable	\$ 1,307.21
Fund Balance:	
Capital Fund Balance	1,892,852.61
Non-Capital Fund Deficit	<u>(416,271.58)</u>
Total Fund Balances	<u>1,476,581.03</u>
Total Liabilities and Fund Balances	<u>\$1,477,888.24</u>

Schedule 8

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 PERKINS LOAN PROGRAM  
 ANALYSIS OF STUDENT LOANS RECEIVABLE  
 CUMULATIVE AND THREE-YEAR PERIOD ENDED JUNE 30, 1987

	December 2, 1959 through June 30, 1987	Three-Year Period Ended June 30, 1987
Balance, Beginning of Period	\$ -0-	\$1,370,315.39
Funds Advanced to Students	<u>4,381,253.32</u>	<u>679,219.83</u>
Total	<u>4,381,253.32</u>	<u>2,049,535.22</u>
Less Credits:		
Collections	2,339,526.67	473,605.28
Cancellations:		
Teaching/Military Service	319,259.13	8,101.82
Death	19,256.13	175.00
Disability	4,869.91	4,244.91
Bankruptcy	27,868.98	4,808.83
Defaulted Loan Principal and Interest Assigned to and Accepted by the U.S. Department of Education	216,305.66	104,432.54
Loan Principal Adjustment	<u>3,837.79</u>	<u>3,837.79</u>
Total Credits	<u>2,930,924.27</u>	<u>599,206.17</u>
Balance, June 30, 1987	<u>1,450,329.05</u>	<u>\$1,450,329.05</u>
Total of Individual Loan Balances	<u>1,451,013.03</u>	
Difference	<u>(\$ 683.98)</u>	

Schedule 9

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 PERKINS LOAN PROGRAM  
 STATEMENT OF CHANGES IN NON-CAPITAL AND CAPITAL FUND BALANCE  
 FOR THE THREE-YEAR PERIOD ENDED JUNE 30, 1987

<u>Non-Capital Fund Balance</u>	<u>Year Ended June 30,</u>			<u>Total for</u>
	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>the Period</u>
<u>Additions:</u>				
Interest Income on Loans	\$ 22,756.05	\$ 26,169.19	\$ 22,830.41	\$ 71,755.65
Reimbursement on Loans				
Cancelled	2,193.00	3,928.00	7,651.58	13,772.58
Other Income	<u>3,532.52</u>	<u>1,873.34</u>	<u>1,892.33</u>	<u>7,298.19</u>
Total Additions	28,481.57	31,970.53	32,374.32	92,826.42
<u>Deductions:</u>				
Loan Principal and Interest				
Cancelled:				
Teaching/Military				
Service	3,972.38	2,479.68	2,357.88	8,809.94
Death	-0-	-0-	175.00	175.00
Disability	-0-	4,244.91	-0-	4,244.91
Bankruptcy	-0-	4,835.44	303.65	5,139.09
Administrative Expenses	(6,858.02)	(3,526.53)	12,386.00	2,001.45
Other Collection Costs	803.42	4,542.39	3,289.54	8,635.35
Defaulted Loan Principal				
and Interest Assigned to				
and Accepted by U.S. Dept.				
of Education	<u>36,690.85</u>	<u>31,248.74</u>	<u>52,058.92</u>	<u>119,998.51</u>
Total Deductions	<u>34,608.63</u>	<u>43,824.63</u>	<u>70,570.99</u>	<u>149,004.25</u>
Net (Decrease) for the Period	(6,127.06)	(11,854.10)	(38,196.67)	(56,177.83)
Beginning Fund Deficit	<u>(360,093.75)</u>	<u>(366,220.81)</u>	<u>(378,074.91)</u>	<u>(360,093.75)</u>
Ending Fund Deficit	<u>(\$366,220.81)</u>	<u>(\$378,074.91)</u>	<u>(\$416,271.58)</u>	<u>(\$416,271.58)</u>
 <u>Capital Fund Balance</u>				
Federal Contributions	\$ 21,269.00	\$ 26,835.00	\$ 32,614.00	\$ 80,718.00
Institutional				
Contributions	<u>2,363.22</u>	<u>2,981.67</u>	<u>3,623.78</u>	<u>8,968.67</u>
Total Contributions	23,632.22	29,816.67	36,237.78	89,686.67
Fund Balance -				
Beginning of Period	<u>1,803,165.94</u>	<u>1,826,798.16</u>	<u>1,856,614.83</u>	<u>1,803,165.94</u>
Fund Balance -				
End of Period	<u>\$1,826,798.16</u>	<u>\$1,856,614.83</u>	<u>\$1,892,852.61</u>	<u>\$1,892,852.61</u>

Schedule 10

WEST VIRGINIA INSTITUTE OF TECHNOLOGY  
 PERKINS LOAN PROGRAM  
 COMPUTATION OF DEFAULT RATE  
 AS OF JUNE 30, 1987

Principal Outstanding on Loans in Default

Total Amount Advanced on Loans in Default	\$ 260,312.00
Deduct: Principal Amount Repaid or Cancelled	<u>35,967.00</u>
Total Remaining Principal Amount Which Has Not Been Paid, Cancelled or Assigned on Notes in Default	<u>\$ 224,345.00</u>

Total Amount of Matured Principal

Total Amount Advanced - All Borrowers	\$4,381,253.00
Deduct: Amount Not in Repayment Status	
Student Status	\$416,791.00
Grace Period	<u>229,547.00</u>
Total Amount Not in Repayment Status	<u>646,338.00</u>
Total Amount of Matured Principal	<u>\$3,734,915.00</u>

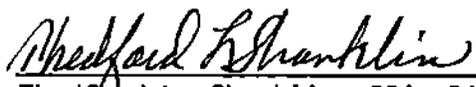
Percentage of Loans in Default ( $\$224,345.00 \div 3,734,915.00 \times 100$ ) 6.01%

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, Director, Legislative Postaudit Division, 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 23<sup>rd</sup> day of May,  
1989.

  
\_\_\_\_\_  
Thedford L. Shanklin, CPA, Director  
Legislative Postaudit Division

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 Institute of Technology; West Virginia Board of Regents; Governor; Attorney General; and, State Auditor.