UNIVERSITY OF WEST GEORGIA
CARROLLTON, GEORGIA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR FISCAL YEAR ENDED JUNE 30, 2009

Georgia Department of Audits and Accounts
Russell W. Hinton
State Auditor
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

EXHIBITS

A  SUMMARY BUDGET COMPARISON AND SURPLUS ANALYSIS REPORT  1
B  STATEMENT OF PROGRAM REVENUES AND EXPENDITURES BY FUNDING SOURCE COMPARED TO BUDGET  2
Members of the State Board of Regents of the
University System of Georgia
Honorable Beheruz Sethna, President
University of West Georgia

Independent Accountant's Report on Applying Agreed-Upon Procedures

Ladies and Gentlemen:

We have performed the procedures enumerated below, which were agreed to by the University and the University System Office (Oversight Unit) of the Board of Regents of the University System of Georgia, solely to assist you in assessing the accuracy of the financial information reported to the University System Office in the University's 2009 Annual Financial Report for inclusion in the State of Georgia's Comprehensive Annual Financial Report (CAFR) and Single Audit Report; and to assist you in assessing the accuracy of the budget basis information provided in the Summary Budget Comparison and Surplus Analysis Report and Statement of Program Revenues and Expenditures by Funding Source Compared to Budget which are attached as Exhibits A and B, respectively. University of West Georgia's management is responsible for the financial information reported to the University System Office in the University's Annual Financial Report. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. Review selected balance sheet items reported on the Annual Financial Report (cash, accounts receivable, accounts payable, deferred revenues, net assets). Confirm that these items have adequate supporting documentation and are properly reconciled to the University's general ledger.

The subsidiary detail listing of accounts payable provided by the University was $55,066.70 less than the amount reported on the Annual Financial Report.
2. Obtain the University's GAAP basis Statement of Net Assets and Statement of Revenues Expenses and Changes in Net Assets (SRECNA) submitted for inclusion in the State's CAFR and Single Audit. Utilizing test scripts, confirm that financial information presented in these statements properly supports activity reported in the University's accounting records.

   We did not note any exceptions as a result of our procedures.


   We did not note any exceptions as a result of our procedures.

4. Obtain the University's Notes to the Financial Statements submitted for inclusion in the State's CAFR and Single Audit. Utilizing notes worksheets and other supporting documentation confirm that note disclosures related to Cash, Investments, Accounts Receivable, Capital Assets, Long-Term Debt, Lease Obligations and Retirement Plans have been properly reported.

   We did not note any exceptions as a result of our procedures.

5. Review the University's year end GAAP basis journal entries. Obtain documentation for GAAP journal entries and confirm that the entries were posted to the University's Annual Financial Report.

   We did not note any exceptions as a result of our procedures.

6. Confirm that State Appropriation revenues, receivables and remittances of prior year surplus balances have been properly recorded in the University's financial records. Prior year surplus balances should be netted against State Appropriation revenues in the GAAP basis financial statements; however, prior year surplus balances should be reflected as fund balance adjustments on the Budget basis financial statements.

   We did not note any exceptions as a result of our procedures.

7. Obtain listing of write-off requests for accounts receivable less than $3,000.00 for fiscal year 2009. Confirm that these write-off requests have been approved by the State Accounting Officer and have been posted to the University's financial statements.

   We did not note any exceptions as a result of our procedures.

8. Verify that the listing of salaries, travel, and professional services reported to the Department of Audits is in accordance with O.C.G.A. 50-6-27 and reconciles to amounts recorded in the University's financial statements.

   We did not note any exceptions as a result of our procedures.
9. Review year end Budgetary Statements including the *Summary Budget Comparison and Surplus Analysis Report* (Exhibit A) and *Statement of Program Revenues and Expenditures by Funding Source Compared to Budget* (Exhibit B). Confirm that budget information presented in these statements supports activity reported in the University's accounting records and determine if any budget overexpenditures exist.

**We did not note any exceptions as a result of our procedures.**

10. Obtain documentation for Budget basis reserves reported by University on the *Summary Budget Comparison and Surplus Analysis Report* (Exhibit A). Confirm that the reserves are properly documented, valid and appropriate.

**We did not note any exceptions as a result of our procedures.**

11. Review the H.O.P.E. Scholarship Program reconciliation between the University and the Georgia Student Finance Commission. Confirm that information reported to the Georgia Student Finance Commission has been reconciled with H.O.P.E. Scholarship activity reported on the University's financial records.

**We did not note any exceptions as a result of our procedures.**

12. Review the Schedule of Expenditures of Federal Awards information submitted by the University for inclusion in the Statewide Single Audit. Confirm that the information is properly presented and supported by the University's accounting records.

**We did not note any exceptions as a result of our procedures.**

13. Review capital asset records to ensure that (1) subsidiary ledgers are appropriately reconciled to the ledgers, (2) capitalization thresholds are being properly followed, and (3) a complete annual physical equipment inventory is being conducted and that issues noted during the physical inventory are being properly addressed by management.

**We noted that equipment items totaling $9,806.00 were capitalized even though the items were below the capitalization threshold of $5,000.00. The University should capitalize assets in accordance with the Board of Regents' capitalization policy.**

14. Review bank reconciliations during the year under review to ensure that management is preparing them timely and that reconciling items are being addressed by management timely and in an appropriate manner.

**We did not note any exceptions as a result of our procedures.**

15. Review documentation to ensure that all subsidiary modules including BANNER are reconciled to the general ledger at least quarterly in accordance with BPM 10.6.2. and ensure that reconciling items are adequately explained and resolved in a timely manner.

**We did not note any exceptions as a result of our procedures.**
These agreed-upon procedures do not constitute an audit of the financial statements or any part thereof, the objective of which is to express an opinion on the financial statements or a part thereof. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Russell W. Hinton, CPA, CGFM
State Auditor

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EXHIBITS
## UNIVERSITY OF WEST GEORGIA
### SUMMARY BUDGET COMPARISON AND SURPLUS ANALYSIS REPORT
#### YEAR ENDED JUNE 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>VARIANCE - FAVORABLE (UNFAVORABLE)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State General Funds</td>
<td>$ 46,495,095.00</td>
<td>$ 46,495,095.00</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>480,039.00</td>
<td>480,039.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Other Funds</td>
<td>58,814,626.00</td>
<td>55,163,061.70</td>
<td>-3,651,564.30</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 105,789,760.00</td>
<td>$ 102,138,195.70</td>
<td>$ -3,651,564.30</td>
</tr>
<tr>
<td><strong>CARRY-OVER FROM PRIOR YEAR</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer from Reserved Fund Balance</td>
<td>0.00</td>
<td>1,731,424.25</td>
<td>1,731,424.25</td>
</tr>
<tr>
<td>Total Funds Available</td>
<td>$ 105,789,760.00</td>
<td>$ 103,869,619.95</td>
<td>$ -1,920,140.05</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Funding Initiative</td>
<td>$ 59,177.00</td>
<td>$ 59,177.00</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Teaching</td>
<td>105,730,593.00</td>
<td>102,615,020.23</td>
<td>3,115,562.77</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$ 105,789,760.00</td>
<td>$ 102,674,197.23</td>
<td>$ 3,115,562.77</td>
</tr>
<tr>
<td>Excess of Funds Available over Expenditures</td>
<td>0.00</td>
<td>1,195,422.72</td>
<td>1,195,422.72</td>
</tr>
</tbody>
</table>

### FUND BALANCE JULY 1
- Reserved: 2,334,447.06
- Unreserved: 41,061.81

### ADJUSTMENTS
- Prior Year Payables/Expenditures: 88,189.20
- Prior Year Receivables/Revenues: -173,629.63
- Unreserved Fund Balance (Surplus) Returned to Board of Regents - University System Office: -41,061.81
- Prior Year Reserved Fund Balance Included in Funds Available: -1,731,424.25

### FUND BALANCE JUNE 30
- Total: $ 1,713,005.10

### SUMMARY OF FUND BALANCE
- Reserved: $ 517,703.28
- Departmental Sales and Services: $ 447,810.55
- Indirect Cost Recoveries: $ 220,560.96
- Technology Fees: $ 403,513.39
- Uncollectible Accounts Receivable: $ 123,416.92
- Inventories: $ 1,713,005.10

- Total Fund Balance: $ 1,713,005.10
UNIVERSITY OF WEST GEORGIA  
STATEMENT OF PROGRAM REVENUES AND EXPENDITURES BY FUNDING SOURCE COMPARED TO BUDGET  
YEAR ENDED JUNE 30, 2009

<table>
<thead>
<tr>
<th>Funds Available Compared to Budget</th>
<th>Original</th>
<th>Final</th>
<th>Revenues</th>
<th>Carry-Over</th>
<th>Total</th>
<th>Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Appropriation</td>
<td>Budget</td>
<td>Prior Year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Funding Initiative</td>
<td>$85,635,000.00</td>
<td>$59,177,000.00</td>
<td>$59,177,000.00</td>
<td>0.00</td>
<td>$59,177,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>State Appropriation</td>
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<td>$46,435,918.00</td>
<td>$46,435,918.00</td>
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<td>$46,435,918.00</td>
<td>0.00</td>
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<tr>
<td>State General Funds</td>
<td>$45,290,989.00</td>
<td>$58,114,626.00</td>
<td>$55,163,061.70</td>
<td>1,731,424.25</td>
<td>56,894,485.95</td>
<td>-1,920,140.05</td>
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<tr>
<td>Federal Funds</td>
<td>$98,741,887.00</td>
<td>$105,789,760.00</td>
<td>$102,138,105.70</td>
<td>1,731,424.25</td>
<td>103,869,619.95</td>
<td>-1,920,140.05</td>
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- 2 -
<table>
<thead>
<tr>
<th>Fund</th>
<th>Actual</th>
<th>Variance</th>
<th>Funds Available</th>
<th>Prior Period Adjustments</th>
<th>Other Adjustments</th>
<th>Program Fund Balances</th>
<th>Program Fund Balances</th>
<th>Total Fund Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Positive</td>
<td>Over/(Under)</td>
<td>Expenditures</td>
<td>Expenditures</td>
<td>Transfers</td>
<td>Reserve</td>
<td>Surplus Balance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Negative)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>59,177.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
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<tr>
<td></td>
<td>46,453,468.21</td>
<td>$-17,550.21</td>
<td>$-17,550.21</td>
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<td>$0.00</td>
<td>$-17,550.21</td>
<td>$17,550.21</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>480,039.00</td>
<td>$0.00</td>
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<td>$0.00</td>
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<tr>
<td></td>
<td>55,681,513.02</td>
<td>3,133,112.98</td>
<td>$1,212,972.95</td>
<td>$-85,440.43</td>
<td>$76,092.50</td>
<td>$1,203,620.00</td>
<td>$-17,550.21</td>
<td>$1,186,074.79</td>
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<tr>
<td></td>
<td>102,615,020.23</td>
<td>3,115,562.77</td>
<td>$1,195,422.72</td>
<td>$-85,440.43</td>
<td>$76,092.50</td>
<td>$1,186,074.79</td>
<td>$0.00</td>
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<td>$76,092.50</td>
<td>$1,186,074.79</td>
<td>$0.00</td>
<td>$1,186,074.79</td>
</tr>
</tbody>
</table>

Unexpendable Reserves
Uncollectible Accounts Receivable
Inventories

403,513.39
123,418.92

$1,713,005.10