

STATE OF WEST VIRGINIA
AUDIT REPORT
OF

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
LEWISBURG, WEST VIRGINIA

NATIONAL DIRECT STUDENT LOAN PROGRAM
COLLEGE WORK-STUDY PROGRAM

U.S. OFFICE OF EDUCATION
ENTITY NUMBER: 1550532668A1

FOR THE PERIOD
JULY 1, 1975 - JUNE 30, 1979



OFFICE OF LEGISLATIVE AUDITOR

CAPITOL BUILDING

CHARLESTON, WEST VIRGINIA 25305

West Virginia



LEGISLATIVE AUDITOR

CHARLESTON

The Honorable Encll Bailey
Legislative Auditor
State Capitol - Main Unit
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 Program at West Virginia School of Osteopathic Medicine.

This audit covers the period July 1, 1975 through June 30, 1979. 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:nk

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
LEWISBURG, WEST VIRGINIA

REPORT OF AUDIT
NATIONAL DIRECT STUDENT LOAN PROGRAM
COLLEGE WORK-STUDY PROGRAM

U.S. OFFICE OF EDUCATION
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LEGISLATIVE AUDITOR'S OFFICE
STATE OF WEST VIRGINIA

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College Work-Study Program

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West Virginia School of Osteopathic Medicine
Lewisburg, West Virginia

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

U.S. Office of Education Entity Number: 1550532668A1

For the Period July 1, 1975 - June 30, 1979

Part I - Introduction

Background

West Virginia School of Osteopathic Medicine is an institution of higher education and was last approved on June 5, 1978 by the U.S. Office of Education for participation in the student financial aid programs. Our examination of the National Direct Student Loan Program at West Virginia School of Osteopathic Medicine was for the three year period ended June 30, 1979 and our examination of the College Work-Study Program was for the four year period ended June 30, 1979. Our examination was directed toward the objectives set forth in the audit guide dated July 1978 prepared by the U.S. Department of Health, Education, and Welfare (DHEW).

This institution opened in October 1974 as a private institution known as the Greenbrier College of Osteopathic Medicine. In January 1976 the institution was brought into the West Virginia state system of higher education as the West Virginia School of Osteopathic Medicine.

National Direct Student Loan Program (NDSLP):

The school established the NDSLP July 1, 1976 under Part E, Title IV, of the Higher Education Act of 1965. Loans aggregating \$381,392.00 have been made to 94 students since the establishment of the program.

College Work Study Program (CWSP):

On July 1, 1975, the school established the CWSP pursuant to Title IV, Part C, of the Higher Education Act of 1965, as amended. During the four year period ended June 30, 1979 up to 12 students participated in the program each year and expenditures for wages for the period aggregated \$23,229.24. The officials responsible for overall administration of the programs are the Director of Student Financial Aid and the Dean of Administration.

The Director of Student Financial Aid is responsible for application processing and loan approvals as well as the school's compliance with the various U.S. Office of Education regulations governing participation in federal and state student financial aid programs.

The Dean of Administration 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" issued by the U.S. Comptroller General (GAO) in June 1972 (1974 reprint) and the audit guide, dated July 1978, prescribed by the U.S. Department of Health, Education, and Welfare. 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, terms of agreements, and U.S. Office 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. Office 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 for the years audited.

As part of our audit we obtained confirmation from selected students participating in the CWSP and student NDSLP loan balances as of June 30, 1979.

Part II - Highlights of Audit Results

During our audit nothing came to our attention which caused us to believe that the West Virginia School of Osteopathic Medicine had not generally administered its student financial aid programs (NDSLP and CWSP) in accordance with the DHEW federal regulations and directives cited in the DHEW audit guide for the NDSLP and CWSP. However, two areas of the institution's management of the programs are in need of attention. More specifically: for both programs, (1) the school has not established a self-evaluation system for monitoring and evaluating the programs; for NDSLP, (1) there is a weakness in internal control in that the person who maintains the subsidiary loan records also receives cash collections on loans. These matters are discussed more fully in the "Findings and Recommendations" sections of this report. (See page 5.) As to our opinion on the financial statements, see page 3.

Part III - Financial

Auditor's 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) as of June 30,

1979 and the related statements of changes in fund balances for the audit period 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" issued by the U.S. Comptroller General (GAO) in June, 1972 (1974 reprint). Accordingly we conducted such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances. The guide for audits of NDSLP and CWSP, U.S. Department of Health, Education, and Welfare, dated July 1978, was used as a guide in the examination.

In our opinion the aforementioned financial statements present fairly the financial position of the NDSLP and CWSP at the West Virginia School of Osteopathic Medicine at June 30, 1979 and the changes in fund balances for the audit period then ended in conformity with generally accepted accounting principles applied on a consistent basis, except as indicated under "Notes to Financial Statements" below.

The examination referred to above was directed primarily toward formulating an opinion on the aforementioned financial statements as of and for the audit period ended June 30, 1979, taken as a whole, and was not directed toward formulating an opinion on the balance sheets at June 30, 1976, June 30, 1977, and June 30, 1978, or the statement of changes in fund balances for the individual years ended June 30, 1976, June 30, 1977, and June 30, 1978. The supplemental data included in Schedules 1 through 9 are presented for supplemental analysis purposes and are not necessary for a fair presentation of the financial position as of June 30, 1979 and the changes in fund balances for the audit period then ended. The supplementary data included in Schedules 1 through 9 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.

Notes to Financial Statements
For the Four Year Period Ended June 30, 1979

1. Summary of Significant Accounting Policies:

The financial statements of the NDSLP and CWSP at the institution 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 Health, Education, and Welfare in the Terms of Agreement and U.S. Office of Education 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 a provision of 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 NDSLP requirements. These practices do not conform with generally accepted accounting principles.

Part IV - Internal Accounting and Administrative Controls and Compliance

Auditor's Conclusions on Internal Accounting and Administrative Controls and Compliance Information

We have examined the financial statements on the NDSLIP and CWSP at West Virginia School of Osteopathic Medicine for the audit period ended June 30, 1979. 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 institution's system of internal accounting control to the extent we considered necessary to evaluate the system as required by "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" issued by the U.S. Comptroller General (GAO) in June 1972 (1974 reprint). 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 School of Osteopathic Medicine that we considered relevant to the criteria established by the U.S. Department of Health, Education, and Welfare as set forth in its audit guide issued in July 1978. Our study included tests of compliance with such procedures during the period from July 1, 1975 through June 30, 1979.

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 Health, Education, and Welfare 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 either to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projections 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 Health, Education, and Welfare to be adequate for its purposes in accordance with the provisions of the Higher Education Act of 1965 and related regulations and that procedures not in conformity therewith indicate some inadequacy for such purposes. Based on this understanding and on our study we believe West Virginia School of Osteopathic Medicine followed

procedures which were adequate for the Department's purposes, except for the conditions described below 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 school has not established a self-evaluation system to monitor and evaluate the federal student financial aid programs to ensure that their objectives are being met.

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

We recommend that a self-evaluation system be established and that the programs be reviewed under the system at least annually. School officials began making arrangements for a self-evaluation system during this audit.

Findings and Recommendations - Internal Accounting and Administrative Controls and Compliance

National Direct Student Loan Program

Weakness in Internal Control

We found a weakness in internal control with regard to the receiving and recording of cash collections on loans outstandings. The same person handles cash collections on loans and posts transactions to the NDSLIP individual loan ledger cards.

For internal control purposes different persons should have responsibility for handling cash collections on loans and maintaining the NDSLIP individual loan ledger cards.

During the current audit, school officials made plans for effecting this separation of duties.

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 BALANCE SHEET AS OF JUNE 30, 1979

Assets

Cash on Hand and in Depository	\$ 68,632.35
Student Loans Receivable	<u>366,886.02</u>
Total Assets	<u>\$435,518.37</u>

Liabilities and Fund Balances

Liabilities	\$ <u>-0-</u>
Fund Balances:	
Capital:	
Federal Contributions:	
Authorized	\$405,365.00
Repaid	<u>-0-</u>
Balance	<u>\$405,365.00</u>
Institutional Contributions:	
Authorized	\$ 45,040.57
Repaid	<u>-0-</u>
Balance	<u>\$ 45,040.57</u>
Non-Capital Deficit (Exhibit A-1)	<u>(\$ 14,887.20)</u>
Total Liabilities and Fund Balances	<u>\$435,518.37</u>

Exhibit A

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE THREE YEAR PERIOD ENDED JUNE 30, 1979 1/

Non-Capital Fund Balance:	
Additions:	
Interest Collected on Loans	\$ 368.48
Deductions:	
Administrative Expenses	<u>15,255.68</u>
Net (Decrease) For the Period	(\$ 14,887.20)
Fund Balance, Beginning of Period	<u>-0-</u>
Non-Capital Fund Deficit, June 30, 1979	<u>(\$ 14,887.20)</u>
Capital Fund Balance:	
Federal Contribution	\$405,365.00
Institutional	<u>45,040.57</u>
Total Contributions	\$450,405.57
Fund Balance, Beginning of Period	<u>-0-</u>
Capital Fund Balance, June 30, 1979	<u>\$450,405.57</u>

1/ Program commenced July 1, 1976

Exhibit A-1

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
COLLEGE WORK-STUDY PROGRAM
BALANCE SHEET AS OF JUNE 30, 1979

Assets

Cash on Hand and in Depository	\$1,923.01
Accounts Receivable <u>1/</u>	<u>.99</u>
Total Assets	<u>\$1,924.00</u>

Liabilities and Fund Balance

Liabilities:	
Accrued Wages Payable	\$1,551.38
Accrued FICA Matching	95.10
Accrued Administrative Expenses Payable	<u>214.06</u>
Total Liabilities	\$1,860.54
Fund Balance	<u>63.46</u>
Total Liabilities and Fund Balance	<u>\$1,924.00</u>

1/ Due from institution for overdrawn administrative expenses.

Exhibit B

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE FOUR YEAR PERIOD ENDED JUNE 30, 1979

Additions:	
Total Grant Award Authorization	\$20,593.00
Federal Funds Not Requested or Deposited	<u>(1,611.00)</u>
Net Federal Funds Provided	\$18,982.00
Funds Provided by Institution	<u>4,952.29</u>
Total Additions	<u>\$23,934.29</u>
Deductions:	
Wages:	
Federal Share	\$18,583.39
Institutional Share	4,645.85
Administrative Expenses	<u>641.59</u>
Total Deductions	<u>\$23,870.83</u>
Net Increase During the Period	\$ 63.46
Fund Balance, Beginning of Period	<u>-0-</u>
Fund Balance, End of Period	<u>\$ 63.46</u>

Exhibit B-1

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
NATIONAL DIRECT STUDENT LOAN PROGRAM
ANALYSIS OF STUDENT LOANS RECEIVABLE
THREE YEAR PERIOD ENDED JUNE 30, 1979

Balance, Beginning of Period	\$ -0-
Funds Advanced to Students	<u>381,392.00</u>
Total	<u>\$381,392.00</u>
Less Credits:	
Collections	<u>\$ 14,505.98</u>
Balance, June 30, 1979	<u>\$366,886.02</u>
Total of Individual Loan Balances	<u>\$366,886.02</u>
Difference	<u>\$ -0-</u>

Schedule 1

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 COMPUTATION OF DEFAULT RATE
 AS OF JUNE 30, 1979
 (CUMULATIVE INFORMATION)

Principal Outstanding on Loans In Default

Total Amount Advanced on Loans in Default <u>1/</u>	\$ <u>-0-</u>
<u>Total Amount of Matured Principal</u>	
Total Amount Advanced to All Students	\$381,392.00
Deduct - Amounts Not in Repayment Status: Students at West Virginia School of Osteopathic Medicine	<u>220,345.50</u>
Total Amount of Matured Principal	<u>\$161,046.50</u>
Percentage of Loans in Default	<u>-0-</u>

1/ The first borrowers to leave the institution were those who graduated June 10, 1978. Since the first loan payments would be due March 10, 1979, as of June 30, 1979, no loans would be in default. (120 days or more past due.)

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 ANALYSIS OF CASH FLOW
 THREE YEAR PERIOD ENDED JUNE 30, 1979

Cash Balance, Beginning of Period		\$ -0-
Add:		
Federal Contributions	\$405,365.00	
Institutional Contributions	<u>45,040.57</u>	450,405.57
Reprogrammed Funds:		
Collections on Loans	\$ 14,505.98	
Interest Collected on Loans	<u>368.48</u>	<u>14,874.46</u>
Total Cash Available During Period		\$465,280.03
Funds Applied:		
Funds Advanced to Students	\$381,392.00	
Administrative Expenses	<u>15,255.68</u>	
Total Funds Applied		<u>396,647.68</u>
Cash Balance, End of Period		<u>\$ 68,632.35</u>

Schedule 3

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
SCHEDULE OF ADMINISTRATIVE COST ALLOWANCE
FOUR YEAR PERIOD ENDED JUNE 30, 1979

Total Administrative Cost Allowance (NDSL and CWSP)	<u>\$15,897.27</u>
Deduct Expenditures Related to Student Consumer Information Services:	
Postage for Dissemination of Information to Students	\$ 43.50
Salaries of Employees	<u>1,944.29</u>
Total Expenditures Related to Student Consumer Information Services	<u>(\$ 1,987.79)</u>
Balance of Allowance	<u>\$13,909.48</u>
Deduct Expenditures Directly Related to Administering Title IV Federal Student Financial Aid Programs:	
Telephone and Postage	\$ 1,202.44
Supplies	378.00
Salaries of Employees	<u>22,410.51</u>
Total Expenditures Directly Related to Administering All Title IV Federal Student Financial Aid Programs	<u>(\$23,990.95)</u>
Excess of Cost Over Cost Allowance	<u>(\$10,091.47)</u>

Schedule 4

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 NATIONAL DIRECT STUDENT LOAN PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCES
 FOR THE YEARS ENDED JUNE 30, 1977, JUNE 30, 1978, AND JUNE 30, 1979

	<u>1977</u>	<u>Year Ended June 30,</u> <u>1978</u>	<u>1979</u>	<u>Totals</u>
Non-Capital Fund Balance:				
Additions:				
Interest Collected on Loans	\$ -0-	\$ -0-	\$ 368.48	\$ 368.48
Total Additions	\$ -0-	\$ -0-	\$ 368.48	\$ 368.48
Deductions:				
Administrative Expenses	\$ 3,299.43	\$ 5,497.97	\$ 6,458.28	\$15,255.68
Total Deductions	\$ 3,299.43	\$ 5,497.97	\$ 6,458.28	\$15,255.68
Net (Decrease) For the Period	(\$ 3,299.43)	(\$ 5,497.97)	(\$ 6,089.80)	(\$14,887.20)
Fund Deficit, Beginning of Period	<u>-0-</u>	<u>(3,299.43)</u>	<u>(8,797.40)</u>	<u>-0-</u>
Non-Capital Fund Deficit, End of Period	<u>(\$ 3,299.43)</u>	<u>(\$ 8,797.40)</u>	<u>(\$14,887.20)</u>	<u>(\$14,887.20)</u>
		<u>Federal</u>	<u>Institutional</u>	<u>Totals</u>
Capital Fund Balance:				
Fund Balance, Beginning of Period		\$ -0-	\$ -0-	\$ -0-
Add Contributions:				
July 1, 1976 - June 30, 1977		124,110.00	13,840.00	137,950.00
July 1, 1977 - June 30, 1978		108,392.00	12,376.89	120,768.89
July 1, 1978 - June 30, 1979		<u>172,863.00</u>	<u>18,823.68</u>	<u>191,686.68</u>
Capital Fund Balance, End of Period		<u>\$405,365.00</u>	<u>\$ 45,040.57</u>	<u>\$450,405.57</u>

Schedule 5

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1979

	<u>Per</u> <u>OE 646</u>	<u>As</u> <u>Audited</u>	<u>Difference</u>
Additions:			
Total Grant Award Authorization	\$5,611.00	\$5,611.00	\$ -0-
Deduct - Amount of Award Not Requested or Deposited	<u>1,611.00</u>	<u>1,611.00</u>	<u>-0-</u>
Net Federal Funds Provided	\$4,000.00	\$4,000.00	\$ -0-
Funds Provided by Institution	<u>978.35</u>	<u>978.35</u>	<u>-0-</u>
 Total Additions	 <u>\$4,978.35</u>	 <u>\$4,978.35</u>	 <u>\$ -0-</u>
Deductions:			
Wages:			
On-Campus:			
Federal Share	\$4,281.21	\$4,281.21	\$ -0-
Institutional Share	1,070.30	1,070.30	-0-
Administrative Expenses	<u>214.06</u>	<u>214.06</u>	<u>-0-</u>
 Total Deductions	 <u>\$5,565.57</u>	 <u>\$5,565.57</u>	 <u>\$ -0-</u>
Net (Decrease) During the Year	(\$ 587.22)	(\$ 587.22)	\$ -0-
Fund Balance, Beginning of Year	<u>641.64</u>	<u>650.68</u>	<u>(9.04)</u>
Fund Balance, End of Year	<u>\$ 54.42</u>	<u>\$ 63.46</u>	<u>(\$ 9.04)</u>

Schedule 6

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1978

	<u>Per</u> <u>OE 646</u>	<u>As</u> <u>Audited</u>	<u>Difference</u>
Additions:			
Total Grant Award Authorization	\$4,476.00	\$4,476.00	\$ -0-
Deduct. - Amount of Award Not Requested or Deposited	<u>1,494.00</u>	<u>1,494.00</u>	<u>-0-</u>
Net Federal Funds Provided	\$2,982.00	\$2,982.00	\$ -0-
Funds Provided by Institution	<u>579.08</u>	<u>579.08</u>	<u>-0-</u>
 Total Additions	 <u>\$3,561.08</u>	 <u>\$3,561.08</u>	 <u>\$ -0-</u>
Deductions:			
Wages:			
On-Campus:			
Federal Share	\$4,469.20	\$4,469.20	-0-
Institutional Share	1,117.30	1,117.30	-0-
Administrative Expenses	<u>6.80</u>	<u>6.80</u>	<u>-0-</u>
 Total Deductions	 <u>\$5,593.30</u>	 <u>\$5,593.30</u>	 <u>\$ -0-</u>
 Net (Decrease) During the Year	 (\$2,032.22)	 (\$2,032.22)	 \$ -0-
 Fund Balance, Beginning of Year	 <u>2,673.86</u>	 <u>2,682.90</u>	 <u>(9.04)</u>
 Fund Balance, End of Year	 <u>\$ 641.64</u>	 <u>\$ 650.68</u>	 <u>(\$ 9.04)</u>

Schedule 7

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1977

	<u>Per</u> <u>OE 1152-4</u>	<u>As</u> <u>Audited</u>	<u>Difference</u>
Additions:			
Total Grant Award Authorization	\$4,488.00	\$4,488.00	\$ -0-
Add - Additional Federal Funds Deposited	<u>912.00</u>	<u>912.00</u>	<u>-0-</u>
Total Federal Funds Provided	\$5,400.00	\$5,400.00	-0-
Funds Provided by Institution	<u>703.26</u>	<u>703.26</u>	<u>-0-</u>
Total Additions	<u>\$6,103.26</u>	<u>\$6,103.26</u>	<u>\$ -0-</u>
Deductions:			
Wages:			
On-Campus:			
Federal Share	\$4,035.00	\$4,159.48	(\$ 124.48)
Institutional Share	1,008.00	1,039.87	(31.87)
Administrative Expenses	<u>202.00</u>	<u>207.97</u>	<u>(5.97)</u>
Total Deductions	<u>\$5,245.00</u>	<u>\$5,407.32</u>	<u>(\$ 162.32)</u>
Increase During the Year	\$ 858.26	\$ 695.94	\$ 162.32
Fund Balance, Beginning of Year	<u>1,815.60</u>	<u>1,986.96</u>	<u>(171.36)</u>
Fund Balance, End of Year	<u>\$2,673.86</u>	<u>\$2,682.90</u>	<u>(\$ 9.04)</u>

Schedule 8

WEST VIRGINIA SCHOOL OF OSTEOPATHIC MEDICINE
 COLLEGE WORK-STUDY PROGRAM
 STATEMENT OF CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1976

	<u>Per</u> <u>OE 1152-4</u>	<u>As</u> <u>Audited</u>	<u>Difference</u>
Additions:			
Total Grant Award Authorization	\$6,018.00	\$6,018.00	\$ -0-
Add - Additional Federal Funds Deposited	<u>582.00</u>	<u>582.00</u>	<u>-0-</u>
Total Federal Funds Provided	\$6,600.00	\$6,600.00	\$ -0-
Funds Provided by Institution	<u>2,691.60</u>	<u>2,691.60</u>	<u>-0-</u>
 Total Additions	 <u>\$9,291.60</u>	 <u>\$9,291.60</u>	 <u>\$ -0-</u>
Deductions:			
Wages:			
On-Campus:			
Federal Share	\$5,798.00	\$5,673.50	\$ 124.50
Institutional Share	1,458.00	1,418.38	39.62
Administrative Expenses	<u>220.00</u>	<u>212.76</u>	<u>7.24</u>
 Total Deductions	 <u>\$7,476.00</u>	 <u>\$7,304.64</u>	 <u>\$ 171.36</u>
Increase During the Year	\$1,815.60	\$1,986.96	(\$ 171.36)
Fund Balance, Beginning of Year	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance, End of Year	<u>\$1,815.60</u>	<u>\$1,986.96</u>	<u>(\$ 171.36)</u>

Schedule 9

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 13th day of November, 1979.


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 Health, Education, and Welfare; West Virginia School of Osteopathic Medicine; West Virginia Board of Regents; Attorney General; Governor; and State Auditor.