

**STATE OF GEORGIA
DEPARTMENT OF AUDITS AND ACCOUNTS**



MANAGEMENT REPORT

**UNIVERSITY OF WEST GEORGIA
CARROLLTON, GEORGIA**

**AN ORGANIZATIONAL UNIT OF THE STATE OF GEORGIA
YEAR ENDED JUNE 30, 2005**

**Russell W. Hinton
State Auditor**

UNIVERSITY OF WEST GEORGIA

- TABLE OF CONTENTS -

Page

SECTION I

FINANCIAL

LETTER OF TRANSMITTAL

SELECTED FINANCIAL INFORMATION

EXHIBITS

A	COMBINED BALANCE SHEET - (STATUTORY BASIS) "A" RESIDENT INSTRUCTION "D" LOTTERY FOR EDUCATION	3
B	ANALYSIS OF CHANGES IN FUND BALANCE - (STATUTORY BASIS) "A" RESIDENT INSTRUCTION "D" LOTTERY FOR EDUCATION	4
C	STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET - (STATUTORY BASIS) "A" RESIDENT INSTRUCTION	5
D	RECONCILIATION OF SALARIES AND TRAVEL	7

SECTION II

AUDITEE'S RESPONSE TO PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION III

FINDINGS AND QUESTIONED COSTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I
FINANCIAL



DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington Street, S.W., Suite 1-156
Atlanta, Georgia 30334-8400

Russell W. Hinton
STATE AUDITOR
(404) 656-2174

October 26, 2005

Honorable Sonny Perdue, Governor
Members of the General Assembly of Georgia
Members of the State Board of Regents of the
University System of Georgia
and
Honorable Beheruz N. Sethna, President
University of West Georgia

Ladies and Gentlemen:

As part of our audit of the statutory basis financial statements of the State of Georgia presented in the *State of Georgia Report of the State Auditor*, the basic financial statements of the State of Georgia presented in the *State of Georgia Comprehensive Annual Financial Report*, and the issuance of a *State of Georgia Single Audit Report* pursuant to the Single Audit Act Amendments, as of and for the year ended June 30, 2005, we have performed certain audit procedures at the University of West Georgia. Accordingly, the financial statements and compliance activities of the University of West Georgia were examined to the extent considered necessary in order to express an opinion as to the fair presentation of the financial statements contained in the foregoing documents and to issue reports on compliance and internal control as required by the Single Audit Act Amendments of 1996.

This Management Report contains information pertinent to the financial and compliance activities of the University of West Georgia as of and for the year ended June 30, 2005. Information contained in this report is a by-product of our engagement that is the representation of management, and accordingly, we do not express an opinion or any other form of assurance on it. The particular information provided is enumerated in the Table of Contents.

This report is intended solely for the information and use of the management of the University of West Georgia, and members of the Board of Regents of the University System of Georgia and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Russell W. Hinton
State Auditor

RWH:gp

SELECTED FINANCIAL INFORMATION

UNIVERSITY OF WEST GEORGIA
COMBINED BALANCE SHEET (STATUTORY BASIS)
JUNE 30, 2005

EXHIBIT "A"

	<u>"A"</u> <u>RESIDENT</u> <u>INSTRUCTION</u>	<u>"D"</u> <u>LOTTERY</u> <u>FOR</u> <u>EDUCATION</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 6,308,932.01	\$ 0.00
Accounts Receivable		
Federal Financial Assistance	320,597.77	
Other	10,500,777.31	
Prepaid Expenditures	280,127.21	
Inventories	<u>132,529.87</u>	
Total Assets	<u>\$ 17,542,964.17</u>	<u>\$ 0.00</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities		
Accrued Payroll	\$ 206,310.74	
Payroll Withholdings	38,122.59	
Accounts Payable	3,419,762.33	
Deferred Revenue	13,212,087.58	
Other Liabilities	<u>92,645.26</u>	
Total Liabilities	<u>\$ 16,968,928.50</u>	
Fund Balances		
Reserved		
Inventories	\$ 101,682.02	
Continuing Education	62,573.41	
Indirect Cost Recoveries	169,775.85	
Technology Fees	67,347.41	
Uncollectible Accounts Receivable	161,611.69	
Unreserved		
Undesignated		
Surplus		
Regular	11,045.29	
Lottery for Education		<u>\$ 0.00</u>
Total Fund Balances	<u>\$ 574,035.67</u>	<u>\$ 0.00</u>
Total Liabilities and Fund Balances	<u>\$ 17,542,964.17</u>	<u>\$ 0.00</u>

Statutory Basis financial information was prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a comprehensive basis of accounting other than generally accepted accounting principles.

UNIVERSITY OF WEST GEORGIA
ANALYSIS OF CHANGES IN FUND BALANCE - (STATUTORY BASIS)
YEAR ENDED JUNE 30, 2005

EXHIBIT "B"

	<u>"A"</u> RESIDENT INSTRUCTION	<u>"D"</u> LOTTERY FOR EDUCATION
<u>FUND BALANCE - JULY 1, 2004</u>		
Reserved	\$ 351,290.20	
Surplus	<u>19,997.30</u>	\$ <u>1,563.39</u>
	<u>\$ 371,287.50</u>	<u>\$ 1,563.39</u>
 <u>ADDITIONS</u>		
Adjustments to Prior Year's Expenditures	\$ 11,045.29	
Excess of Funds Available over Expenditures Exhibit "C"	<u>211,700.18</u>	
	<u>\$ 222,745.47</u>	
 <u>DEDUCTIONS</u>		
Unreserved Fund Balance (Surplus) Returned to Board of Regents - Administrative Central Office Year Ended June 30, 2004	<u>\$ 19,997.30</u>	<u>\$ 1,563.39</u>
 <u>FUND BALANCE - JUNE 30, 2005</u>	 <u><u>\$ 574,035.67</u></u>	 <u><u>\$ 0.00</u></u>

Statutory Basis financial information was prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a comprehensive basis of accounting other than generally accepted accounting principles.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO
BUDGET - (STATUTORY BASIS)
"A" RESIDENT INSTRUCTION
YEAR ENDED JUNE 30, 2005

EXHIBIT "C"

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
State Appropriations	\$ 39,360,357.00	\$ 39,360,357.00	\$ 0.00
Other Revenues Retained	<u>61,417,186.00</u>	<u>35,650,173.72</u>	<u>-25,767,012.28</u>
	<u>\$ 100,777,543.00</u>	<u>\$ 75,010,530.72</u>	<u>\$ -25,767,012.28</u>
 <u>EXPENDITURES</u>			
Personal Services:			
Education, General and Departmental Services	\$ 51,512,017.00	\$ 51,480,623.46	\$ 31,393.54
Sponsored Operations	2,058,426.00	1,333,890.43	724,535.57
Operating Expenses:			
Education, General and Departmental Services	13,760,049.00	13,587,628.89	172,420.11
Sponsored Operations	32,568,837.00	7,617,194.99	24,951,642.01
Capital Outlay	788,653.00	690,000.00	98,653.00
Special Funding Initiative	<u>89,561.00</u>	<u>89,492.77</u>	<u>68.23</u>
	<u>\$ 100,777,543.00</u>	<u>\$ 74,798,830.54</u>	<u>\$ 25,978,712.46</u>
 Excess of Revenues over Expenditures		<u>\$ 211,700.18</u>	<u>\$ 211,700.18</u>

Statutory Basis financial information was prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a comprehensive basis of accounting other than generally accepted accounting principles.

UNIVERSITY OF WEST GEORGIA
RECONCILIATION OF SALARIES AND TRAVEL
YEAR ENDED JUNE 30, 2005

EXHIBIT "D"

	<u>SALARIES</u>	<u>TRAVEL</u>
Totals per Annual Supplement	\$ 46,684,613.87	\$ 854,359.79
Accruals		
June 30, 2005	231,067.95	
June 30, 2004	-193,235.37	
Compensated Absences		
June 30, 2005	2,005,430.85	
June 30, 2004	-1,902,400.90	
Prepaid Salaries and Travel		
June 30, 2005	-239,010.86	-8,775.53
June 30, 2004	331,264.04	
Adjustments		
Arp, Patricia	-209.60	
Rhudy, Alexander L.	<u>-12.00</u>	
 Totals per GAAP Basis as Reported in the Consolidated Annual Financial Report	 <u>\$ 46,917,507.98</u>	 <u>\$ 845,584.26</u>

SECTION II

AUDITEE'S RESPONSE TO PRIOR YEAR FINDINGS AND QUESTIONED COSTS

UNIVERSITY OF WEST GEORGIA
AUDITEE'S RESPONSE
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2005

PRIOR YEAR FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

FINDING CONTROL NUMBER AND STATUS

FS-554-04-01

Previously Reported Corrective Action Implemented

SECTION III

FINDINGS AND QUESTIONED COSTS

UNIVERSITY OF WEST GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2005

FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

No matters were reported.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.