

WRIGHT STATE *UNIVERSITY*

Annual Report and Single Audit Reports For Federal Awards For the Year Ended June 30, 2009

Office of the Controller
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Dayton, OH 45435-0001



Mary Taylor, CPA
Auditor of State

Board of Trustees
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We have reviewed the *Report of Independent Auditors* of the Wright State University, Greene County, prepared by Crowe Horwath LLP, for the audit period July 1, 2008 through June 30, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Wright State University is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 15, 2010

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WRIGHT STATE UNIVERSITY

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Wright State University's Management Discussion and Analysis (MD&A) presents an overview of its financial condition and assists the reader in focusing on significant financial issues for the year ended June 30, 2009 with selected comparative information for the years ended June 30, 2008 and 2007. The discussion has been prepared by management and should be read in conjunction with the accompanying financial statements and footnotes. The financial statements, footnotes, and this discussion are the responsibility of management.

Financial and Other University Highlights

- Wright State is continuing to enhance its national reputation. *The Princeton Review* again named Wright State University among the "Best in the Midwest" in its *2009 Best Colleges: Region by Region* issue. Wright State was among 630 of the best colleges in four regions of the United States. Criteria considered for this designation include academics, quality of life, and extracurricular activities. In addition, Wright State is among the 262 Best National Universities listed in the *America's Best Colleges 2009* rankings by U.S. News and World Reports.
- For the second year in a row the University did not raise undergraduate tuition. Graduate tuition as well as the School of Professional Psychology and the Boonshoft School of Medicine (BSOM) all had tuition increases of 4%. These modest tuition increases were the result of a continued financial commitment to public higher education by the State of Ohio in this second year of a biennial state budget. That commitment resulted in a significant increase in state funding in 2008 and 2009 and in a state mandate to pass much of the benefit of this increase to students in the form of an undergraduate tuition freeze for the biennium. Not increasing undergraduate tuition over the last two years has allowed Ohio's public universities to come back towards the middle of the pack nationally with respect to their tuition rates. The College Board reports that undergraduate tuition at public four year colleges and universities increased an average of 6.4% in 2008-9. Wright State continues to maintain the fourth lowest in-state undergraduate tuition rate among Ohio's thirteen four-year public institutions.
- Total state appropriations increased 7.0% in 2009 over 2008 after subtracting the effect of OhioLINK (a statewide library initiative for which the University serves as fiscal agent). Increases in 2008 and 2007 were 4.7% and 2.6%, respectively. The 2009 and 2008 increases were the largest increases in this decade, reflecting the commitment of the State for the universities foregoing undergraduate tuition increases. The increase in 2009 would have been even greater but for the need for midyear reductions in state appropriations that were required to maintain a balanced state budget.
- Net assets decreased \$3.4 million in 2009. This decrease was a result of the large losses incurred on investments of \$12.0 million but offset substantially by increases in capital assets. The University continued with its improvements in its science facilities and major renovations of its buildings at its Lake campus in Celina.
- Following a 1% increase in full time equivalent (FTE) students in 2008 over 2007, 2009 saw an increase of 3.6% over 2008. In addition, the University experienced its second-highest enrollment in terms of student headcount in the school's history (as measured fall term of 2008), short of the all-time high by only 99 students.
- For the 30th consecutive year, Wright State students brought home top honors from the National Model United Nations (NMUN) conference. No other school in the nation has achieved this record.

NMJN is the world's largest university-level simulation of the United Nations and educates more than 4,200 students about the United Nations and contemporary international issues facing our world. For the fifth consecutive year, Wright State students placed in the top three (out of 44) in the nationwide case competition sponsored by the Society for the Advancement of Management.

- In 2008 the State of Ohio awarded \$600,000 through the University to the Dayton Regional STEM (Science, Technology, Engineering, and Math) School to help fund the development and opening of a school that will offer a highly advanced curriculum in the math and sciences for grades 6-12 for students in the counties surrounding WSU. In 2009 the State awarded nearly \$4 million to eight regional institutions, led by Wright State, for funding scholarships in the areas of Science, Technology, Engineering, Mathematics, and Medicine (STEMM) at the university level. This will provide for approximately 1000 scholarships and enhance enrollments in the STEMM disciplines. In addition, \$2.7 million in *Choose Ohio First* scholarships, designed to attract and graduate more than 300 students with disabilities in STEM majors, was also awarded by the State. As a leader in the community, the University continues to be at the center of the state's efforts to promote and support the STEMM disciplines across all educational levels.
- In an effort to help ease the economic burden of financing the cost of education, the University transitioned a \$1.9 million need-based loan program into a need-based grant program. In addition, the University created a new scholarship fund for need-based students titled *The Graduation Fund: Hope for Tomorrow, Help for Today* for students who are nearing graduation but need a way to stay on track.
- The university's Board of Trustees approved a proposal to convert Wright State's academic calendar from the quarter system to the semester system effective fall quarter, 2012. This move was made in an attempt to better align Wright State's calendar with other universities to better facilitate collaborative academic programs, student transfer and articulation. Over 90 percent of the universities in the U.S. are currently on semester calendars.

Using the Annual Report

This annual report includes three financial statements: the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows. These financial statements are prepared in accordance with GASB Statement No. 35, *Basic Financial Statements-and Management's Discussion and Analysis-For Public Colleges and Universities*. These statements focus on the financial condition of the University, the results of operations, and cash flows of the University as a whole. All comments and discussions included in this discussion and analysis relate only to Wright State University and not to the Wright State University Foundation unless specifically noted.

The three financial statements should help the reader of the annual report determine how the university's overall financial condition has changed as a result of the current year's financial activities. These financial statements present similar information to that disclosed in private sector (i.e. corporate) financial statements. The financial statements will also assist the reader in evaluating the ability of the University to meet its financial obligations. The Statement of Cash Flows presents information related to both cash inflows and cash outflows and is further categorized by operating, noncapital financing, capital and related financing, and investing activities.

Statements of Net Assets

The Statement of Net Assets, which reports all assets and liabilities of the University, presents the financial position of the University at the end of the fiscal year. Our net assets are simply the difference between total assets and total liabilities. The change in net assets during the fiscal year is an indicator of the change in the overall financial condition of the University during the year. A summary of the university's assets, liabilities, and net assets as of June 30 is as follows:

	2009	2008	2007
	(All dollar amounts in thousands)		
Current assets	\$ 81,284	\$ 66,445	\$ 69,407
Noncurrent assets:			
Capital assets, net	298,308	292,817	275,825
Other	<u>97,307</u>	<u>115,697</u>	<u>129,117</u>
Total assets	<u>476,899</u>	<u>474,959</u>	<u>474,349</u>
Current liabilities	78,775	69,957	69,776
Noncurrent liabilities	<u>38,096</u>	<u>41,564</u>	<u>44,949</u>
Total liabilities	<u>116,871</u>	<u>111,521</u>	<u>114,725</u>
Net assets:			
Invested in capital assets, net of related debt	267,032	257,526	238,244
Restricted	18,827	18,755	19,412
Unrestricted	<u>74,169</u>	<u>87,157</u>	<u>101,968</u>
Total net assets	<u>\$ 360,028</u>	<u>\$ 363,438</u>	<u>\$ 359,624</u>

The university's *net assets* decreased \$3.4 million in 2009 due to a loss of \$12 million in the financial markets. This \$12.0 million loss was the primary component of a \$13.0 million reduction in unrestricted net assets. *Capital assets*, net of depreciation and related debt, increased \$9.5 million to substantially offset the large decrease in unrestricted net assets. The University has continued following its capital plan and investing in previously defined targeted areas. In 2009, the primary outlays were for the continuation of improvements in the university's science facilities on its Dayton campus and major renovations of its facilities at the university's Lake campus in Celina. The Lake campus investments were substantially completed in 2009 while the science facility projects will continue well into 2010.

Total assets increased \$1.9 million in 2009 over 2008. *Current assets*, comprised primarily of cash and operating investments, student and sponsor receivables, and prepaid expenses, increased by \$14.8 million in 2009 from 2008. This increase can be attributed to an \$11.6 million increase in cash and cash equivalents and short-term investments along with an increase of \$2.4 million in prepaid expenses. The large increase in cash and cash equivalents and short-term investments is more than offset by a decrease in other long-term investments as noted in *other noncurrent assets* below. The University manages its cash and investments as one large pool, and the classification of these assets as current or noncurrent each June 30 is a function of the types of investments that are held at the end of the fiscal year and the holding period for those investments. Prepaid expenses are primarily composed of license agreements for the OhioLINK program for which the University is the fiscal agent. These prepaid assets increased \$2.4 million in 2009 from 2008 as the University acquired more of these agreements.

Other noncurrent assets decreased \$18.4 million from \$115.7 million in 2008 to \$97.3 million in 2009. These assets are comprised of long-term investments, long-term student loans receivable, and longer term prepaid expenses and deferred charges. There were basically no changes in the levels of loans receivable, prepaid expenses or deferred charges. The entire decrease of \$18.4 million was a result of changes in long-term investments. As discussed above, the majority of this decrease is simply the result of the June 30, 2009 investments having shorter maturities than the June 30, 2008 investments and therefore a greater amount classified as current assets. In addition, part of the decrease is also a result of a decrease in the value of the university's investments as a result of poor results in the financial markets during 2009. Capital assets, net of depreciation increased from \$292.8 million in 2008 to \$298.3 million in 2009. This increase of \$5.5 million primarily represents the continuation of investments in the

university's science facilities as well as renovations and improvements to facilities at the university's Lake campus.

Total assets were unchanged from 2007 to 2008. However, there was a decrease in prepaid expenses of \$3.2 million in 2008, again for OhioLINK license agreements. Long-term investments decreased \$14.0 million from 2007 to 2008 as a result of declines in the investment market and due to utilization of some reserves for both operating and capital purposes. Capital assets, net of depreciation increased \$17.0 million due primarily to investments in facilities, most notably the science facilities.

Total assets of the Wright State University Foundation decreased for the second year in a row from \$108.0 million at June 30, 2008 to \$85.1 million at June 30, 2009, a decrease of \$22.9 million. This decrease was primarily the result of a decline in long-term investments. Long-term investments comprise \$73.5 million and \$94.0 million of the \$85.1 million and \$108.0 million at June 30, 2009 and June 30, 2008, respectively. Gifts and pledges receivable comprise another \$8.1 million and \$11.8 million at June 30, 2009 and June 30, 2008, respectively. In both 2009 and 2008, poor investment returns caused the decline in investments.

Current liabilities are comprised primarily of accounts payable and accrued liabilities, deferred revenues from both student fees and advance payments for contracts and grants, and the current portion of long-term liabilities. These liabilities increased \$8.8 million from \$70.0 million at June 30, 2008 to \$78.8 million at June 30, 2009. The increase was almost entirely a result of increases in accrued liabilities and deferred revenue. Accrued liabilities increased \$2.4 million as a result of the University moving away from a fully insured health plan for its employees in 2008 to a self insured plan during 2009. This had the effect of increasing the 2009 liability for insurance claims incurred through June 30 but not yet paid by \$2.1 million over 2008. Deferred revenue increased \$4.3 million in 2009 over 2008. OhioLINK had an increase of \$3.3 million in deferred revenues as not all payments from member institutions were expended in 2009 resulting in an increase in the deferral from 2008. Another \$.9 million of payments from the State of Ohio was deferred for amounts given to the University for the science facilities. Those amounts are to be expended in 2010. The largest component of current liabilities is deferred revenue, which was \$38.3 million in 2009, \$34.0 million in 2008, and \$35.2 million in 2007.

Current liabilities increased only \$.2 million from 2007 to 2008. Included in this net increase, though, was an increase in deferred student fees of \$1.8 million due to a variance in the deferral period in 2008 as compared to 2007, an increase in trade payables of \$1.2 million, and a decrease in deferred revenues from advance sponsor payments on contracts and grants of \$2.9 million. The decrease was the result of closing out an unusually high number of contracts and grants in 2008.

Noncurrent liabilities were \$41.6 million at June 30, 2008 and decreased to \$38.1 million at June 30, 2009. This decrease of \$3.5 million is the result of payments against the university's debt obligations of \$4.1 million offset slightly by an increase in the compensated absences liability.

Net assets represent what is left of the university's assets after deducting liabilities. A more detailed summary of the university's net assets as of June 30 is as follows:

	2009	2008	2007
	(All dollar amounts in thousands)		
Invested in capital assets, net of related debt	\$ 267,032	\$ 257,526	\$ 238,244
Restricted expendable	18,827	18,755	19,412
Unrestricted:			
Designated	83,645	81,851	89,982
Undesignated	<u>(9,476)</u>	<u>5,306</u>	<u>11,986</u>
Total net assets	<u>\$ 360,028</u>	<u>\$ 363,438</u>	<u>\$ 359,624</u>

Invested in capital assets, net of related debt represents the university's capital assets after subtracting accumulated depreciation and the principal amount of outstanding debt attributable to the acquisition, construction or improvement of those assets. During 2009 the University continued the expansion, renovation, and upkeep of its facilities consistent with the university's capital plan. While 2009 was not a year of beginning many new projects, it did see the continuation of a couple of major projects that had begun in prior years. The two most notable projects were the university's science facilities at its Dayton campus and the renovation of all the primary facilities at its Celina campus. The science facilities project addresses both instructional space and research facilities. While the science facility project will continue well into 2010, the Celina project was nearing completion by the end of 2009. Aside from these two projects, most of the other improvements were routine maintenance and upkeep of aging facilities. The University annually provides some investment in its existing facilities in order to maintain them to their proper standards and to prevent the growth of deferred maintenance.

Restricted expendable represents funds that are externally restricted to specific purposes, such as student loans or sponsored projects. \$18.5 million of the restricted expendable fund balances at June 30, 2009 and June 30, 2008 represent funds restricted for student loans.

Unrestricted net assets are funds that the University has at its disposal to use for whatever purposes it determines appropriate. While these net assets are not subject to external restrictions, the University has designated these funds internally for various academic, research, student aid, and capital purposes. Colleges and divisions are permitted to retain their own budgeted funds that are not spent at the close of each fiscal year. The University believes this practice permits the units to manage their resources more effectively, allowing them to hold them for higher priorities in later years. This policy also benefits the University as a whole by encouraging the accumulation of reserves that provide financial stability during periods of fiscal stress and that generate investment income that supplements other revenue sources. The year ended June 30 2009, however, proved to be a more challenging year with respect to the university's ability to generate and grow financial resources. As with 2008, the poor performance in the financial markets put a large strain on the university's ability to continue to grow its fund balances, as it had been able to do for well over a decade prior to 2008. Accumulated reserves were needed to maintain the level of service and operations the University feels is necessary to provide students with the educational resources they require. While the colleges and divisions were able to live within their budgets and even grow their reserves to a small degree, the general university had to address a negative budget variance of approximately \$19.5 million just in investment income. Therefore, undesignated unrestricted net assets fell \$14.8 million. While this is not a desired outcome, it is understood by management that occasionally there will be years of poor performance in the investment market or other financial challenges that will require the use of prior years' accumulated reserves. This is why management is so committed to the continued practice of accumulating reserves through prudent financial management while simultaneously meeting the goals of the University.

Statements of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets presents the results of operations for the University. A summary of the university's revenues, expenses and changes in net assets for the year ended June 30 is as follows:

	2009	2008	2007
	<u>(All dollar amounts in thousands)</u>		
Operating Revenues:			
Student tuition & fees - net	\$ 119,655	\$ 114,734	\$ 114,223
Grants and contracts	86,786	89,859	85,389
Sales and services	8,163	7,472	7,285
Auxiliary enterprises	16,088	15,296	15,605
Other	2,287	2,686	2,558
Total	<u>232,979</u>	<u>230,047</u>	<u>225,060</u>
Operating expenses	<u>377,440</u>	<u>365,960</u>	<u>348,050</u>
Operating loss	<u>(144,461)</u>	<u>(135,913)</u>	<u>(122,990)</u>
Nonoperating revenues (expenses):			
State appropriations	104,647	98,715	94,526
Federal grants	14,251	11,230	9,328
State grants	4,412	3,588	3,121
Gifts	9,035	8,450	6,462
Investment income	(12,013)	(3,494)	16,547
Interest expense	(1,346)	(1,024)	(1,138)
Other income (expense)	(1,460)	(246)	(1,544)
Capital appropriations	19,002	7,354	7,322
Capital grants and gifts	4,523	15,154	3,132
Total	<u>141,051</u>	<u>139,727</u>	<u>137,756</u>
(Decrease) Increase in net assets	(3,410)	3,814	14,766
Net assets - beginning of year	<u>363,438</u>	<u>359,624</u>	<u>344,858</u>
Net assets - end of year	<u>\$ 360,028</u>	<u>\$ 363,438</u>	<u>\$ 359,624</u>

Interpretation of the university's Statements of Revenues, Expenses, and Changes in Net Assets is complicated by the fact that Wright State University serves as the fiscal agent for the statewide library program known as OhioLINK. This program's revenues from state appropriations, federal pass-through grants (grants and contracts) and from other college and university libraries (grants and contracts) and expenses are all included in our financial statements. At certain points in this analysis, we present information net of OhioLINK revenues or expenditures. The total revenues and expenses attributable to OhioLINK are as follows:

OhioLINK Revenues and Expenses
For the Year Ended June 30

	<u>2009</u>	<u>2008</u>	<u>Difference</u>	<u>Percent Increase (Decrease)</u>
Revenues:				
Grants and contracts	\$ 25,418,964	\$ 30,294,140	\$ (4,875,176)	(16.1)%
State appropriations	<u>7,177,111</u>	<u>7,629,483</u>	<u>(452,372)</u>	<u>(5.9)%</u>
Total revenues	<u>\$ 32,596,075</u>	<u>\$ 37,923,623</u>	<u>\$ (5,327,548)</u>	<u>(14.0)%</u>
Expenses:				
Total OhioLINK	<u>\$ 32,596,075</u>	<u>\$ 37,923,623</u>	<u>\$ (5,327,548)</u>	<u>(14.0)%</u>

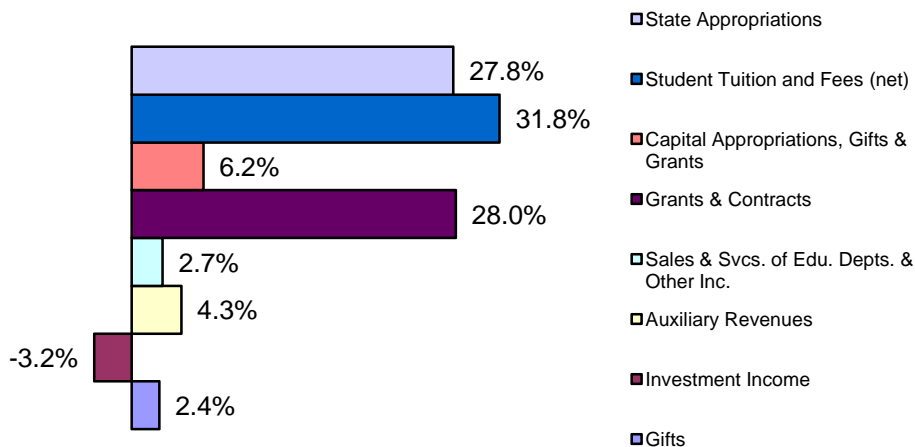
The university's primary revenue sources are state appropriations and student tuition and fees. These fund the ongoing programs and operations of the University. Accounting standards classify state appropriations as a nonoperating revenue source in the financial statements. However, since the University continues to rely upon state funding as a significant funding source for ongoing operations, it manages state funding as an operating revenue item. Enrollments at WSU rose in 2009, continuing a steady trend that has occurred over the last decade and a half. Over that same period of time the State of Ohio has been decreasing their support as a percentage of total revenues. The state's commitment over the last two fiscal years has improved to some degree, but has not kept up with the growth in students. In 2009 state appropriations increased \$6.4 million, or 7.0 percent, net of OhioLINK. 2008 also saw a more than modest increase of \$4.1 million or 4.7 percent, net of OhioLINK. While these increases are a positive indication of the state's renewed prioritization of higher education, state universities also agreed not to raise undergraduate tuition during those two fiscal years in exchange for the increased state funding. It is the state's goal, as it is the university's, to make higher education more affordable to its residents by bringing tuition levels closer to the national average. This will take time, as for years the amount of state appropriations allocated to Wright State University and higher education in general had not been keeping pace with enrollment growth, requiring the University to raise tuition at a magnitude greater than desired in order to fund the increasing costs of serving the students and to respond to inflationary pressures. The University recognizes the sacrifices made by the State during these extremely difficult economic times in order to achieve this goal. As demonstrated thus far in the biennial budget ending June 30, 2011, the State has maintained a commitment to higher education. Even so, this added commitment provides limited progress towards achieving the ultimate financial outcomes necessary to continue easing the financial burden on students and their families and requires continued sacrifices and belt-tightening by the University. The table below demonstrates just how much the State of Ohio over the past two and a half decades has forced universities to shift the burden for funding the cost of higher education to students and their families. It can be noted that even the last two years of increased commitment by the State has had little impact on the students' overall share of the required revenues.

State Appropriations per Dollar of Gross Tuition

Fiscal Year	Gross Tuition	State Appropriations net of OhioLINK	Net State Appropriations per Dollar of Gross Tuition
1980	\$ 13,833,157	\$ 29,604,813	\$ 2.14
1990	40,939,473	63,889,505	1.56
2001	74,956,371	86,874,854	1.16
2006	131,262,871	84,784,334	0.65
2007	139,584,821	86,988,360	0.62
2008	142,040,685	91,085,746	0.64
2009	150,194,749	97,469,816	0.65

The table above shows that the level of state appropriations has increased over the last three years consistent with the state's increased commitment. However, the shift of funding the costs of higher education from the State to the student was so significant over the last three decades that it will take quite some time to migrate back in the other direction. The University has been striving to create other types of revenue streams to help minimize the cost of tuition. Fundraising is a priority as is attempting to increase the level of research. Even though tuition is at a higher level than desired, the University continues to maintain a lower than average level of tuition and fees relative to other Ohio four-year public institutions. Wright State is maintaining its rank as the fourth lowest (out of 13) of the four-year public institutions with respect to undergraduate student tuition rates. It should be noted that two of the lower three universities receive special state funding for the purpose of subsidizing tuition that Wright State does not receive.

Below is a graphic illustration of revenues by source for the year ended June 30, 2009.



State appropriations increased from \$98.7 million in 2008 to \$104.6 million in 2009, an increase of \$5.9 million. There was an increase of \$4.2 million from 2007 to 2008, as state appropriations were \$94.5 million in 2007. These increases are the result of the additional investment in higher education made by the State of Ohio as previously discussed.

Net student tuition and fees were \$119.7 million, \$114.7 million, and \$114.2 million in 2009, 2008, and 2007, respectively which provided an increase of 4.4% from 2008 to 2009 and only .4% from 2007 to 2008. As discussed earlier, there were no undergraduate tuition increases in 2009 or 2008. 2009 saw an increase in student FTE of 3.6%. This in conjunction with tuition increases in graduate and professional school tuition of 4% accounts for the increase in tuition revenues in 2009.

Grants and contracts were \$105.4 million in 2009, increasing \$.7 million from the 2008 level of \$104.7 million. The 2007 level was \$97.8 million. Nongovernmental grants and contracts decreased approximately \$4.2 million due to a reduction in 2009 revenues and expenses in the OhioLINK program. In addition, this was partially offset from federal grants increasing \$3.0 million primarily due to an increase in federal Pell grants. The 2008 increase was almost entirely the result of an increase in revenues and expenses in the OhioLINK program.

Auxiliary revenues have remained relatively constant over the last three years. Total revenues were \$16.1 million, \$15.3 million, and \$15.6 million for the years ended June 30, 2009, 2008, and 2007, respectively. Auxiliary enterprises are comprised of residence services, bookstores, food services, vending, parking and transportation, intercollegiate athletics, the Student Union, and the Nutter Center. Food services accounted for a \$.8 million increase in revenues in 2009 due to an increase in students participating in the board plan and an increase in board rates.

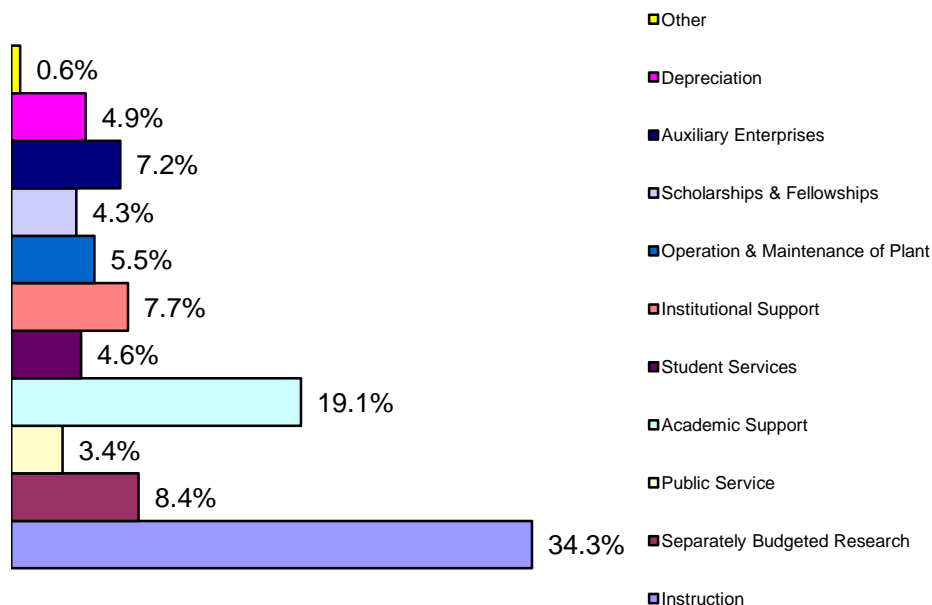
Sales and services, which are primarily revenues generated from specific departmental sales activities to organizations external to the University, were \$8.2 million, \$7.5 million, and \$7.3 million for the years ended June 30, 2009, 2008 and 2007, respectively. The largest amounts of revenue are generated from the Boonshoft School of Medicine in the form of clinical income and pharmacy sales and also from computing and telecommunications revenues.

Investment income suffered a loss for the second year in a row in 2009 as the investment markets continued their downward spiral begun in fiscal 2008 that lasted well into 2009. While the markets did rebound the last quarter of the fiscal year, the University still ended the year with a \$12 million loss in investment earnings. The loss was \$3.5 million in 2008, just one year after a record level of investment income for the University in 2007 of \$16.5 million. The losses in the investment market during 2009 were well publicized and affected all businesses and individuals. Even though the university's investment policy is designed to invest a large share of its operating reserves in a diverse array of longer term investment instruments in order to maximize long-term growth and current income, investment values were still severely impacted. All market sectors other than cash saw a material decline in value. While the university's investment returns were better than the established benchmarks for the various market sectors, the absolute returns still suffered. The investment policy is intended to maximize returns over the long run, thus permitting higher investment income for support of university goals and to permit accumulation of more reserves. It was the accumulation of these reserves that helped buffer the impact of the losses and still allow the University to accomplish its budgetary and strategic goals. While the University is aware that its investment policy entails the risk of greater volatility in investment performance, it understands that the financial markets of 2008 and 2009 were unique and provide no reason to stray from its underlying investment philosophy. Markets have rebounded since June, 2009 and the University has been reaping the benefits of those market advances by continuing with its long-term investment strategies.

Capital Appropriations, Gifts and Grants were \$23.5 million in 2009, an increase of only \$1.0 million over the \$22.5 million realized in 2008. During 2009 the University received capital appropriations from the State of Ohio in the amount of \$19.0 million. Of this amount, \$12.1 million was for the university's science facilities, \$2.9 million for the renovations at the university's Celina campus, and another \$2.4 million for campus-wide renovations. In addition, the University received approximately \$2.6 million in gifts from private donors for that same Celina project. There were capital gifts that occurred in 2008 in the amount of \$12.9 million. This included a donation of software in the amount of \$6.1 million and cash donations in the amount of \$6.6 million to fund several capital projects, most notably White Hall. Capital appropriations

from the State of Ohio comprised the balance of the 2008 revenue. Capital appropriations, gifts and grants amounted to \$10.5 million in 2007.

The following is a graphic illustration of expenses by function for the year ended June 30, 2009.



Overall operating expenses were \$377.4 million in 2009 as compared to \$366.0 million and \$348.1 million in 2008 and 2007, respectively. This equates to an \$11.4 million increase in 2009, or only 3.1%. Employee compensation and benefits are the primary reason for the increase. They increased from \$220.8 million in 2008 to \$234.6 million in 2009, an increase of \$13.8 million. This increase alone exceeded the overall operating expenses increase. Wages increased from \$172.6 million to \$180.8 million, or 4.8%. Normal compensation increases, those negotiated through collective bargaining, as well as a number of added strategic positions contributed to this increase. Benefits increased 11.7% from \$48.1 million to \$53.8 million. The largest component of this increase was for health care. The University continues to discuss and implement new ways of addressing health care to help contain the costs. Effective January 1 2009, the University became self insured with the expectation of reducing administrative fees associated with the processing of claims. In addition, at that same time the University offered a high deductible health plan as an option in conjunction with a health savings account for employees. While initial enrollment was only about 12% of eligible employees, the University expects savings over time. The university's vacation and sick leave expenses and retirement contributions for employees also increased in 2009 in conjunction with the increased compensation expenses. Student aid increased in 2009 over 2008 by approximately \$2.2 million. The largest increases in external aid were in the federal Pell grants and the state OIG/OCOG grants. Those two programs together accounted for approximately a \$4.0 million increase. The University also increased internally funded need based aid of approximately \$.8 million. Keep in mind that the majority of all aid is classified as scholarship allowance on the Statement of Revenues, Expenses and Changes in Net Assets, therefore much of these financial aid increases are reflected there. Offsetting all of these aforementioned expense increases is a \$5.3 million decrease of expenditures for OhioLINK for their license agreements purchased for access to electronic information for its members. The 2008 operating expenses increased \$17.9 million over 2007 as a result of compensation and benefit increases, increases in OhioLINK license agreements, and increases in financial aid. In addition, depreciation expense increased from \$15.6 million in 2007 to \$17.1 million in 2008.

Statements of Cash Flows

The Statement of Cash Flows also provides information about the university's financial health by reporting the cash receipts and cash payments of the University during the year ended June 30, 2009. A summary of the Statements of Cash Flows is as follows:

	2009	2008	2007
	(All dollar amounts in thousands)		
Cash provided (used) by:			
Operating activities	\$ (120,109)	\$ (116,849)	\$ (104,229)
Noncapital financing activities	132,400	122,181	112,355
Capital and related financing activities	(7,143)	(15,851)	(34,656)
Investing activities	<u>7,706</u>	<u>15,447</u>	<u>7,941</u>
Net increase (decrease) in cash and cash equivalents	12,854	4,928	(18,589)
Cash and cash equivalents-beginning of year	<u>23,702</u>	<u>18,774</u>	<u>37,363</u>
Cash and cash equivalents-end of year	<u>\$ 36,556</u>	<u>\$ 23,702</u>	<u>\$ 18,774</u>

Cash and cash equivalents increased \$12.9 million from 2008 to 2009. Cash flows from operating activities decreased \$3.3 million primarily as a result of increases in operating costs as previously discussed that exceeded our increases in operating revenues, primarily student tuition and fees and grant and contract revenues. Cash from noncapital financing activities increased \$10.2 million from 2008 to 2009. This occurred primarily as a result of an increase in state appropriations of \$5.9 million and an increase in noncapital grants, most notably Pell grants, in the amount of \$3.8 million. The net outflow of cash for capital and related financing activities of \$7.1 million is the result of several items. Capital projects and capital acquisitions, net of the capital funding received from the State of Ohio, provided for an outlay of \$6.3 million. The principal projects performed were the science facilities and Celina campus renovations. There were also gifts received to help fund these and other capital projects in the amount of \$4.5 million. The University also had debt service payments amounting to \$5.4 million. The net cash provided in investing activities of \$7.7 million is the net result of all investment activities: purchases, sales, and interest earnings. Consistent with 2008, the gross volume of transactions was down even further than the prior year due to less activity stemming from the poor investment market. The increase in cash and cash equivalents from 2007 to 2008 of \$4.9 million is a result of increases in state appropriations, gifts, and grants offset by increases in operating cash flows. In addition, investing activities were down but provided for a greater amount of cash than in 2007.

Capital Assets and Debt

Capital Assets

The University had approximately \$298.3 million invested in capital assets, net of accumulated depreciation of \$212.8 million at June 30, 2009. Capital assets were \$292.8 million, net of accumulated depreciation of \$200.5 million at June 30, 2008. Depreciation expense for the years ended June 30, 2009 and 2008 was \$18.5 million and \$17.1 million, respectively. A summary of net capital assets for the year ended June 30 is as follows:

	2009	2008	2007
	(All dollar amounts in thousands)		
Land, land improvements and infrastructure	\$ 23,213	\$ 23,091	\$ 23,645
Buildings	223,787	215,571	170,727
Machinery and equipment	30,257	35,289	29,451
Library books and publications	18,929	18,729	18,487
Construction in progress	2,122	137	33,515
Total capital assets - net	<u>\$ 298,308</u>	<u>\$ 292,817</u>	<u>\$ 275,825</u>

As is evidenced by the relatively small increase in the value of total capital assets, the level of capital activity performed by the University decreased in 2009, but the University did continue to move forward in the renovation and improvement of its facilities. In 2009 the major improvements were the continued expansion and improvement of its science facilities as well as major renovations of all of the primary facilities at its Lake campus. The University also performed a standard level of maintenance and rehabilitation of all campus facilities, addressing building infrastructure needs as well as maintenance of its outer grounds and parking lots.

Debt

The University entered into no new debt agreements during 2009. Consistent with its historical approach towards the use of debt, the University continues to carry a relatively low level of debt on its books. The majority of the university's outstanding debt is from two different bond issues, one in 2003 and another in 2004. These relatively small bond issues were used for various capital projects such as the science facilities, a new ERP system, improvements in housing and food venues, and other infrastructure needs. The University received a bond rating for the 2004 bond issue from Moody's Investors Service of A2. That rating has remained unchanged since that date.

The University is planning during the first half of 2010 to issue approximately \$11.5 million of bonds to fund the cost of energy efficiency improvement projects across campus. These projects are being performed in an effort to reduce energy consumption as required by recent state legislation. The reduction in energy usage is expected to more than pay for the debt service on this new bond issuance. The University does not expect this modest issuance to affect its current A2 bond rating.

Outstanding debt was \$31.6 million, \$35.6 million, and \$38.7 million at June 30, 2009, 2008, and 2007, respectively. The 2009 balance of \$31.6 million includes \$31.0 million of outstanding bonds and equipment leases of \$.6 million.

Factors That Will Affect the Future

Much like the rest of the country, the University is entering 2010 with much anxiety. While we continue to plan for the future of our institution and our students with the same thoughtful and strategic focus we have always utilized, the economic uncertainty and instability of our times is cause for concern. Particularly in the State of Ohio where so many jobs have been lost and the manufacturing base of our state has been badly wounded, revenues are shrinking. The State has been struggling to create a balanced budget for the two year biennium of 2010 and 2011. Several of the expected revenue sources are temporary or contingent upon the outcome of certain legal challenges. While the State has managed to keep higher education as a priority, much of our state funding is comprised of federal pass-through dollars obtained as a part of federal stimulus legislation. At the end of the biennium, this funding disappears with no identified source as its replacement. It is uncertain whether the Ohio economy can rebound sufficiently in that short period of time to replace the revenues lost when the federal stimulus funds disappear. With so many families struggling financially, it is much more of a challenge for them to meet their financial obligations including tuition and related fees of attending Wright State University. The University hasn't escaped these difficult economic times, either. We were forced to perform mid-year budget cuts during 2009.

Raises were non-existent for all but bargaining unit employees. In addition, shortly after year end, the University offered a voluntary separation incentive to employees who met certain service criteria in an effort to scale back payroll and benefit costs so as to minimize layoffs. There were 117 faculty and staff who elected the separation incentive. Many of those positions, once vacated, will not be re-filled. Even though there will be a long-term economic gain to the University, there will most certainly be a productivity and service loss from losing these valued employees. Unfortunately, current economic challenges require steps such as these.

While the broader economic horizon appears uncertain, there are some positive events occurring. Since March of 2009 the financial markets have been improving. This is helping to re-establish some of the university's reserves that were lost when the markets soured. The University had come to rely upon these reserves to help produce a stream of income to aid operations. Until the recent downturn in the markets, the University had been steadily building these reserves and adjusting its investment philosophy to prudently but pragmatically maximize these supplemental earnings. Also, as previously mentioned, the State has continued to make higher education a priority in its budget. Even while struggling to create a comprehensive state budget, the governor and state legislators haven't strayed from this priority. This recognition of the importance of higher education as a catalyst in determining the future success of the State should prove to be an asset as we move forward. We continue to partner with the State in trying to keep the cost of higher education affordable for the state's residents. In addition, during these difficult economic times enrollments have increased. While this can't be relied upon as a permanent increase in our base enrollments, it can prove to be a useful bridge until we can again establish a more stable revenue base. This will be important to help address the continuing demands of basic operating costs. Employee compensation and benefits, utilities, technology, and deferred maintenance are annual demands that cannot adequately be addressed on a sporadic basis. Add to this the need to develop programs, to grow our research base, and to become more engaged with the community while keeping tuition levels affordable to students and their families makes our challenges formidable. Wright State University remains steadfast in its commitment to meet all of these challenges so as to enrich the lives of our students and the communities we serve.



Crowe Horwath LLP
Independent Member Crowe Horwath International

REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees
of Wright State University
Dayton, Ohio

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Wright State University (the "University"), a component unit of the State of Ohio, as of and for the years ended June 30, 2009 and 2008, which collectively comprise the University's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the University's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of Wright State University as of June 30, 2009 and 2008, and the respective changes in its financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis (MD&A) on pages 2 through 14 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

(Continued)

In accordance with *Government Auditing Standards*, we have also issued a report dated October 15, 2009, on our consideration of the University's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of the University, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio
October 15, 2009

WRIGHT STATE UNIVERSITY
Statements of Net Assets
June 30, 2009 and 2008

ASSETS	2009		2008	
	University	Foundation	University	Foundation
Current assets:				
Cash and cash equivalents	\$ 36,556,073	\$ 2,453,452	\$ 23,701,950	\$ 1,012,378
Short-term investments	169,533		1,468,319	
Accounts receivable (net of allowance for doubtful accounts of \$1,280,000 in 2009 and \$1,320,000 in 2008 - Note 3)	22,725,345	143,417	22,872,357	188,520
Gifts and pledges receivable (net of allowance for uncollectible pledges of \$2,200 in 2009 and \$874 in 2008)		4,421,589		6,446,864
Loans receivable (net of allowance for doubtful loans of \$2,073,000 in 2009 and \$1,762,000 in 2008)	4,480,949		3,429,059	
Inventories	836,445		781,594	
Prepaid expenses	14,134,562		11,692,662	
Deferred charges	2,381,235		2,499,098	
Total current assets	81,284,142	7,018,458	66,445,039	7,647,762
Noncurrent assets:				
Gifts and pledges receivable (net of allowance for uncollectible pledges of \$34,400 in 2009 and \$46,526 in 2008)		3,690,511		5,398,656
Loans receivable (net of allowance for doubtful loans of \$189,000 in 2009 and \$188,000 in 2008)	18,693,662		18,571,058	
Other assets	608,854	190,276	774,228	250,350
Other long-term investments	78,004,730	73,504,351	96,351,747	94,030,612
Capital assets, net (Note 4)	298,307,669	650,000	292,816,910	650,000
Total noncurrent assets	395,614,915	78,035,138	408,513,943	100,329,618
Total assets	\$ 476,899,057	\$ 85,053,596	\$ 474,958,982	\$ 107,977,380
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable trade and other	\$ 11,732,229	\$ 103,443	\$ 10,860,799	\$ 171,119
Accounts payable to Wright State University		1,068,713		1,129,141
Accrued liabilities	17,787,857		15,342,162	
Deferred revenue (Note 1)	38,339,494		34,032,111	
Refunds and other liabilities	847,677	1,010,742	660,992	1,312,457
Current portion of long-term liabilities (Note 5)	10,068,388	552,042	9,060,865	652,496
Total current liabilities	78,775,645	2,734,940	69,956,929	3,265,213
Noncurrent liabilities:				
Long-term liabilities (Note 5)	38,095,634	458,658	41,564,022	482,404
Total noncurrent liabilities	38,095,634	458,658	41,564,022	482,404
Total liabilities	116,871,279	3,193,598	111,520,951	3,747,617
Net assets:				
Invested in capital assets, net of related debt	267,032,046	650,000	257,525,679	650,000
Restricted - nonexpendable:				
Instruction and departmental research		13,766,928		13,574,639
Separately budgeted research		4,925,308		330,719
Public service		199,798		169,394
Academic support		474,221		452,670
Student services		23,474		9,746
Operation and maintenance of plant		1,436,845		2,133,903
Scholarships and fellowships		11,404,567		10,546,640
Auxiliaries		202,965		213,393
Restricted - expendable:				
Instruction and departmental research	7,751	25,328,473	4,116	34,480,750
Separately budgeted research		1,710,106		2,709,309
Public service		995,396		891,868
Academic support		1,331,453		1,503,121
Student services		195,758		288,593
Institutional support		5,668,758		11,004,750
Operation and maintenance of plant		829,549		811,322
Scholarships and fellowships	2,948	11,199,632	2,948	21,095,297
Loans	18,536,113		18,486,043	
Debt service	279,825		262,467	
Auxiliaries		52,671		141,622
Unrestricted	74,169,095	1,464,096	87,156,778	3,222,027
Total net assets	360,027,778	81,859,998	363,438,031	104,229,763
Total liabilities and net assets	\$ 476,899,057	\$ 85,053,596	\$ 474,958,982	\$ 107,977,380

See Accompanying Notes to Financial Statements

WRIGHT STATE UNIVERSITY
Statements of Revenues, Expenses, and Changes in Net Assets
For the Years Ended June 30, 2009 and 2008

	2009		2008	
	University	Foundation	University	Foundation
OPERATING REVENUES				
Student tuition and fees (net of scholarship allowances of \$30,540,000 in 2009 and \$27,307,000 in 2008)	\$ 119,654,749	\$	\$ 114,733,685	\$
Federal grants and contracts	37,362,224		36,423,211	
State grants and contracts	7,835,911		7,600,127	
Local grants and contracts	360,263		418,746	
Nongovernmental grants and contracts	41,227,106		45,417,091	
Sales and services	8,163,327		7,471,701	
Auxiliary enterprises sales (net of scholarship allowances of \$1,846,000 in 2009 and \$1,945,000 in 2008)	16,088,088		15,296,295	
Gifts and contributions		4,890,021		8,215,279
Other operating revenues	2,286,993		2,686,470	
Total operating revenues	232,978,661	4,890,021	230,047,326	8,215,279
OPERATING EXPENSES				
Educational and general:				
Instruction and departmental research	130,319,583		122,399,987	
Separately budgeted research	31,829,575		30,003,263	
Public service	12,988,800		12,578,969	
Academic support	72,588,544		78,291,188	
Student services	17,362,681		17,085,740	
Institutional support	29,205,552	155,361	25,959,586	140,623
Operation and maintenance of plant	21,039,879		21,570,038	
Scholarships and fellowships	16,181,322		14,020,716	
Total educational and general	331,515,936	155,361	321,909,487	140,623
Auxiliary enterprises	27,467,263		26,982,389	
Depreciation	18,456,765		17,068,378	
Total operating expenses	377,439,964	155,361	365,960,254	140,623
Operating (loss)/revenue	(144,461,303)	4,734,660	(135,912,928)	8,074,656
NONOPERATING REVENUES (EXPENSES):				
State appropriations	104,646,927		98,715,229	
Federal grants	14,250,902		11,230,106	
State grants	4,412,197	5,000,000	3,587,751	
Gifts	9,034,863		8,449,720	
Investment (loss)/income (net of investment expenses of \$117,000 in 2009 and \$131,000 in 2008 for WSU and \$381,998 in 2009 and \$366,583 in 2008 for Foundation)	(12,012,750)	(19,641,319)	(3,494,059)	(6,620,028)
Interest on capital asset-related debt	(1,345,713)		(1,024,476)	
Payments to Wright State University		(12,463,106)		(15,782,394)
Other nonoperating (expenses)	(1,460,576)		(245,394)	
Net nonoperating revenues/(expenses)	117,525,850	(27,104,425)	117,218,877	(22,402,422)
(Loss) before other revenues, expenses, gains or losses	(26,935,453)	(22,369,765)	(18,694,051)	(14,327,766)
Capital appropriations from the State of Ohio	19,001,771		7,354,063	
Capital grants and gifts	4,523,429		15,154,057	
(Decrease)/increase in net assets	(3,410,253)	(22,369,765)	3,814,069	(14,327,766)
NET ASSETS				
Net assets - beginning of year	363,438,031	104,229,763	359,623,962	118,557,529
Net assets - end of year	\$ 360,027,778	\$ 81,859,998	\$ 363,438,031	\$ 104,229,763

See Accompanying Notes to Financial Statements

WRIGHT STATE UNIVERSITY
Statements of Cash Flows
For the Years Ended June 30, 2009 and 2008

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2009</u>	<u>2008</u>
Student tuition and fees	\$ 120,382,626	\$ 115,772,522
Federal, state, local, and nongovernmental grants and contracts	91,683,677	85,706,360
Sales and services of educational and other departmental activities	7,176,657	7,948,081
Payments to employees	(180,223,595)	(172,564,427)
Payments for benefits	(51,464,930)	(47,899,029)
Payments to suppliers	(106,026,380)	(106,448,533)
Payments for scholarships and fellowships	(16,886,582)	(15,117,186)
Student loans issued	(4,165,684)	(3,788,866)
Student loans collected	2,991,190	2,759,668
Student loan interest and fees collected	406,140	376,058
Auxiliary enterprise sales	16,017,485	16,405,584
	<hr/>	<hr/>
Net cash (used) by operating activities	(120,109,396)	(116,849,768)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	104,646,927	98,715,229
Grants for noncapital purposes	18,663,099	14,817,857
Gifts	9,090,371	8,648,201
	<hr/>	<hr/>
Net cash provided by noncapital financing activities	132,400,397	122,181,287
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital appropriations from the State of Ohio	18,702,355	7,771,532
Capital grants and gifts received	4,523,429	15,154,057
Purchases of capital assets	(24,973,492)	(33,697,459)
Sales of capital assets	11,614	16,801
Principal paid on capital debt and leases	(4,060,865)	(4,071,730)
Interest paid on capital debt and leases	(1,345,713)	(1,024,476)
	<hr/>	<hr/>
Net cash (used) by capital and related financing activities	(7,142,672)	(15,851,275)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	15,930,514	28,398,869
Interest on investments	3,287,660	7,257,975
Purchase of investments	(11,512,380)	(20,209,235)
	<hr/>	<hr/>
Net cash provided by investing activities	7,705,794	15,447,609
 Net Increase in Cash and Cash Equivalents		
	12,854,123	4,927,853
 Cash and Cash Equivalents - Beginning of Year		
	<hr/> 23,701,950	<hr/> 18,774,097
 Cash and Cash Equivalents - End of Year		
	<hr/> \$ 36,556,073	<hr/> \$ 23,701,950

See Accompanying Notes to Financial Statements

WRIGHT STATE UNIVERSITY
Statements of Cash Flows
For the Years Ended June 30, 2009 and 2008

Reconciliation of net operating revenues (expenses) to net cash provided (used) by operating activities:

	<u>2009</u>	<u>2008</u>
Operating loss	\$ (144,461,303)	\$ (135,912,928)
Depreciation	18,456,765	17,068,378
Provision for doubtful accounts	930,865	905,612
Provision for doubtful loans	767,976	304,648
Changes in assets and liabilities:		
Accounts receivable	299,844	(801,171)
Inventory	(54,851)	39,700
Prepaid expenses	(2,376,205)	3,060,819
Deferred charges	117,863	(332,640)
Other assets	165,374	(190,573)
Accounts payable	333,696	1,636,313
Accrued liabilities	2,445,695	300,987
Deferred revenue	3,420,670	(1,153,045)
Compensated absences	1,600,000	(500,000)
Refunds and other liabilities	186,685	57,978
Loans to students and employees	(1,942,470)	(1,333,846)
Net cash (used) by operating activities	<u>\$ (120,109,396)</u>	<u>\$ (116,849,768)</u>

Noncash Transactions:

Capital lease	<u>\$ -</u>	<u>\$ 958,521</u>
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See Accompanying Notes to Financial Statements

WRIGHT STATE UNIVERSITY

Notes to Financial Statements

Year Ended June 30, 2009

(1) Organization and Summary of Significant Accounting Policies

Organization and Basis of Presentation

Wright State University (the University) is a state-assisted institution of higher education created in 1967. The University has an enrollment of approximately 17,700 undergraduate, graduate, and professional students on its two campuses. The financial statements include the university's eight colleges, three schools, and other individual departments. The university's Board of Trustees approves policies and procedures by which the University is governed.

The University is a political subdivision of the State of Ohio and accordingly, its financial statements are discretely presented in the State of Ohio's Comprehensive Annual Financial Report in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, and amended by GASB Statement No. 39. Statement No. 39 provides additional guidance to determine whether certain organizations for which the University is not financially accountable should be reported as a component unit of the University based upon the nature and significance of their relationship to the University. Although the Wright State University Foundation (the Foundation) is a legally separate, tax-exempt entity, it has been determined that it does meet the criteria for discrete presentation within the university's financial statements. The Foundation is the primary fund-raising organization for the University and contributions to the Foundation are primarily restricted to the activities of the University. These contributions are relied upon for the on-going operations of the University. No other affiliated organization, such as the Alumni Association, meets the requirements for inclusion in the university's financial statements. Complete financial statements for the Foundation can be obtained by sending a request to the Wright State University Foundation, 108J Allyn Hall, 3640 Colonel Glenn Highway, Dayton, OH 45435.

The financial statements have been prepared in accordance with generally accepted accounting principles for colleges and universities within the United States of America, as prescribed by GASB.

Summary of Significant Accounting Policies:

Basis of Accounting

The financial statements of the University have been prepared using the economic resources measurement focus and on the full accrual basis of accounting, whereby revenue is recognized in the period earned, or in the case of advances from other governments, when all eligibility requirements are met in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Expenses are recognized when the related liabilities are incurred.

Financial Statements

The University reports as a business-type activity, as defined by GASB Statement No. 35, *Basic Financial Statements-and Management's Discussion and Analysis - for Public Colleges and Universities*. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Wright State University

Notes to Financial Statements (Continued)

Pursuant to GASB Statement No. 35, the University follows GASB guidance as applicable to its business-type activities, and Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents

Cash and cash equivalents include amounts held in the State Treasury Asset Reserve of Ohio (STAROhio). In addition, each of the external investment managers maintains a balance in a money market fund. These balances are included as cash equivalents due to their high liquidity and short-term nature. Other investments purchased with three months or less to maturity are also considered cash equivalents.

Investments

Investments are reported at fair value, as established by the major securities markets. Money market investments (U.S. Treasury and Agency obligations) that have a remaining maturity of one year or less at the time of purchase are reported at amortized cost and approximate fair value. If contributed, investments are valued at market value at the date of donation. Investment income is recognized on an accrual basis. Purchases and sales of investments are accounted for on the trade date basis. Investment trade settlements receivable and payable represent investment transactions occurring on or before June 30, which settle after such date. Realized and unrealized gains and losses are reported as investment income or loss.

All securities purchased by external investment managers in the university's "liquidity" and "diversified" investment pools, with the exception of money market purchases and redemptions, are considered investments regardless of maturity date, as these investment pools are designed more for capital appreciation and have average durations of at least two years. Investments with maturities of less than one year are considered short-term or current.

Inventories

Inventories, which consist principally of publications, general merchandise and other goods, are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Capital Assets and Collections

Capital assets include land, land improvements, infrastructure, buildings, machinery, equipment, library books, publications and construction in progress. They are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Building renovations that materially increase the value or extend the useful life of the structure are also capitalized. Normal repairs and maintenance are expensed in the year in which the expenses are incurred. Effective July 1, 2008, the University increased its threshold for capitalizing assets with an estimated useful life of more than one year from \$3,000 to \$5,000. Using the straight-line method, capital assets are depreciated over their estimated useful lives; generally, 40 years for buildings, 30 years for land improvements and infrastructure, 15 years for library books and publications, and 5 to 10 years for machinery and equipment. The University does not capitalize works of art or historical treasures that are held for exhibition, education, research, and public service. These collections are not encumbered or sold for financial gain. Consequently, such collections are not recognized in the financial statements.

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Notes to Financial Statements
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Compensated Absences

Compensated absences is comprised of vacation and sick leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to service already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability will include employees currently eligible to receive termination benefits and those identified as probable of receiving payment in the future.

Deferred Revenue

Deferred revenue consists primarily of the amounts received in advance from grant and contract sponsors that have not yet been earned under the terms of the agreement and amounts received in advance for tuition and fees not yet earned. These deferrals were \$25.3 million and \$11.4 million, respectively, for the year ended June 30, 2009 and \$22.0 million and \$11.0 million, respectively, for the year ended June 30, 2008.

Net Assets

Net assets are classified as follows:

- Invested in capital assets, net of related debt represents the value of capital assets less accumulated depreciation and the debt related to acquisition, or construction of the asset.
- Restricted - Nonexpendable is comprised primarily of gifts which are subject to external restrictions requiring that the principal be invested in perpetuity and that only the cumulative earnings be utilized.
- Restricted - Expendable represents resources that have been received and must be used for specific purposes, such as those received from grantors.
- Unrestricted represents net assets that are not subject to external restrictions. Management or the Board of Trustees designates most of the unrestricted net assets for specific purposes in research, academic, capital acquisition, or other initiatives.

It is the university's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Revenues and Expenses

Revenues and expenses are classified as operating or nonoperating. Operating revenues are resources primarily from exchange transaction activities. These include payments received for services, such as tuition and fees, and most grants and contracts. Nonoperating revenues are from non-programmatic sources and have the characteristics of nonexchange transactions. They include state appropriations, some federal and state grants, gifts, and investment income. Nearly all of the university's expenses are a result of exchange transactions, and therefore classified as operating expenses. The major recurring nonoperating expenses are net losses on the disposition of capital assets and interest expense on capital assets-related debt.

OhioLINK

Wright State University serves as the fiscal agent for the statewide library program known as OhioLINK. This program's revenues from state appropriations, federal pass-through grants and

Wright State University

Notes to Financial Statements
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from other college and university libraries and expenses are all included in the statements of revenues, expenses, and changes in net assets. The total revenues and expenses attributable to OhioLINK were \$32,596,075 and \$37,923,623 for the years ended June 30, 2009 and 2008, respectively.

Scholarship Allowances

Scholarship allowances represent aid awarded to the student in the form of reduced tuition and are computed and reported in the financial statements under the alternate method as prescribed by the National Association of College and University Business Officers (NACUBO). Financial aid in the form of a cash payment to the student is reported as scholarship and fellowship expense in the financial statements. Third party loans such as Stafford loans and certain aid awarded to the students by third parties are credited to the student's account as if the student made the payment.

Income Taxes

The University is exempt from federal income taxes under Section 115 of the Internal Revenue Code. However, certain revenues are considered unrelated business income and are taxable under Internal Revenue Code Sections 511 through 513.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Previous Year's Financial Information

Certain reclassifications have been made to the 2008 comparative information to conform to the 2009 presentation. These reclassifications had no impact on the 2008 total net assets or change in net assets.

(2) Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments in the financial statements is based on criteria set forth in GASB Statement No. 9. Cash equivalents are defined to include investments with original maturities of three months or less. Consistent with this definition, university funds on deposit in the State Treasury Asset Reserve of Ohio are classified as cash equivalents in the statements of net assets. However, for GASB Statement No. 3 disclosure purposes (see below), the funds in the State Treasury Asset Reserve of Ohio are classified as investments.

Deposits

Under state law, the university's deposits must be secured by federal deposit insurance and collateralized for amounts in excess of FDIC coverage. Collateral may be pledged or pooled. Pooled collateral may be held on the financial institution's premises or held by its trust department or agent on its behalf. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal one hundred five percent of the total amount of public deposits

Wright State University
Notes to Financial Statements
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to be secured by the pooled securities. These securities may be held in the name of the University or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties. The University does not have a deposit policy for custodial credit risk.

As of June 30, 2009 and 2008, the university's bank balances are \$32,677,694 and \$22,357,234, respectively. Of these balances, \$11,899,056 and \$19,372,901, respectively, are uninsured with collateral held by pledging banks not in the university's name.

At June 30, the carrying amount of deposits (book balances) is as follows:

		2009		2008
Petty cash	\$	56,920	\$	57,626
Demand deposits		21,154,465		16,427,175
Money market funds		8,169,692		2,075,703
Total	\$	29,381,077	\$	18,560,504

The difference in the carrying amount and bank balances is caused by items in-transit (primarily outstanding checks) and by cash on hand.

Investments

The university's investment policy permits investments in publicly traded securities only. In addition, an amount equal to at least twenty five percent of the university's investment portfolio must at all times be invested in securities of the United States government or one of its agencies or instrumentalities, the treasurer of the State of Ohio's pooled investment program, obligations of the State of Ohio, or any political subdivision of the State of Ohio, certificates of deposit of any national bank located in the State of Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds or bankers' acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system.

The fair value of investments at June 30 is as follows:

Description	Fair Value	
	2009	2008
U.S. Treasury securities	\$ 2,789,676	\$ 4,290,413
U.S. Agency securities	4,008,933	5,467,751
Common and preferred stock	362,617	506,541
Corporate bonds and notes	4,355,091	3,604,267
State Treasury Asset Reserve of Ohio	7,174,996	5,141,446
Equity mutual funds	41,522,452	55,887,279
Bond mutual funds	25,132,294	28,060,615
Other	3,200	3,200
Total	\$ 85,349,259	\$ 102,961,512

Wright State University

Notes to Financial Statements
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The various investments in stocks, securities, mutual funds and other investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the University.

Interest Rate Risk The university's investment policy minimizes the risk of the loss of value due to changing interest rates through the use of target durations for each of the university's investment pools. The Cash Pool is maintained to meet the daily obligations of the University and consists of highly liquid instruments with little to no risk of loss of principal. The maximum weighted average maturity for the Cash Pool is less than one year. The Liquidity Pool provides a source of funds in the event the Cash Pool is insufficient to meet the university's cash needs and maintains a weighted average life of less than five years. The Diversified Investment Pool provides the University an opportunity to earn a higher rate of return through investments with longer durations. Equity managers are limited to a beta (volatility) of no more than 1.2 – 1.4 times the relevant benchmark. Duration for fixed income managed accounts must be within twenty percent of that of the Barclays Capital Aggregate Bond Index.

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Notes to Financial Statements
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The maturity of university investments at June 30 is as follows:

Investment Type	2009 Investment Maturities (in years)				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury securities	\$ 2,789,676	\$ 20,348	\$ 2,769,328	\$	\$
U.S. Agency securities	4,008,933		3,599,978	373,633	35,322
Corporate bonds and notes	4,355,091	149,185	3,910,160		295,746
Bond mutual funds	25,132,294		5,831,975	19,300,319	
Total	<u>\$ 36,285,994</u>	<u>\$ 169,533</u>	<u>\$ 16,111,441</u>	<u>\$ 19,673,952</u>	<u>\$ 331,068</u>

Investment Type	2008 Investment Maturities (in years)				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury securities	\$ 4,290,413	\$	\$ 4,290,413	\$	\$
U.S. Agency securities	5,467,751	844,039	4,498,045	80,902	44,765
Corporate bonds and notes	3,604,267	624,280	2,591,154		388,833
Bond mutual funds	28,060,615		7,013,747	21,046,868	
Total	<u>\$ 41,423,046</u>	<u>\$ 1,468,319</u>	<u>\$ 18,393,359</u>	<u>\$ 21,127,770</u>	<u>\$ 433,598</u>

The University invests in mortgage pass-through securities issued by FNMA, GNMA and FHLMC which are included above in the amounts listed as U.S. Agency Securities. Prepayment options embedded in these securities cause them to be highly sensitive to interest rate changes. Generally when interest rates fall, more mortgages are prepaid. This eliminates the interest income that would have been received under the original amortization schedule. As of June 30, 2009 and 2008, the total value of mortgage pass-through securities is \$402,929 and \$125,667, respectively.

Credit Risk Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation. The university's investment policy limits exposure to credit risk by limiting purchases of fixed income securities to no lower than AA for the Cash Pool accounts and no lower than BBB for the Liquidity Pool accounts. At least fifty percent of the Cash Pool must be invested in U.S. Treasuries or Agencies. In addition, maximum exposure to high yield bonds cannot exceed fifteen percent of a Diversified Investment Pool Fixed Income account. All Commercial Paper must have a minimum rating of A1/B1.

Wright State University

Notes to Financial Statements
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The university's credit risk at June 30 is as follows:

<u>2009</u>						
Credit Rating	Total	U.S. Treasury Securities	U.S. Agency Securities	Corporate Bonds and Notes	State Treasury Asset Reserve (STAROhio)	Bond Mutual Funds
AAA/Aaa	\$ 14,952,999	\$ 2,789,676	\$ 4,008,933	\$ 979,394	\$ 7,174,996	\$
AA/Aa	25,895,768			763,474		25,132,294
A	1,868,249			1,868,249		
BBB/Baa	739,549			739,549		
Not Rated	4,425			4,425		
Total	<u>\$ 43,460,990</u>	<u>\$ 2,789,676</u>	<u>\$ 4,008,933</u>	<u>\$ 4,355,091</u>	<u>\$ 7,174,996</u>	<u>\$ 25,132,294</u>
<u>2008</u>						
Credit Rating	Total	U.S. Treasury Securities	U.S. Agency Securities	Corporate Bonds and Notes	State Treasury Asset Reserve (STAROhio)	Bond Mutual Funds
AAA/Aaa	\$ 18,746,315	\$ 4,290,413	\$ 5,467,751	\$ 706,428	\$ 5,141,446	\$ 3,140,277
AA/Aa	25,792,575			872,237		24,920,338
A	1,269,849			1,269,849		
BBB/Baa	707,101			707,101		
BB/Ba	48,652			48,652		
Total	<u>\$ 46,564,492</u>	<u>\$ 4,290,413</u>	<u>\$ 5,467,751</u>	<u>\$ 3,604,267</u>	<u>\$ 5,141,446</u>	<u>\$ 28,060,615</u>

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities in the possession of an outside party. At June 30, 2009 and 2008, \$11,153,701 and \$13,362,431, respectively, is held by the investment's counterparty, not in the name of the University, but internally designated as held for the University.

The university's investment policy minimizes custodial credit risk by limiting the amount invested in any bank certificate of deposit unless the investments are fully collateralized by U.S. Treasury or Agency securities. In addition, bank certificates of deposit and bankers' acceptances must be issued by members of the Federal Deposit Insurance Corporation.

Concentration of Credit Risk Concentration of credit risk is the risk associated with a lack of diversification. It is the risk of loss attributed to the magnitude of the university's investment in a single issuer. Investment managers are required by the investment policy to limit exposure for any one single issue to no more than five percent of the portfolio, at cost. This limit does not apply to investments in U.S. securities. Equity and fixed income managers are required to limit

Wright State University

Notes to Financial Statements
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exposure to any one economic sector to forty percent of the portfolio. Cash Pool managers must limit Commercial Paper in any one issuer to no more than five percent of the manager's portfolio.

As of June 30, 2009 and 2008, the university's portfolio does not hold any issuer which exceeds five percent of the university's total investments.

Foreign Currency Risk Foreign currency risk relates to the possible adverse effects changes in exchange rates can have on the fair value of investments. According to the university's investment policy, international managers are expected to maintain an appropriate diversification with respect to currency and country exposure. All other managers are not permitted to invest in non-dollar denominated securities. As of June 30, 2009 and 2008, the university's exposure to foreign currency is limited to its investment in international mutual funds of \$10,834,690 and \$15,330,953, respectively.

Investment Income The composition of investment income is as follows:

	Year Ended June 30	
	2009	2008
Net interest and dividend income	\$ 2,076,723	\$ 3,027,306
Realized gains on sales	1,164,013	4,216,154
Unrealized (losses) in fair value	(15,253,486)	(10,737,519)
Total	\$ (12,012,750)	\$ (3,494,059)

(3) Accounts Receivable

The composition of accounts receivable at June 30 is as follows:

	2009	2008
Sponsor receivables	\$ 10,876,220	\$ 12,513,272
Student and student-related accounts	9,053,283	9,040,069
Wright State University Foundation	1,068,713	1,129,141
Interest receivable	120,733	167,657
State appropriations	1,552,634	429,623
Other, primarily departmental sales and services	1,333,762	912,595
Total	24,005,345	24,192,357
Less: Allowance for doubtful accounts	1,280,000	1,320,000
Net accounts receivable	\$ 22,725,345	\$ 22,872,357

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Notes to Financial Statements
(Continued)

(4) Capital Assets

Capital assets activity for the years ended June 30, 2009 and 2008 is summarized as follows:

	Balance 07/01/2008	Additions	Retirements	Balance 06/30/2009
Land	\$ 3,049,830	\$	\$ (300)	\$ 3,049,530
Land improvements and infrastructure	30,832,140	1,119,417		31,951,557
Buildings	328,502,898	16,330,891		344,833,789
Machinery and equipment	81,011,965	3,469,417	(7,255,281)	77,226,101
Library books and publications	49,770,195	2,515,394	(406,888)	51,878,701
Construction in progress	137,298	1,984,595		2,121,893
Total	493,304,326	25,419,714	(7,662,469)	511,061,571
Less accumulated depreciation:				
Land improvements and infrastructure	10,790,979	997,612		11,788,591
Buildings	112,932,256	8,114,196		121,046,452
Machinery and equipment	45,723,117	7,029,693	(5,783,391)	46,969,419
Library books and publications	31,041,064	2,315,264	(406,888)	32,949,440
Total accumulated depreciation	200,487,416	18,456,765	(6,190,279)	212,753,902
Capital assets, net	\$ 292,816,910	\$ 6,962,949	\$ (1,472,190)	\$ 298,307,669

Wright State University

Notes to Financial Statements
(Continued)

	Balance 07/01/2007	Additions	Retirements	Transfers	Balance 06/30/2008
Land	\$ 3,049,830	\$	\$	\$	\$ 3,049,830
Land improvements and infrastructure	30,401,057	431,083			30,832,140
Buildings	276,754,435	18,267,937		33,480,526	328,502,898
Machinery and equipment	70,665,172	13,166,600	(2,819,807)		81,011,965
Library books and publications	47,620,426	2,353,967	(204,198)		49,770,195
Construction in progress	<u>33,515,105</u>	<u>102,719</u>		<u>(33,480,526)</u>	<u>137,298</u>
Total	462,006,025	34,322,306	(3,024,005)		493,304,326
Less accumulated depreciation:					
Land improvements and infrastructure	9,805,395	985,584			10,790,979
Buildings	106,027,299	6,904,957			112,932,256
Machinery and equipment	41,214,298	7,066,431	(2,557,612)		45,723,117
Library books and publications	<u>29,133,856</u>	<u>2,111,406</u>	<u>(204,198)</u>		<u>31,041,064</u>
Total accumulated depreciation	<u>186,180,848</u>	<u>17,068,378</u>	<u>(2,761,810)</u>		<u>200,487,416</u>
Capital assets, net	<u>\$ 275,825,177</u>	<u>\$ 17,253,928</u>	<u>\$ (262,195)</u>	<u>\$</u>	<u>\$ 292,816,910</u>

Wright State University

Notes to Financial Statements
(Continued)

(5) Long-Term Liabilities

Long-term liabilities consist of bonds payable, equipment lease purchase obligations, and compensated absences. Activity for long-term liabilities for the years ended June 30, 2009 and 2008 is summarized as follows:

	Beginning Balance <u>07/01/2008</u>	Additions	Principal Repayments Reductions	Ending Balance <u>06/30/2009</u>	Current Portion
Bonds and equipment lease purchase obligations:					
General obligation bonds	\$ 34,734,594		\$ 3,724,233	\$ 31,010,361	\$ 3,838,108
Equipment leases	<u>890,293</u>		<u>336,632</u>	<u>553,661</u>	<u>230,280</u>
Total bonds and equipment leases	\$ 35,624,887		\$ 4,060,865	\$ 31,564,022	\$ 4,068,388
Other liabilities:					
Compensated absences	<u>15,000,000</u>	<u>6,297,257</u>	<u>4,697,257</u>	<u>16,600,000</u>	<u>6,000,000</u>
Total other liabilities	<u>15,000,000</u>	<u>6,297,257</u>	<u>4,697,257</u>	<u>16,600,000</u>	<u>6,000,000</u>
Total long-term liabilities	<u>\$ 50,624,887</u>	<u>\$ 6,297,257</u>	<u>\$ 8,758,122</u>	<u>\$ 48,164,022</u>	<u>\$ 10,068,388</u>
	Beginning Balance <u>07/01/2007</u>	Additions	Principal Repayments Reductions	Ending Balance <u>06/30/2008</u>	Current Portion
Bonds and equipment lease purchase obligations:					
General obligation bonds	\$ 38,402,229		\$ 3,667,635	\$ 34,734,594	\$ 3,724,233
Equipment leases	<u>335,867</u>	<u>958,521</u>	<u>404,095</u>	<u>890,293</u>	<u>336,632</u>
Total bonds and equipment leases	\$ 38,738,096	\$ 958,521	\$ 4,071,730	\$ 35,624,887	\$ 4,060,865
Other liabilities:					
Compensated absences	<u>15,500,000</u>	<u>6,092,691</u>	<u>6,592,691</u>	<u>15,000,000</u>	<u>5,000,000</u>
Total other liabilities	<u>15,500,000</u>	<u>6,092,691</u>	<u>6,592,691</u>	<u>15,000,000</u>	<u>5,000,000</u>
Total long-term liabilities	<u>\$ 54,238,096</u>	<u>\$ 7,051,212</u>	<u>\$ 10,664,421</u>	<u>\$ 50,624,887</u>	<u>\$ 9,060,865</u>

Bonds payable on June 30, 2009 consist of Series 2003 and 2004 General Receipts Serial and Term bonds. The maturity dates, interest rates, and the outstanding principal balances of capital

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Notes to Financial Statements
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activities at June 30, 2009 are as follows:

Description	Maturity Dates	Interest Rates	Outstanding Principal	Unamortized Premium	Total
Bonds payable:					
Series 2003	2009-2023	4.00% - 5.00%	\$ 5,950,000	\$ 197,863	\$ 6,147,863
Series 2004	2009-2029	3.25% - 5.00%	<u>24,100,000</u>	<u>762,498</u>	<u>24,862,498</u>
Total bonds payable			30,050,000	960,361	31,010,361
Equipment lease					
purchase obligations	2009-2009	3.57% - 3.84%	<u>553,661</u>	<u> </u>	<u>553,661</u>
	Total		<u>\$ 30,603,661</u>	<u>\$ 960,361</u>	<u>\$ 31,564,022</u>

The scheduled maturities of capital activities for the next five years and for the subsequent periods of five years are as follows:

Year Ended June 30	Principal	Interest	Total
2010	\$ 3,940,280	\$ 1,326,626	\$ 5,266,906
2011	3,982,258	1,184,996	5,167,254
2012	2,526,079	1,016,951	3,543,030
2013	2,145,852	925,885	3,071,737
2014	2,227,435	850,077	3,077,512
2015-2019	7,606,757	3,126,604	10,733,361
2020-2024	4,330,000	1,535,624	5,865,624
2025-2029	<u>3,845,000</u>	<u>538,100</u>	<u>4,383,100</u>
Total	<u>\$ 30,603,661</u>	<u>\$ 10,504,863</u>	<u>\$ 41,108,524</u>

All general receipts of the University, except for state appropriations, are pledged for payment of the 2003 and 2004 bonds.

Interest expense incurred on indebtedness for the years ended June 30, 2009 and 2008 was \$1,345,713 and \$1,024,476 respectively. In 2009, interest expense was not capitalized to capital projects. In 2008, interest expense on construction related debt of \$448,830, net of \$6,990 interest earned on invested funds, was capitalized to the related capital projects.

(6) Operating Leases

The University leases certain properties and equipment under operating lease agreements. Facilities and equipment under these agreements are not recorded on the statements of net

Wright State University
Notes to Financial Statements
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assets. Rent expenses for the year ended June 30, 2009 and 2008 were \$2,416,563 and \$1,833,475, respectively.

Future minimum payments for all material operating leases as of June 30, 2009, are as follows:

2010	\$ 2,496,147
2011	1,326,085
2012	1,177,882
2013	669,578
2014	242,929
2015-2017	<u>472,725</u>
Total minimum lease payments	<u>\$ 6,385,346</u>

(7) Retirement Plans

University faculty participate in either the State Teachers Retirement System of Ohio (STRS) or an alternative retirement plan (ARP). Substantially all other employees participate in either the Ohio Public Employees Retirement System (OPERS) or the ARP. Both STRS and OPERS are statewide cost-sharing multiple employer plans. Both plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits for both STRS and OPERS is provided by state statute per the Ohio Revised Code.

Both STRS and OPERS issue stand-alone financial reports. Interested parties may obtain a copy by making a written request to STRS at 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090 or making a written request to OPERS at 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085.

Plan participants are required to contribute 10 percent and the University 14 percent of the employees' covered compensation for both STRS and OPERS. The Ohio Revised Code provides statutory authority for both employee and employer contributions. The university's contributions to STRS were \$8,825,469, \$8,512,663, and \$8,865,540, and to OPERS were \$8,469,927, \$8,136,269, and \$7,435,839, for the years ended June 30, 2009, 2008, and 2007, respectively, equal to the required contributions for each year.

Certain full-time university faculty and staff have the option to choose the ARP in place of STRS or OPERS. The ARP is a defined contribution plan which provides employees with the opportunity to establish individual retirement accounts with a defined group of investment options, with each participant having control of the assets and investment options associated with those assets. The administrators of the plan are the providers of the plan investment options. Authority to establish and amend benefits and contribution requirements for the ARP is provided by state statute per the Ohio Revised Code.

Under the provisions of ARP, the required contribution rate for plan participants is 10 percent of employees' covered compensation for employees who would otherwise participate in STRS or OPERS. The university's contributions to a participating faculty member's account and to STRS are 10.5 percent and 3.5 percent of a participant's compensation, respectively. The university's contributions to a participating staff member's account and to OPERS are 13.16 percent and .84 percent of a participant's compensation, respectively. Plan participants' contributions were \$4,152,517, \$3,834,684, and \$3,328,604, and the university's contributions to the plan providers

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Notes to Financial Statements
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amounted to \$4,803,045, \$4,500,074, and \$4,068,882 for the years ended June 30, 2009, 2008, and 2007, respectively. In addition, the amounts contributed to STRS by the University on behalf of ARP participants were \$927,150, \$848,918, and \$763,789, respectively, for the years ended June 30, 2009, 2008, and 2007. The amount contributed to OPERS by the University on behalf of ARP participants was \$105,123 and \$79,667 for the years ended June 30, 2009 and 2008, respectively. There were no contributions to OPERS for the year ended June 30, 2007.

(8) Other Postemployment Benefits (OPEB)

STRS provides OPEB to all retirees and their dependents, while OPERS provides postretirement health care coverage to age and service retirees (and dependents) with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is also available under OPERS. A portion of each employer's contributions is set aside for the funding of postretirement health care. For STRS, this rate was 1 percent of the total 14 percent (see note 7), while the OPERS rate was .98 percent of the total 14 percent.

The Ohio Revised Code provides the statutory authority for public employers to fund postretirement health care through their contributions to STRS and OPERS. Postretirement health care under STRS is financed on a pay-as-you-go basis. Assets available in the health care reserve fund for STRS amounted to \$3.7 billion at June 30, 2008. The number of benefit recipients eligible for OPEB was 126,506 for STRS at June 30, 2008. The amount contributed by the University to STRS to fund these benefits was \$630,391 for the year ended June 30, 2009.

Postretirement health care under OPERS is advance-funded on an actuarially determined basis. The actuarial value of OPERS net assets available for OPEB at December 31, 2007 is \$12.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$29.8 billion and \$17.0 billion, respectively. The number of OPERS active contributing participants was 363,503 for the year ended December 31, 2008. For the year ended June 30, 2009 the University contributed \$592,895 to OPERS for OPEB funding.

(9) Related Organization

The University is the sole beneficiary of the Wright State University Foundation, Inc., a separate, not-for-profit entity governed by a separate Board of Trustees, organized for the purpose of promoting educational and research activities. Assets of the Foundation totaled approximately \$85,000,000 at June 30, 2009. Such assets relate principally to donor restricted funds and are discretely presented in the accompanying financial statements. Amounts transferred to the University from the Foundation are recorded as nonoperating "gifts" and "capital grants and gifts" in the accompanying financial statements.

(10) State Support

The University is a state-assisted institution of higher education which receives a student enrollment-based subsidy from the State of Ohio. This subsidy is determined annually by the Ohio Board of Regents, Ohio's higher education advising and coordinating board.

In addition to student enrollment-based subsidies, the State of Ohio provides funding for construction of major plant facilities. The funding is obtained from the issuance of general obligation bonds by the Ohio Public Facilities Commission (OPFC), which in turn results in construction and subsequent transfer of the facility to the University by the Ohio Board of Regents. Costs incurred during construction are included in construction in progress and

Wright State University

Notes to Financial Statements
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recognized as capital appropriations. Upon completion of a facility, the Ohio Board of Regents turns control over to the University.

University facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund established in the custody of the Treasurer of State. If sufficient monies are not available from this fund, a pledge exists to assess a special student fee uniformly applicable to students in state-assisted institutions of higher education throughout the State.

As a result of the above described financial assistance provided by the State to the University, outstanding debt issued by OPFC is not included in the university's financial statements.

(11) Commitments and Contingencies

At June 30, 2009, the University is committed under contractual obligations for:

Capital expenditures	\$ 13,259,938
Non-capital goods and services	<u>7,976,471</u>
Total contractual commitments	<u>\$ 21,236,409</u>

These commitments are being funded from the following sources:

State appropriations requested and approved	\$ 4,695,273
University funds	<u>16,541,136</u>
Total sources	<u>\$ 21,236,409</u>

The University is presently involved as a defendant or codefendant in various matters of litigation. The university's administration believes that the ultimate disposition of these matters would not have a material adverse effect upon the financial condition of the University.

The University receives significant assistance from numerous federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability. Management believes that any potential disallowance of claims would not have a material effect on the financial statements.

The University maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The University also carries professional coverage for employees and its Board of Trustees. Over the past three years, settlement amounts related to these insured risks have not exceeded the university's coverage amounts. There has been no significant change in coverage from last year.

The University became self-insured for all employee health care benefits on January 1, 2009 with Anthem as the third party administrator. Under the terms of the policy, the University is billed for

Wright State University
Notes to Financial Statements
(Continued)

actual claims on a weekly basis. As the University is liable for health insurance claims incurred through June 30, 2009 but not yet reported or submitted to the University for payment, an estimated liability of \$2,100,000 has been recognized and included in accrued liabilities at June 30, 2009.

Selected Notes of the Wright State University Foundation (a component unit)

(12) Summary of Significant Accounting Policies

In accord with generally accepted accounting principles as applied to not-for-profit organizations, the financial statements of the Foundation have been prepared on the accrual basis of accounting. The Financial Accounting Standards Board (FASB) is the accepted standards setting body for establishing accounting and reporting principles for not-for-profit entities. The following is a summary of the Foundation's significant accounting and reporting policies presented to assist the reader in interpreting the financial statements and other data in this report.

Cash and equivalents

The Foundation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Pledges Receivable

Unconditional pledges are recorded in the period that the pledges are received. Conditional pledges are recorded in the period in which the conditions have been met. Funds from pledges to be collected in future years are recorded at net present value. All pledges are presented net of an allowance for doubtful collections.

Gifts Receivable from Trusts Held by Others

Irrevocable trusts which will benefit the Foundation are recognized as gift revenue and as a receivable in an amount equal to the present value of the estimated future benefits to be received when trust assets are distributed. Adjustments to the receivable to reflect revaluation of the present value of the estimated future payments to the donor-designated beneficiaries and changes in actuarial assumptions during the term of the trust will be recognized as changes in the value of the asset.

Investment in Securities

Investments are stated in fair or appraised value and realized and unrealized gains and losses are reflected in the statement of activities. Market value is determined by market quotations. Donated investments are recorded at fair value at the time received.

Gifts and Contributions

Gifts and contributions are recorded at their fair market value on the date of receipt. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset categories.

Wright State University

Notes to Financial Statements
(Continued)

Contributed property is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used or restrict the use of such assets for a specific purpose, the contributions are recorded as restricted support. In the absence of such stipulations, gifts of property are recorded as unrestricted support.

Investment Earnings

Interest and dividends from endowment investments are credited to temporarily restricted funds and spent in compliance with donor stipulations and the Foundation's spending policy. Interest and dividends from non-endowment investments are credited to the unrestricted fund for expenditure at the discretion of the Foundation's board of trustees. Realized gains or losses are determined based on the average cost method.

(13) Business and Concentrations of Credit Risk

The Foundation's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and investments. The Foundation deposits its cash in federally insured banks. These deposits are generally in excess of the Federal Deposit Insurance Corporation's insurance limit.

(14) Fair Value of Financial Instruments

Statement of Financial Accounting Standard No. 157, Fair Value Measurements (SFAS No. 157), defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Foundation's principal or most advantageous market participants on the measurement date.

Statement 157 establishes a fair market value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Assets measured at fair value on a recurring basis are summarized below:

Wright State University

Notes to Financial Statements
(Continued)

	Fair Value Measurements at June 30, 2009 Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
ASSETS				
Gifts receivable from trusts held by others	\$	\$	\$ 1,495,300	\$ 1,495,300
Investment in securities:				
Cash and equivalents	2,500,000			2,500,000
Bonds	2,482,579			2,482,579
Mutual funds-securities	22,669,330	30,588,949	117,468	53,375,747
Mutual funds-other financial instruments	589,907	60,741	(2,939)	647,709
Hedge funds			10,753,570	10,753,570
Private equity			173,716	173,716
Commercial loans			1,920,014	1,920,014
Total investment in securities	\$ <u>28,241,816</u>	\$ <u>30,649,690</u>	\$ <u>12,961,829</u>	\$ <u>71,853,335</u>
Other investments:				
Limited partnerships	\$	\$	\$ 864,649	\$ 864,649
Annuity assets				
Cash and equivalents	111	57,500		57,611
Mutual funds-securities	136,761	591,995		728,756
Total annuity assets	\$ <u>136,872</u>	\$ <u>649,495</u>	\$	\$ <u>786,367</u>
LIABILITIES				
Deposits held in custody for others:				
Mutual funds-securities	\$ (301,630)	\$ (610,075)	\$ (3,653)	\$ (915,358)
Mutual funds-other financial instruments	(7,544)	(593)	79	(8,058)
Hedge funds			(87,326)	(87,326)
Total deposits held in custody for others	\$ <u>(309,174)</u>	\$ <u>(610,668)</u>	\$ <u>(90,900)</u>	\$ <u>(1,010,742)</u>
Annuities payable:				
Cash and equivalents	\$ (86)	\$ (44,655)	\$	\$ (44,741)
Mutual funds-securities	(106,210)	(459,749)		(565,959)
Total annuities payable	\$ <u>(106,296)</u>	\$ <u>(504,404)</u>	\$	\$ <u>(610,700)</u>
Totals	\$ <u>27,963,218</u>	\$ <u>30,184,113</u>	\$ <u>15,230,878</u>	\$ <u>73,378,209</u>

The table below presents a reconciliation and income statement classification of gains and losses for all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2009:

Wright State University

Notes to Financial Statements
(Continued)

	Gifts Receivable from Trusts Held by Others	Mutual Funds	Hedge Funds
	<u> </u>	<u> </u>	<u> </u>
Beginning balance, June 30, 2008	\$ 1,958,100	\$ 266,313	\$ 9,626,036
Interest and dividends			
Realized gains/(losses) on sales		(11,701)	139,789
Unrealized gains/(losses) included in earnings		(67,146)	(2,030,368)
Net purchases/(sales)		(23,936)	2,930,787
Changes in estimates/assumptions	(462,800)	16	
Net transfers in/(out) of Level 3		(52,591)	
Ending balance, June 30, 2009	<u>\$ 1,495,300</u>	<u>\$ 110,955</u>	<u>\$ 10,666,244</u>

	Private Equity	Commercial Loans	Limited Partnerships
	<u> </u>	<u> </u>	<u> </u>
Beginning balance, June 30, 2008	\$	\$ 701,079	\$ 508,301
Interest and dividends			
Realized gains/(losses) on sales		127	
Unrealized gains/(losses) included in earnings		(712,846)	23,289
Net purchases/(sales)	173,716	281,224	333,059
Changes in estimates/assumptions			
Net transfers in/(out) of Level 3		1,650,430	
Ending balance, June 30, 2009	<u>\$ 173,716</u>	<u>\$ 1,920,014</u>	<u>\$ 864,649</u>

The fair value of gifts receivable from trusts held by others is based on a valuation model that calculates the present value of estimated residual trust value. The valuation model incorporates assumptions that market participants would use in estimating future investment earnings. Management determines the fair value based on best information available.

Investments in securities consist primarily of mutual fund shares managed by a professional investment management company utilizing the “manager of managers” model of portfolio administration. The investment manager is subject to the Foundation’s investment policy, approved by the board of trustees, which contains objectives, guidelines and restrictions designed to provide for preservation of capital with an emphasis on providing current income and achieving long-term growth of the funds without undue exposure to risk. Certain funds have been pooled for ease of management and to achieve greater diversification in investments.

The Foundation holds the manager of managers responsible for investment results. The manager is responsible for monitoring the funds’ sub-managers performance and style focus. Hiring and termination of sub-managers is undertaken by the manager. The Foundation monitors the financial reports of these mutual funds on a periodic basis and uses information provided therein to assess the fair value of the underlying securities. The fair values provided above reflect the Foundation’s proportionate share of the fund’s value as classified by the reporting entity.

Valuation of limited partnerships shares reported as “other investments” are derived from annual

Wright State University

Notes to Financial Statements
(Continued)

K-1 reporting by the fund custodian adjusted for capital contributions and withdrawals throughout the fiscal year. Although the fund custodians provide annual audited financial statements for each of the funds, the value of the underlying securities is difficult to ascertain as there is no active market associated with these ownership interests. Thus, the partnership interests are classified as Level 3.

Valuation of annuity assets (and related liabilities) is based on a "Default Level Matrix" developed by the custodian. Mutual funds and other instruments are classified based on analysis and review of SFAS No.157, together with input from securities pricing service companies, broker/dealers and investment managers regarding their pricing methodologies; discussions with clients and independent accounting firms regarding various market inputs used to determine fair value and participation in industry forums. Management believes that this custodian-developed matrix accurately interprets the provisions of SFAS No. 157 with respect to the level classification defined therein.

(15) Pledges Receivable

Pledges receivable at June 30, 2009 and 2008, by fund type, are as follows:

	2009			
	<u>Unrestricted</u>	Temporarily	Permanently	<u>Totals</u>
		<u>Restricted</u>	<u>Restricted</u>	
Less than one year	\$ 45,613	\$ 2,045,044	\$ 1,062,132	\$ 3,152,789
One to five years	4,300	1,984,847	69,200	2,058,347
Six years or greater		<u>2,000,000</u>		<u>2,000,000</u>
Gross pledges receivable	49,913	6,029,891	1,131,332	7,211,136
Present value discount	(313)	(1,189,191)	(3,732)	(1,193,236)
Allowance for uncollectible pledges	<u>(400)</u>	<u>(31,600)</u>	<u>(4,600)</u>	<u>(36,600)</u>
Pledges receivable (net)	<u>\$ 49,200</u>	<u>\$ 4,809,100</u>	<u>\$ 1,123,000</u>	<u>\$ 5,981,300</u>

	2008			
	<u>Unrestricted</u>	Temporarily	Permanently	<u>Totals</u>
		<u>Restricted</u>	<u>Restricted</u>	
Less than one year	\$ 60,600	\$ 2,486,961	\$ 1,064,657	\$ 3,612,218
One to five years	4,800	2,634,778	107,270	2,746,848
Six years or greater		<u>2,000,000</u>		<u>2,000,000</u>
Gross pledges receivable	65,400	7,121,739	1,171,927	8,359,066
Present value discount	(400)	(1,249,639)	(9,727)	(1,259,766)
Allowance for uncollectible pledges	<u>(400)</u>	<u>(41,100)</u>	<u>(5,900)</u>	<u>(47,400)</u>
Pledges receivable (net)	<u>\$ 64,600</u>	<u>\$ 5,831,000</u>	<u>\$ 1,156,300</u>	<u>\$ 7,051,900</u>

The fair value of pledges receivable was determined using discount rates applicable to the year in which the pledge was established. Rates ranged from 2.54% to 5.10%.

Wright State University
Notes to Financial Statements
(Continued)

(16) Investment in Securities

The cost and fair value of the Foundation's investments, at June 30, 2009 and 2008, are as follows:

	2009		2008	
	Cost	Fair Value	Cost	Fair Value
Bonds	\$ 2,474,477	\$ 2,482,579	\$	\$
Mutual funds:				
Cash and equivalents	2,500,000	2,500,000		
Stocks	55,471,081	32,306,239	57,027,503	48,050,857
Bonds	22,916,884	21,717,218	30,603,366	31,460,669
Alternative assets	14,928,412	12,847,299	13,150,000	12,786,600
Totals	\$ 98,290,854	\$ 71,853,335	\$ 100,780,869	\$ 92,298,126

Net realized gains (losses) on sales of investments were (\$3,228,364) and \$10,026,863 for the years ended June 30, 2009 and 2008, respectively. Calculation of net realized gains on sales of investments is based on original cost.

WRIGHT STATE UNIVERSITY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009**

<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
STUDENT FINANCIAL ASSISTANCE CLUSTER:				
U.S. Department of Education Direct Programs:				
Federal Supplemental Educational Opportunity Grant	84.007			\$ 500,000
Federal Family Education Loans (Note B)	84.032			
Federal Work Study	84.033			940,830
Federal Perkins Loan (Note C)	84.038			
Federal Pell Grant	84.063			13,750,902
Academic Competitiveness Grant	84.375			558,140
National SMART Grant Program	84.376			<u>177,276</u>
Total U.S. Department of Education Direct Programs				<u>15,927,148</u>
U.S. Department of Health and Human Services Direct Programs:				
Loans to Disadvantaged Students (Note C)	93.342			
Health Professions Student Loans (Note C)	93.342			
Primary Care Loans (Note C)	93.342			
Nursing Student Loans (Note C)	93.342			
Total U.S. Department of Health and Human Services Direct Programs				<u> </u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER				<u>15,927,148</u>

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009**

<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
RESEARCH AND DEVELOPMENT CLUSTER				
U.S. Department of Education, Prime -				
RRTC on Substance Abuse, Disability, and Employment	84.133			\$ 527,928
U.S. Department of Education, Subcontract -				
Adapting Prevention Education for Youth with Disabilities	84.186	Ohio Department of Alcohol & Drug Addiction Services	99-2572-DFSCA-P-09-0953	34,278
Adapting Prevention Education for Youth with Disabilities	84.186	Ohio Department of Alcohol & Drug Addiction Services	COME-ADA-WP05D3	(1,692)
PALS Prevention Project 2008 - Preparing for Prevention Education in the Future	84.027	Ohio Department of Education	EDU01-0000001805	10,766
PALS Prevention Project 2009 - Preparing for Prevention Education in the Future	84.027	Ohio Department of Education	063123-2858-6550D-09	69,652
Total U.S. Department of Education, Subcontract				113,004
Total U.S. Department of Education				640,932
U.S. Department of Health and Human Services, Prime -				
3 alpha Enhancer Regulation by AhR and NF-kappaB/Rel Proteins	93.113			249,814
A Role for the Novel Nuclear Speckle Protein Son Maintaining Nuclear Speckle Integrity	93.859			11,767
ACE Balance in the Cardiovascular Complication of Diabetes	93.837			241,311
ADHD Collaborative Study	93.242			6,000
Adiposity, Disease Risk Factors, and Lifetime Health	93.865			1,628,738
Analysis of Interactions Between Rev and Microtubules	93.859			9,258
Analysis of the Human c-myc Gene Replication Origin	93.859			257,092
ARRA - 3 alpha Enhancer Regulation by AhR and NF-kappaB/Rel Proteins	93.701			730
ARRA - The Role of DNA Unwinding Element Binding Protein DUE B in DNA Replc.	93.701			18,887
Cell Volume Regulation in Neurons and Glia	93.853			2,383
Corticosterone and Hippocampal Learning During Development	93.242			36,269
Crack Cocaine and Health Services Use in Rural Ohio	93.279			(1,713)
Deciphering How MDMX Impacts the p53 Pathway	93.396			208,013
Development of Synaptic Inputs on Spinal Interneurons	93.853			310,689
Elucidate the Role of p63 in Prostate Cancer Progression	93.396			53,079
Fels Database Mining	93.262			5,692
Functional Assemblies of Motor Units	93.853			264,805
Gene Arch Human Craniofacial Complex	93.121			195,073
Genetic Analysis of Osteoporosis Risk Factors	93.846			455,464
Genetic and Environmental Influences on Childhood Growth	93.865			21,917
Genetic Architecture of the Baboon Craniofacial Complex	93.121			2,314
Genetic Epidemiology of BDA3 in an Endogamous Population	93.865			48,328
Genetic Epidemiology of CVD Risk Factors	93.837			70,735
Genetic Regulation of Adiposity and Associated CVD Risks	93.848			413,088
Genetic Somatic and Maturation Influences on Pediatric Skeletal Health	93.865			258,750
Identifying Placebo Responders in Drug Treated Subjects	93.242			25,027
Intracellular pH Responses of Central Chemoreceptors	93.838			296,579
Loss of Muscle Excitability in Acute Quadriplegic Myopathy	93.853			259,245
Mechanisms of Mammalian Neuronal Integration	93.853			240,453
Mechanisms of PLD Interaction with Kinases and Rac Role on Phagocyte Chemotaxis	93.837			332,110
Reducing Barriers to Drug Abuse Treatment Services	93.279			281,429
Regulation of Secretory Ion Channels in Colonic Crypts	93.848			296,258
Scabies: Biology Culture Host Specificity and Antigens	93.855			314,474
Semantics and Services Enabled Problem Solving Environment for Trypanosoma cruzi	93.837			281,560
Stress-Induced Sickness During Social Separation: Implications for Depression	93.242			100,970
Synaptic Function: Effects of the Nerve, Injury, Repair and Altered Activity	93.853			953,059
The Use of VSL#3 in Irritable Bowel Syndrome in Children	93.213			127,626
Trajectories of Illicit Pharmaceutical Opioid Use Among Young Adults in Ohio	93.273			480,380
Urban Heat Island and Human Mortality During Heat Waves: Role of Remote Sensing	93.061			(3,027)
Using Affymetrix Microarrays to Study Microflora Composition in Children with IBS	93.213			116,507
Visceral Adiposity: Genetic and Environmental Influences	93.848			245,373
Total U.S. Department of Health and Human Service, Prime				9,116,506
U.S. Department of Health and Human Services, Subcontract -				
Age-Related Services and Outcomes after DUI Interventions	93.273	University of Michigan	F014781	312,304
Ah Receptor and Endothelin-Dependent Hypertension	93.837	University of New Mexico	337J0	57,400
Benzodiazepine-Induced Glutamate Receptor Plasticity	93.279	University of Toledo	N2005-108	16,790
Benzodiazepine-Induced Glutamate Receptor Plasticity	93.279	University of Toledo	N2009-49	4,767
Bone Mineral Density in Childhood Study	93.061	Clinical Trials & Surveys Corp.	2006-01 BMDCS	76,758
Childhood Obesity and Sexual Maturation	93.865	Virginia Commonwealth University	PT102591-SC100720	65,291
Childhood Precursors for Adulthood Metabolic Syndrome	93.847	Virginia Commonwealth University	PT103155-SC101100	84,350
Cost Effectiveness of Interventions to Reduce Barriers to Drug Abuse Treatment	93.279	University of Arkansas	G280110936	9,386

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2009

<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
U.S. Department of Health and Human Services, Subcontract (Continued) -				
DCOP Fiscal Agency Federal	93.399	Dayton Clinical Oncology Program (DCOP)	2U10CA035090-27	\$ 88,942
DNA Replication Fork: Pausing, Recombination and Disease	93.849	Children's Hospital Research Foundation	03-031	(390)
Evaluation of OMH Capacity Building Program for Ohio Commission on Minority Health	93.006	Ohio Commission on Minority Health	SPG 09-03	9,670
Genetics of Infant Growth and Later Obesity	93.865	University of Minnesota	Q6636590102	77,941
Metabolomic Assessment of Estrogenic Endocrine Disruptor	93.113	Michigan State University	61-0707WS	161,034
Mouse Models of Gastrointestinal Cancer	93.396	Ohio State University	RF01133670/PROJECT 60016950	50,000
Neural Plasticity During Acclimatization to Hypoxia	93.838	University of California	PO 10253100	1,576
Patient Safety and the Primary Care Testing Process	93.226	University of Cincinnati	SRS 19243	6,532
Pharmacogenetics Research Network and Knowledge Base	93.859	Indiana University	PO 521307	9,970
Rare Liver Disease Network	93.140	Children's Hospital Association (The)	G07056	106,774
Rural Stimulant Use and Mental Health: Services and Outcomes	93.279	University of Arkansas	G270110504	133,330
South Carolina Linkage Programs for Inmates	93.928	University of South Carolina	81758(18190-FA01)	7,465
South Carolina Linkage Programs for Inmates	93.928	University of South Carolina	91893(18190-FA02)	37,971
State Epidemiological Outcome Workgroup (SEOW)	93.959	Ohio Department of Alcohol & Drug Addiction Services		85,928
Strengths Based Case Management for Positives	93.941	Montgomery County Combined Health District	RESOLUTION 08-406	17,731
The Genomic Psychiatry Cohort	93.242	University of Southern California	H39730	28,712
Total U.S. Department of Health and Human Service, Subcontract				1,450,232
Total U.S. Department of Health and Human Services				10,566,738
U.S. Department of Homeland Security, Subcontract -				
Intelligent Model Assisted Sensing System (iMass) for Fast and Accurate Nuclear	97.077	Purdue University	4112-25762	42,429
U.S. Department of Defense, Prime -				
A Joint WSU/AFRL Center for Advanced Power and Energy Conversion Research	12.800			221,395
A System for Developing and Testing Intelligent Displays and Trainers	12.800			20,860
An Evaluation of Therapeutic Effectiveness of Hyperbaric Oxygen Treatments on Child.	12.420			146,911
Analysis of Desert Sand	12.800			1,977
Analysis of Gene Expression of Cellular Exposure to Jet Fuel	12.800			99,366
Autonomic Biomarkers and Treatment for Gulf War Illness	12.420			168,812
Bioremediation of Chlorinated Ethenes in the Constructed Wetlands at WPAFB	12.800			79,550
Characterization of Hyperspectral Images for Automated Target Detection and Recog.	12.800			74,747
Collaborative Research on Multisensory Interaction	12.800			95,242
Complex Oxides	12.300			50,045
Culture and Cognition Lab (CCL)	12.800			(339)
Cyber-Based Turbulent Hydrogen Combustion Simulation	12.800			48,719
Decompositions of Biased Graphs and Flow-Coloring Duality for Imbedded Graphs	12.901			15,000
Defects in Wide-Gap Semiconductors for Electronic Applications	12.800			132,621
Design of a Persistent Agile Airborne Target Tracking System	12.800			34,368
Experimental Evaluation of Collaborating Teams (EECT)	12.800			31,402
Homeland Emergency Learning and Preparedness Center	12.800			206,686
Identification of Biomarkers using Machine Learning Algorithms	12.800			42,000
Intergovernmental Personnel Agreement - Harris	12.800			156,238
Intergovernmental Personnel Agreement - M Wolff	12.800			174,247
Pharmacokinetic Manipulation and Modeling of Trigger for JP-8-Induced Skin Irritation	12.800			119,270
Reliability-Based Multi-Disciplinary Design Optimization Tactical Scale Underwater Veh.	12.300			125,808
Research and Technical Support for the Culture and Cognition Laboratory (CCL)	12.800			165,708
Revised Space Fortress and Physiological Measures during Cognitive Processing	12.800			(21)
SEAP: An Accurate and Integrated Weight-of-Evidence Based System	12.431			124
Sequences and Signal Designs: A Mathematical Investigation	12.800			41,863
Tec ² Edge Academic Pipeline Program	12.800			1,744
Thermo-chemical Phenomena Simulation for Ablation	12.800			112,369
Use of Drugs with Enriched Pharmacology to Enhance Nerve Agent Treatment	12.800			186,128
Total U.S. Department of Defense, Prime				2,552,840
U.S. Department of Defense, Subcontract -				
3D Registration/Reconstruction and Video Tracking	12.800	General Dynamics Information Technology, Inc.	USAF-A581-60-SC-0001	24,398
Advanced Manufacturing Techniques for High-Efficiency Functional Gradient Solid Ox.	12.800	Optomec, Inc.	WO00750-2	130,176
AF083-153 Digital Synthesizer with Tuning Filter	12.800	RBS Technologies, LLC	PO 2008-153-1	4,140
An In-vitro Study of Skin Penetration Rates for NTAs	12.800	Battelle Laboratories	215013	1,058
Anti-jam ASIC for Handheld GPS	12.800	RBS Technologies, LLC	PO 2008-226-2	42,815
Applied Optimization Technical Support	12.800	Applied Optimization, Inc.	PO C-0019-A / FA8718-08-C-0019	3,160
Applied Optimization Technical Support	12.800	Applied Optimization, Inc.		7,142
ATR Center Task Order 0004	12.800	Ohio State University	RF01118253 PROJ 60017082	325,487
Automated Tool for Cognitive Cyber Weapon Selection Research	12.800	Ball Aerospace	S8006C-03 TO17	85,974
Beyond Ethnocentrism: Mapping Cognitive Differences for Mission Enhancement	12.800	Ball Aerospace	Z208100	11,729
Biomedical Instrumentation and Electronics Engineering Support	12.800	Universal Energy Systems Inc. (UES Inc.)		901

See notes to the Schedule of Expenditures of Federal Awards.

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WRIGHT STATE UNIVERSITY

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<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
U.S. Department of Defense, Subcontract (Continued) -				
Bioremediation of Chlorinated Ethenes in the Constructed Wetlands at WPAFB	12.800	Air Force Institute of Technology (AFIT)		\$ 19,752
Cell Signaling and Silk Research	12.800	AT&T Government Solutions Inc.	S000000396	109,694
Center for Automatic Target Recognition - IDIQ Contract	12.800	Ohio State University	PO RF011017 PROJECT 60013800	101,772
Center for Automatic Target Recognition - Research Infrastructure	12.800	Ohio State University	PO RF01107289 PROJ 60014869	44,476
Characterization of Electronic Device Materials	12.800	University of Dayton	RSC06029	816,302
Collaborative Proposal: Soft-Decision Cognitive Network	12.800	MacAulay-Brown, Inc.	MACB-06-D-0019 DO0010	41,884
Computational Analysis of Two SI Engines Running on Heavy Fuels	12.800	Innovative Scientific Solutions Inc.	SUB SB00609	2,265
CoolAID - C2 Tool for Actionable Information Display	12.800	21st Century Systems, Inc.	2008-WSU-001	24,764
Custom Synthesis of Intermediates for AFX Chromophores	12.800	Universal Technology Corporation	06-S568-009-C1	84,967
Deposition of AlN Optical Coatings	12.800	General Dynamics Information Technology, Inc.	F54080923SC15	1,655
Design and Analysis of Advanced Materials in a Thermal/Acoustic Environment	12.800	General Dynamics Information Technology, Inc.	USAF-3446-07-SC-0001	62,837
Developing a Framework for a Visual Alerting System for RFID Preventive Maintenance	12.800	Alien Technology Corporation	PO 28368	38,239
Developing a Portable Corrosion Detector for Inspecting Aircraft Structures	12.630	Photon-X, Inc.	PO 08-01029	2,818
Development of Human Operator Informatic Models by Utilizing Theoretical Models	12.800	Ball Aerospace	S80006C-02	19,999
Donors and Acceptors in Epitaxially Grown ZnO	12.300	Battelle Laboratories	TCN07275	1,445
Electronic/Optical and Electro-Optical Materials Research/Mixed-Signal Component	12.800	University of Dayton	RSC07019	197,800
Engine Component Design	12.800	Universal Technology Corporation	07-S530-0045-28-C1	32,633
Expanding Decision Support for Mobile Army Commanders	12.800	Alion Science and Technology	SUB1179363	68,979
Fabrication/Characterization and Testing of Graded Solid Oxide Fuel Cell Capacitor	12.800	Universal Energy Systems Inc. (UES Inc.)	PO S-745-49-MR010	548
Fate of Chemical Agents- Statistical Analysis of Data Support	12.800	General Dynamics Information Technology, Inc.	USAF-6001-03-SC-0002	51,692
Forecasting Aircraft Usage for Prognostics	12.800	University of Illinois	2006-02197-03 GRANT CODE A5274	12,367
High Speed Read Out Integrated Circuit for Optical Arrays	12.800	RNET Technologies	PO 2006-223-2	11,199
High-Performance/High-Security Wireless Network via Space-Time Coded Carrier Interf.	12.800	MRlets Technologies Inc.	PO1021 SBIR PHII TPC AF071-095	57,123
Human Performance Ontology (HPO)	12.800	Henry M. Jackson Foundation	SUB 0000184063	93,199
Human-Machine Interfaces for Coordination Decision Support in Tactical Settings	12.800	JXT Applications, Inc.	JXT-07-S-1000	39,893
InfoSciTex - ATEA	12.800	InfoSciTex	SUB 4000-S005	133,176
Integrated Operations Planning Capability Prototyping (IOPC-X)	12.800	SRA International Inc	S280000078 PROJ 12730.001.002	3,252
Integrated Sensing Control and Modeling for Agile Micro Air Vehicle (MAV) Platforms	12.800	Taitech, Inc.	TS08-31-001	22,791
Investigation of Candidate Features for Crack Detection in Fan and Turbine Disks	12.800	Universal Technology Corporation	08S530-0022-02C9/F3361502D2299	48,495
In-Vitro Toxicity of Engineered Nanomaterials	12.800	Henry M. Jackson Foundation	000206036	15,583
Low Pressure Turbine Aerodynamics	12.800	Universal Technology Corporation	08S530-0025-05C1/F3361502D2299	20,876
LSP for Reliable Fatigue Life	12.800	General Dynamics Information Technology, Inc.	TO USAF-3446-25-SC-0001	237,854
Mission Adaptable Chemical Spectrometer	12.800	Ohio State University	RF01085199 PROJ 60012324	12,431
Mobile-Agent-Based Autonomous Data Fusion for Distributed Sensors	12.300	Impact Technologies, LLC	SUB S1077A	76
Modeling and Simulation of Failure in Thermoset Polymers	12.800	AT&T Government Solutions Inc.	PO 8000001677	9,450
Modeling Simulation and Analysis Technologies	12.800	Science Applications International Corporation (SAIC)	4400154806 T002	(2)
Modeling Simulation and Analysis Technologies	12.800	Science Applications International Corporation (SAIC)	4400154807 T002	14,207
Multi-carrier Waveform Optimization for Electronic Warfare Countermeasures Develop.	12.800	MRlets Technologies Inc.	PO1020 SBIR PH1 TPIC AF073-070	30,000
Multimodal Imaging System for Ground-based IED Detection	12.800	Leonard Wood Institute	LW161125	63,806
Nanocontrast Agents	12.800	University of Dayton	RCS08053	12,736
New Electronic Warfare Specialists Through Advanced Research by Students	12.800	MacAulay-Brown, Inc.	MACB-06D0019 T08	158,697
NIRVANA Project	12.910	Spectral Energetics, Inc.		33,936
NMR Based Metabolomics in Toxicology Research	12.800	Henry M. Jackson Foundation	169167/132633	64,073
Novel Neuroprotectants for Sarin induced Neurotoxicity Post Exposure Rescue	12.800	Henry M. Jackson Foundation	CONTRACT 132708	285,987
Operational Leadership for TecEdge Activities	12.800	Wright Brothers Institute Inc. (The)	WBSC 9023 WSU-VH MOD6	70,174
Operationally-relevant Scenario Development to Eval. Multisensory Display Concepts	12.800	Ball Aerospace	PO#S80006C-01 T004	206,955
Operations Support Center (OSC) of TecEdge	12.800	Wright Brothers Institute Inc. (The)	WBSC 9023 WSU DRP	100,270
Plasma Modeling Program	12.800	Universal Technology Corporation	04-S529-002-01-C1	77,038
Portraying Meta-Information to Support Net-centric Command and Control	12.800	Charles River Analytics Inc.	SC0805602(ERMINE) PO#20090064	17,472
Power Line Urban Sentry (PLUS) Inductive Core and Recharging Research	12.800	Defense Research Associates, Inc.	PO 2009018	3,981
RF ASIC for GPS	12.800	RBS Technologies, LLC	PO 2008-074-1 FA8650-08-M-1347	29,272
Risk Based Design of Air Vehicle Structures	12.800	University of Illinois	2006-02197-01 GRANT CODE A5274	112,212
SAVig Collaboration Case Study	12.800	Wright Brothers Institute Inc. (The)	WBSC 9023 WSU-VH FA86500639023	9,176
Sensory Aided Vigilance Environment	12.800	Aptima, Inc.	0475-1300	13,887
Single Ionic Conducting Polymer Electrolyte	12.800	University of Dayton	RSC05006: 3035-07-0802	67,023
System for Information and Meta-information Portrayal of Lessons-learned (SIMPL)	12.800	Aptima, Inc.	0516-1452	9,121
TecEdge Academic Pipeline Program	12.800	Ohio State University	PO RF01162449 / PROJ 60017082	152,849
TecEdge Academic Pipeline Program	12.800	Science Applications International Corporation (SAIC)	4400154808	8,784
TecEdge Knowledge Management	12.800	Wright Brothers Institute Inc. (The)	WBSC 9023 WSU-KM	24,284
Terahertz Standoff Sensing of Vital Signs	12.431	EOIR Technologies	G6007273	6,358
Terahertz Standoff Sensing of Vital Signs	12.431	EOIR Technologies	G6009245	94,205
Therapeutics for Viral Agents	12.800	Henry M. Jackson Foundation	164993	6,634
Thermal Management of Next-Generation Power Electronics for More-Electric Aircraft	12.800	Universal Technology Corporation	04-S530-003-702-C1	22,959
Trusted Semantic Sensor Network - Phase I	12.800	Science Applications International Corporation (SAIC)	SUB 4400163591	6,868
Trusted Semantic Sensor Web	12.800	Science Applications International Corporation (SAIC)	SUB4400157825 FA8650-06-D-4406	126,000
Turbine Engine Component Design	12.800	Universal Technology Corporation	09-S590-0009-19-C1	94,280
Urban Vigilance using Layered Sensing	12.800	Gitam Technologies, Inc.		21,514
Use of Epitope Directed Nanobodies as Passive Immunotherapeutic Agents	12.800	Henry M. Jackson Foundation	162150	55,683
Wright Brother's Institute - Innovation and Collaboration Rapid Prototyping Environment	12.800	Wright Brothers Institute Inc. (The)	WBSC 9028 WSU	157,023
Wright State University - AFRL - Institute Valuation Model	12.800	Wright Brothers Institute Inc. (The)	WBSC 9023 WSU-IV	10,806
Total U.S. Department of Defense, Subcontract				5,247,534

See notes to the Schedule of Expenditures of Federal Awards.

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WRIGHT STATE UNIVERSITY

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<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
Total U.S. Department of Defense				<u>\$ 7,800,374</u>
U.S. Department of Energy, Prime -				
Multiscale Reactive Trans in Processes Related to CO2 Sequestration: Nanoscale	81.049			<u>110,151</u>
U.S. Department of Energy, Subcontract -				
Defect Chemistry Study of Nitrogen Doped ZnO Thin Films	81.049	Miami University		<u>56,512</u>
Reservoir Characterization of the Dominion North Canton Storage Field (NCSF)	81.049	Ohio River Clean Fuels, LLC		<u>52,789</u>
Total U.S. Department of Energy, Subcontract				<u>109,301</u>
Total U.S. Department of Energy				<u>219,452</u>
U.S. Department of Interior, Subcontract -				
Remote Sensing Technology Application to Estimation of ET in the Western USA	15.504	Central State University	PO 0047928	<u>24,709</u>
U.S. Department of Transportation, Prime -				
Innovative Winter Maintenance Material Inventory Management and Processes	20.205			<u>46</u>
U.S. Environmental Protection Agency, Prime -				
Allelopathy as an Invasive Mechanism for the Invasive Plant Alliaria Petiolata	66.513			<u>2,426</u>
Defining and Predicting PCB Fluxes and their Ecological Effects in Stream and River	66.509			<u>97,320</u>
Degradation Potential of Chlorinated Ethenes in the Rhizosphere of Wetland Plants	66.513			<u>17,788</u>
Expression of Microbial Genes Involved in the Reductive Dehalogenation of PCE	66.513			<u>3,520</u>
Total U.S. Environmental Protection Agency, Prime				<u>121,054</u>
U.S. Environmental Protection Agency, Subcontract -				
Monitoring Nutrients and Flow in the Little Miami River Watershed	66.510	Ohio State University	RF01090446 PROJ 600009065	<u>4,585</u>
Total U.S. Environmental Protection Agency				<u>125,639</u>
National Aeronautics and Space Administration, Prime -				
Analysis and Modeling of Martian Electron Density Profiles Returned from Spacecraft	43.001			<u>50,862</u>
Computational Investigation of the NEXT Ion Engine Discharge Chamber	43.001			<u>20,960</u>
Coupled Models of Planetary Thermospheres/Ionospheres	43.001			<u>121,184</u>
Monte Carlo Calculations of Hot and Escaping Atoms from Mars	43.001			<u>69,740</u>
Physics-Based Analysis of Flapping-Wing Micro-Air Vehicles (MAV)	43.001			<u>3,821</u>
Production Rates of Thermal-Energetic and Excited Atoms in Martian Thermosphere	43.001			<u>21,946</u>
The Software Defined Radio Based Wireless Tracking and Transmission System	43.001			<u>8,355</u>
Total National Aeronautics and Space Administration, Prime				<u>296,868</u>
National Aeronautics and Space Administration, Subcontract -				
A Nonlinear Adaptive Approach to Isolation of Sensor Faults and Component Faults	43.001	Impact Technologies, LLC	S08-1034A	<u>20,764</u>
Bi-Metallic Catalyst/Nano-Ceria Composite Anode for Military Fuel Cells	43.001	Ohio Space Grant Consortium		<u>3,841</u>
Total National Aeronautics and Space Administration, Subcontract				<u>24,605</u>
Total National Aeronautics and Space Administration				<u>321,473</u>
National Science Foundation, Prime -				
A National Model for Engineering Mathematics Education	47.076			<u>302,992</u>
A Revolution in NMR Applications Using Optimal Control Theory	47.049			<u>63,055</u>
Acquisition of Genomics Instrumentation for Evolutionary Ecological and Environmental	47.074			<u>(253)</u>
Applying Critical Path Analysis to find Hydraulic Conductivity of Realistic Geologic	47.050			<u>6,624</u>
Biomedical, Industrial and Human Factors Engineering Design Projects	47.041			<u>32,310</u>
CAREER: Evolvable Hardware Neuromorphic Computational Devices for Sensing	47.070			<u>19,393</u>
Collaborative Proposal: ITR-SemDIS: Discovering Complex Relationships in Semantic	47.041			<u>30,311</u>
Collaborative Research on Reactive Transport Modeling: Spatial Cross-Correlation	47.050			<u>46,719</u>
Collaborative Research: A GEOTRACES Inter-calibration of Collection Handling	47.050			<u>20,678</u>
Collaborative Research: Adaptive Radiation of a Gall Midge-Fungus Mutualism	47.074			<u>110,718</u>

See notes to the Schedule of Expenditures of Federal Awards.

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WRIGHT STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2009

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RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
National Science Foundation, Prime (Continued) -				
Collaborative Research: Mercury Biogeochemistry on the Continental Shelf and Slope	47.050			\$ 65,519
Collaborative Research: Caterpillars and Parasitoids in the Eastern Andes of Ecuador	47.074			21,113
Collaborative Research: Coasts in Motion: Quantifying the Patterns of Coastal Change	47.050			47,926
Collaborative Research: Consumer Control of High-Productivity/Low-Nutrient Ecosystem	47.074			1,127
Dispersion in Heterogeneous Porous Media through Advection	47.050			29,757
Endocrine Activity and the Ontogeny of Social Interactions and Bonding	47.074			95,962
GOALI: A Modeling Base for Process Development of Electron Beam Manufacturing	47.041			49,448
High-Performance Computing to Evaluate Hierarchical Heterogeneity Paradigms	47.050			22,771
In the Footsteps of Katharine Wright: Promoting STEM Women through LEADER	47.076			172,860
Modeling Hierarchical Aquifer Architecture from Centimeter to Kilometer Scales	47.050			25,835
New Algebraic Techniques for Constructing Sequences and Arrays with Good Correl.	47.070			38,856
Reflector Problem: Equations of Monge-Ampere Type and Fully Nonlinear Equations	47.049			702
REU Supplement: Biomedical, Industrial and Human Factors Engineering Design Proj.	47.041			2,031
REU Supplement: Collaborative Research: Putting the Lake Back Together	47.074			32,614
RI-Small: Exploiting Syntactic, Semantic and Lexical Regularities in Statistical Lang.	47.070			59,336
RUI: Aquaporins and Osmoregulation in a Freeze-Tolerant Amphibian	47.074			144,958
RUI: The Paradox of Cellular Ca Homeostasis During Vectorial Trans	47.074			141,468
SGER: III-SGER Spatio - Temporal - Thematic Queries of Semantic Web Data	47.070			12,017
Simulation of Coil Wedge Effects in Sheet Rolling	47.041			34,112
U.S. Egypt Science & Technology Program	47.049			12,043
Total National Science Foundation, Prime				1,643,002
National Science Foundation, Subcontract -				
A Learning Progression for Scientific Modeling	47.076	Northwestern University	0830 310 A600 1339	56,488
Electrical Activity of the ZnO Surface	47.049	Ohio State University	PO RF01123734 / PROJ60014920	53,437
Electroanalytical Inquiry-Based Modular Sensor Development	47.049	Ohio State University	RF01046299 PROJ 60004660	30,021
Embodiment Awareness: Mathematics and the Blind	47.070	Virginia Polytechnic Institute and State University	CR 19553-477271	8,493
Intelligent Model Assisted Sensing System (iMass) for Fast and Accurate Nuclear	47.041	Purdue University	4101-20581	60,362
Track 1 GK-12: Inquiry-based Approaches to Earth System Science	47.076	Kent State University	442188-P8051318	1,373
Total National Science Foundation, Subcontract				210,174
Total National Science Foundation				1,853,176
U.S. Department of Agriculture, Subcontract -				
Phytochemical Basis of Inter- and Intra-Specific Variation in Resistance of Ash	10.025	Ohio State University	RF01076074 PROJ60008439	9,683
U.S. Department of Veterans Administration, Prime -				
Systems Engineering Analysis of Surgery Consultation Process: Virtual Consultation	64.103			70,210
Other Federal Agencies, Subcontract -				
RFID - Enabled Dispatch Verification System and WCI Support	59.006	Dayton Development Coalition, Inc	SBAHQ-05-I0071	147
TOTAL RESEARCH AND DEVELOPMENT CLUSTER				21,675,008
U.S. Department of Education Direct Programs -				
A Collaborative University Approach to Training in Adapted Physical Education	84.325	Ohio State University	PO RF00941097	4,071
Capacity Building Faculty Support Grant FY07/08	84.048	Ohio Department of Education	VEPD-CB-08-666627	1,157
Capacity Building Faculty Support Grant FY08/09	84.048	Ohio Department of Education		44,333
Child Care Subsidy and Promoting Positive Relationships Program	84.335	U.S. Department of Education	P335A 060393	79,315
China's Re-Emergence Educating Informing and Engaging Ohioans in Asian Century	84.016	U.S. Department of Education	PO16A080070-09	76,315
Computational Science Programming and Algorithms: Workplan for Course Develop.	84.215	Ohio Supercomputer Center	PO RF01087883 / PROJ60011149	2,992
Create a Classroom that Moves!	84.215	Xenia Community School District	PO 70438	1,532
Dissemination of a Mixed Model for Promoting Substance Use Disorder Screening	84.305	Southwest Educational Development Laboratory	54095	2,118
Evaluation of the Springfield Students and Families Engaged (SSAFE) Program	84.184	Springfield City School District		49,089
Evaluation of the Springfield Students and Families Engaged (SSAFE) Program	84.184	Springfield City School District	Q184L050365	112,811
Life Sci and Physical Science Professional Development Project Grades 6-12	84.367	Ohio Board of Regents - Title II	08-43	4,006
Life Sci, Phys Science and Mathematics Professional Development Project Grades 6-11	84.367	Ohio Board of Regents - Title II		(17,907)
Life Sci, Phys Science and Mathematics Professional Development Project Grades 6-11	84.367	Ohio Board of Regents - Title II	GRANT 07-43	101,009
Partners in Integrated Earth Systems Science (PIES)	84.367	Ohio Board of Regents - Title II	06-44	1,000
Partners in Integrated Earth Systems Science (PIES)	84.367	Ohio Board of Regents - Title II	07-42	76,518
Partners in Integrated Earth Systems Science (PIES)	84.367	Ohio Board of Regents - Title II	08-42	2,918
Prevention Through Alternative Learning Styles (PALS) Training	84.186	University of Cincinnati		11,085
Project KNOTT: Strengthening Systems Capacity Collaboratively	84.035	Ohio State University	RF01097285 PROJ 60012518	24,818

See notes to the Schedule of Expenditures of Federal Awards.

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Federal Grant/Pass Through Grant/Program Title	Federal CFDA Number or Primary Grant Number	Pass-through Agency	Pass-through Agency Number	Expenditures
U.S. Department of Education Direct Programs (Continued) -				
Science and Math Academics for Teachers through EXCEL	84.366	Ohio Department of Education	CI667-OMAP-08-01	\$ 115,251
Science and Math Academics for Teachers through EXCEL	84.366	Ohio Department of Education	CI667-OMAP-09-09	374,343
The Wright Intervention	84.325	U.S. Department of Education	H325T080039	58,256
U.S. Brazil Consortia for Biomedical Sciences Exchange	84.116	Wake Forest University	WFUHS 11420	11,597
Upward Bound: Building Successful Futures	84.047	U.S. Department of Education	P047A070520-09	<u>246,778</u>
Total U.S. Department of Education Direct Programs				<u>1,383,405</u>
U.S. Department of Health and Human Services, Prime -				
Academic Administrative Unit Pediatrics	93.884			32,373
Academic Administrative Units in Primary Care	93.884			163,823
BEACON: Accelerated BSN for Baccalaureate Graduates	93.359			25,183
Brothers to Brothers/Sisters to Sisters	93.243			29,527
CCOE Dual Diagnosis MIMR	93.958			77,673
Child Welfare Workforce Professional Education Program	93.658			114,416
Deaf Off Drugs and Alcohol e-Therapy Using Community Networks	93.243			550,020
Hard Court	93.630			577
Healthy Brothers - Healthy Sisters	93.243			119,711
Our Women's Health Promotion Project	93.243			84,626
PECE-PACT: Parents Early Childhood Education/Positive Action Choices Training	93.959			69,861
Professional Nurse Traineeship	93.358			63,666
Scholarships for Disadvantaged Students (Medicine)	93.925			46,278
Short-Term Training for Minority Students (STREAMS)/WSU	93.837			103,136
Sisters of Solidarity (SOS)	93.941			302,091
Testing and Demonstrations of the National Health Information Network Trial	93.978			129,969
The Community Health Initiative	93.243			252,282
The Many Room Project	93.243			45,435
The Mount Olive One-Stop Center	93.243			486,408
WSU Cage Wash Renovation and Improvement	93.389			<u>4,308</u>
Total U.S. Department of Health and Human Services, Prime				<u>2,701,363</u>
U.S. Department of Health and Human Services, Subcontract -				
ACC Emergency Preparedness	93.889	Ohio Department of Health	PREV-30342/DOH01-00009938/9939	1,521,231
CCOE Dual Diagnosis MIMR	93.630	Ohio Developmental Disabilities Council	04-8/08	2,140
CCOE Dual Diagnosis MIMR	93.630	Ohio Developmental Disabilities Council	04-8/09	31,338
Consulting Services to Health Policy Institute of Ohio	93.061	Health Policy Institute of Ohio	30-312-0211557	62,260
DCOP Fiscal Agency Renewal (06/04 - 05/09)	93.399	Dayton Clinical Oncology Program (DCOP)	5U10CA035090-26	908,173
Improving Ohio's Psychiatric Workforce through Collaboration with WSU Dept of Psych.	93.958	Ohio Department of Mental Health	MDO-133-09-01	129,999
Kinship Navigator Consortium	93.130	Montgomery County Children Services	CE 800106 / RESOL 08-0318	61,738
Kinship Navigator Consortium	93.130	Montgomery County Children Services	CE 90014	64,228
Project SEEK	93.230	Center for Health Care Services		(6)
Ryan White Planning & Evaluation	93.994	Lucas County Regional Health District		1,500
Ryan White Planning & Evaluation	93.994	Public Health Dayton and Montgomery County	08-275/DC800358,DC900045	1,500
Training of Licensed Health Care Professionals in Basic and Advanced Disaster	93.889	Ohio Department of Health	CSP905008	<u>32,585</u>
Total U.S. Department of Health and Human Services, Subcontract				<u>2,816,686</u>
Total U.S. Department of Health and Human Services				
				<u>5,518,049</u>
U.S. Department of Homeland Security, Prime -				
FEMA Category B Damage from Hurricane Ike in 2008	97.036			9,381
FEMA Category E Equipment Damage from Hurricane Ike in 2008	97.036			26,873
Snow Emergency Removal	97.036			<u>24,605</u>
Total U.S. Department of Homeland Security, Prime				<u>60,859</u>
U.S. Department of Homeland Security, Subcontract -				
Hurricane Wind 2008 Debris Removal	97.036	Ohio Emergency Management Agency	PA-05-OH-1805-PW-00797	<u>32,482</u>
Total U.S. Department of Homeland Security				<u>93,341</u>
U.S. Department of Defense, Prime -				
NASIC In Digital Signal Processing and Modern Signal Analysis Techniques	12.800			14,979
Uniform Commutation Allowance	12.800			<u>18,778</u>
Total U.S. Department of Defense, Prime				<u>33,757</u>

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2009

<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
U.S. Department of Defense, Subcontract -				
Graduate Research Assistant Support - Kolawole	12.800	Central State University	PO 0046390	\$ 17,444
Science, Mathematics and Research for Transformation (SMART) Defense Scholarship	12.800	American Society for Engineering Education		<u>26,286</u>
Total U.S. Department of Defense, Subcontract				<u>43,730</u>
Total U.S. Department of Defense				<u>77,487</u>
U.S. Department of Labor, Prime -				
Survey of Employer Engagement with Ohio's Workforce Development System	17.268			1,920
Western Ohio Training Consortium	17.269			<u>114,073</u>
Total U.S. Department of Labor, Prime				<u>115,993</u>
U.S. Department of Labor, Subcontract -				
Community Based Job Training Grant: The Skills Trac at Edison Community College	17.269	Edison Community College	PO024180	<u>7,679</u>
Total U.S. Department of Labor				<u>123,672</u>
U.S. Department of Housing and Urban Development, Prime -				
Analysis of Impediments to Fair Housing for Montgomery County, Dayton and Kettering	14.218			<u>25,230</u>
National Aeronautics and Space Administration, Prime -				
Aerospace Medicine Training for the Era of Moon, Mars and Beyond	43.001			580,249
Ohio Space Grant Consortium Campus Allocation	43.001			1,118
Ohio Space Grant Consortium Scholars Program	43.001			3,000
Ohio Space Grant Consortium Scholarship and Fellowship Program	43.001			<u>2,167</u>
Total National Aeronautics and Space Administration, Prime				<u>586,534</u>
National Aeronautics and Space Administration, Subcontract -				
Ohio Space Grant Consortium Campus Allocation	43.001	Ohio Space Grant Consortium		9,042
Ohio Space Grant Consortium Scholarship and Fellowship Program	43.001	Ohio Space Grant Consortium		19,000
Student BalloonSat Program	43.001	Ohio Space Grant Consortium	OSGC REF NO 051326	<u>389</u>
Total National Aeronautics and Space Administration, Subcontract				<u>28,431</u>
Total National Aeronautics and Space Administration				<u>614,965</u>
National Endowment for the Humanities Prime -				
Time Cubed	45.129			<u>1,000</u>
National Endowment for the Humanities: Institute of Museum and Library Services, Prime -				
Digital Fluency for Disadvantaged Youth with Limited Access to Technology	45.310			<u>2,012</u>
National Endowment for the Humanities: Institute of Museum and Library Services, Subcontract -				
Libraries Connect Ohio Resources Sharing Project	45.310	State Library of Ohio		<u>1,467,414</u>
Total National Endowment for the Humanities: Institute of Museum and Library Services				<u>1,469,426</u>
National Science Foundation, Prime -				
A National Model for Engineering Mathematics Education	47.076			143,865
Collaborative Proposal: CCLI-EMD-A WWW Based Autonomous Robotics Practicum	47.076			23,421
Enhancing Integrated Technology and Interdisciplinary Based Engineering Education	47.076			18,632
Evolvable Wireless Laboratory Design and Implementation	47.076			39,023
IGERT: An Interdisciplinary Initiative on Technology Based Learning with Disability	47.076			598,443
RDE-RAD: Collaborative Research: Ohio's STEM Ability Alliance (OSAA)	47.076			68,534
STEP: Gateway into First-year STEM Curricula: A Comm. College/University Collab.	47.076			<u>233,705</u>
Total National Science Foundation, Prime				<u>1,125,623</u>

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009**

<u>Federal Grant/Pass Through Grant/Program Title</u>	<u>Federal CFDA Number or Primary Grant Number</u>	<u>Pass-through Agency</u>	<u>Pass-through Agency Number</u>	<u>Expenditures</u>
National Science Foundation, Subcontract -				
Computational Science Educational Materials	47.041	Capital University	0618252	\$ 4,985
Delivering On-Line Professional Development Courses to a New Population of K-12	47.050	Institute for Global Environmental Strategies Inc. (The)	PO 071035	6,447
LSAMP Bridge Program	47.076	Ohio State University	PO RF00982478/PROJ 745933	<u>34,134</u>
Total National Science Foundation, Subcontract				<u>45,566</u>
Total National Science Foundation				<u>1,171,189</u>
Small Business Administration, Subcontract -				
Small Business Development Center FY08-SBA	59.037	Edison Materials Technology Center (EMTEC)		23,662
Small Business Development Center FY09-SBA	59.037	Ohio Department of Development	EDD 09-175	<u>129,320</u>
Total Small Business Administration				<u>152,982</u>
U.S. Department of Transportation, Prime -				
Public and Social Service Transportation Curriculum and Internship Program	20.215			<u>3,473</u>
U.S. Department of Veterans Administration, Prime -				
Leadership Skills for VA Supervisors	64.018			8,247
VISN 10 Caregiver Assistance Pilot Project	64.115			<u>16,871</u>
Total U.S. Department of Veterans Administration				<u>25,118</u>
Other Federal Agencies, Subcontract -				
Great Cities Great Service Consortium	94.005	Corporation for National & Community Service		<u>2,551</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 48,264,044</u>

See notes to the Schedule of Expenditures of Federal Awards.

WRIGHT STATE UNIVERSITY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2009

A. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") has been prepared using the accrual basis of accounting in accordance with the format as set forth in Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, issued by the United States Office of Management and Budget. The Schedule reflects the expenditures of Wright State University under programs financed by the U.S. government for the year ended June 30, 2009.

For purposes of the Schedule, expenditures of federal awards include the following:

- Direct federal awards
- Pass-through funds received from non-Federal organizations made under federally sponsored programs conducted by those organizations.

Awards are classified into major program and non-major program categories in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Catalog of Federal Domestic Assistance (CFDA) Numbers or Primary Grant Numbers are presented for those programs for which such numbers are available.

B. FEDERAL FAMILY EDUCATION LOANS

Federal Family Education Loans (Federal CFDA Number 84.032) processed for students by the University during the year ended June 30, 2009, are summarized as follows:

Federal Subsidized Stafford Loans	\$ 40,448,272
Federal Unsubsidized Stafford Loans	52,319,254
Federal Parental Loans for Undergraduate Students (PLUS)	<u>9,137,422</u>
	<u>\$ 101,904,948</u>

The University is responsible only for the performance of certain administrative duties with respect to the Federal Family Education Loan programs and, accordingly, these loans are not included in the university's financial statements.

C. FEDERAL LOAN PROGRAMS

The University administers the following federal loan programs:

	CFDA Number	Outstanding Balance at June 30, 2009
Federal Perkins Loan Program	84.038	\$ 14,399,030
Loans to Disadvantaged Students	93.342	359,630
Health Professions Student Loan Program	93.342	14,869
Nursing Student Loan Program	93.364	913,731
Primary Care Loan Program	93.342	3,068,486

Total loan expenditures and disbursements of the U.S. Department of Education and the Department of Health and Human Services student financial assistance loan programs for the fiscal year are identified below:

	CFDA Number	Disbursements
Federal Perkins Loan Program	84.038	\$ 1,832,491
Loans to Disadvantaged Students	93.342	37,086
Nursing Student Loan Program	93.364	61,169
Primary Care Loan Program	93.342	865,293

D. Subrecipients

Of the federal expenditures presented in the Schedule, the University provided federal awards to subrecipients as follows:

Subrecipient Name	CFDA No.	Program Title	Expenditures
Australian National University	93.853	Mechanisms of Mammalian Neuronal Integration	\$ 53,550
Australian National University			53,550
California Baptist University	47.076	A National Model for Engineering Mathematics Education	33,320
California Baptist University			33,320
California State University, Long Beach	47.076	A National Model for Engineering Mathematics Education	6,393
California State University, Long Beach			6,393
Central State University	47.076	In the Footsteps of Katharine Wright: Promoting STEM	11,227
Central State University			11,227
Chantilly High School	47.076	A National Model for Engineering Mathematics Education	27,710
Chantilly High School			27,710
Combined Health District	93.243	The Community Health Initiative	6,457
Combined Health District	93.941	Sisters of Solidarity (SOS)	206
Combined Health District			6,663
CSD of Ohio, Inc	93.243	Deaf Off Drugs and Alcohol e-Therapy	34,286
CSD of Ohio, Inc			34,286
Darke County Educational Svc Ctr	84.366	Science and Math Acad for Teachers through EXCEL	324
Darke County Educational Svc Ctr			324
daytaOhio	12.800	Collaborative Research on Multisensory Interaction	5,850
daytaOhio			5,850
Dayton Urban League	93.243	The Community Health Initiative	15,820
Dayton Urban League	93.243	The Mount Olive One-Stop Center	15,000
Dayton Urban League			30,820
Deaf Community Resource Center, Inc	93.243	Deaf Off Drugs and Alcohol e-Therapy	104,901
Deaf Community Resource Center, Inc			104,901
Emory University	93.853	Functional Assemblies of Motor Units	36,162
Emory University	93.853	Loss of Muscle Excitability in Acute Quadr Myopathy	37,769
Emory University	93.853	Synaptic Function: Effects of the Nerve, Injury, Repair	19,491
Emory University			93,422
EMTEC	59.037	Small Business Development Center FY09-SBA	3,446
EMTEC			3,446
Interpreters of the Deaf, LLC	93.243	Deaf Off Drugs and Alcohol e-Therapy	61,221
Interpreters of the Deaf, LLC			61,221
Kenyon College	47.074	RUI: The Paradox of Cellular Ca Homeostasis	14,934
Kenyon College			14,934
Middendorf Scientific Services Inc	12.800	Collaborative Research on Multisensory Interaction	19,200
Middendorf Scientific Services Inc			19,200
Mini University Inc.	84.335	Child Care Subsidy and Promoting Positive Relationships	35,044
Mini University Inc.			35,044
New York Univ Schl of Med.	93.242	Identifying Placebo Responders in Drug Treated Subjects	11,192
New York Univ Schl of Med.			11,192
Ohio SBDC at Edison State	59.037	Small Business Development Center FY09-SBA	20,532
Ohio SBDC at Edison State			20,532
Ohio SBDC at The Entrepreneurs Ctr	59.037	Small Business Development Center FY09-SBA	22,500
Ohio SBDC at The Entrepreneurs Ctr			22,500
Oklahoma Christian University	47.076	A National Model for Engineering Mathematics Education	28,732
Oklahoma Christian University			28,732

D. Subrecipients (Continued)

Oklahoma State University	47.076	A National Model for Engineering Mathematics Education	17,682
Oklahoma State University			17,682
Public Health Dayton and Mont. Cty	93.243	The Community Health Initiative	14,840
Public Health Dayton and Mont. Cty	93.243	The Mount Olive One-Stop Center	13,979
Public Health Dayton and Mont. Cty	93.941	Sisters of Solidarity (SOS)	30,047
Public Health Dayton and Mont. Cty			58,866
Rehabilitation Institute of Chicago	84.133	RRTC on Substance Abuse, Disability, and Employment	29,593
Rehabilitation Institute of Chicago			29,593
San Antonio College	47.076	A National Model for Engineering Mathematics Education	11,516
San Antonio College			11,516
Sinclair Community College	47.076	STEP: Gateway into First-year STEM Curricula	12,242
Sinclair Community College			12,242
Southwest Foundation for Biomed. Rsrch	93.121	Genetic Architecture of the Baboon Craniofacial Complex	966
Southwest Foundation for Biomed. Rsrch	93.846	Genetic Analysis of Osteoporosis Risk Factors	291,441
Southwest Foundation for Biomed. Rsrch	93.848	Genetic Regulation of Adiposity and Associated CVD	93,389
Southwest Foundation for Biomed. Rsrch	93.865	Genetic and Environmental Influences on Childhood	17,919
Southwest Foundation for Biomed. Rsrch			403,714
Springfield SBDC Inc	59.037	Small Business Development Center FY09-SBA	28,532
Springfield SBDC Inc			28,532
Stanford University	93.837	Semantics and Services Enabled Problem Solving Environ	81,009
Stanford University			81,009
Texas A&M University	66.509	Defining and Predicting PCB Fluxes and their Eco Effects	50,526
Texas A&M University			50,526
The Ohio State University	47.076	STEP: Gateway into First-year STEM Curricula	17,472
The Ohio State University	84.133	RRTC on Substance Abuse, Disability, and Employment	95,198
The Ohio State University			112,670
The University of Texas at El Paso	47.076	A National Model for Engineering Mathematics Education	36,433
The University of Texas at El Paso			36,433
Trustees of Dartmouth College	84.133	RRTC on Substance Abuse, Disability, and Employment	11,720
Trustees of Dartmouth College			11,720
University at Buffalo	47.050	Collaborative Research on Reactive Transport Modeling	30,099
University at Buffalo			30,099
University Medical Services Assoc.	84.133	RRTC on Substance Abuse, Disability, and Employment	42,447
University Medical Services Assoc.			42,447
University of Cincinnati	47.076	A National Model for Engineering Mathematics Education	1,711
University of Cincinnati			1,711
University of Dayton	47.074	RUI: Aquaporins and Osmoregulation	25,986
University of Dayton	47.076	In the Footsteps of Katharine Wright: Promoting STEM	29,126
University of Dayton	84.366	Science and Math Acad for Teachers through EXCEL	97,142
University of Dayton			152,254
University Of Dayton Research	84.366	Science and Math Acad for Teachers through EXCEL	38,563
University Of Dayton Research	84.367	Life Science, Physical Science and Mathematics	(16,830)
University Of Dayton Research			21,733
University of Georgia	93.837	Semantics and Services Enabled Problem Solving Environ	98,193
University of Georgia			98,193
University of Minnesota	93.848	Visceral Adiposity: Genetic and Environmental Influences	88,378
University of Minnesota			88,378
University of San Diego	47.076	A National Model for Engineering Mathematics Education	21,980
University of San Diego			21,980
University of South Florida	93.838	Intracellular pH Responses of Central Chemoreceptors	95,466
University of South Florida			95,466

D. Subrecipients (Continued)

University of Texas at San Antonio	47.076	A National Model for Engineering Mathematics Education	7,762
University of Texas at San Antonio			7,762
University of Toledo	47.076	A National Model for Engineering Mathematics Education	46,501
University of Toledo			46,501
University of Tulsa	47.076	A National Model for Engineering Mathematics Education	8,986
University of Tulsa			8,986
Wake Forest Univ Health Sciences	93.837	Genetic Epidemiology of CVD Risk Factors	34,750
Wake Forest Univ Health Sciences			34,750
Washington State University	47.076	A National Model for Engineering Mathematics Education	1,348
Washington State University			1,348
Western Michigan University	47.076	A National Model for Engineering Mathematics Education	17,223
Western Michigan University			17,223
Wright State Physicians	93.243	Deaf Off Drugs and Alcohol e-Therapy	30,283
Wright State Physicians	93.243	The Community Health Initiative	38,453
Wright State Physicians	93.243	The Mount Olive One-Stop Center	18,440
Wright State Physicians			87,176
Grand Total			<u><u>\$ 2,235,777</u></u>

* * * * *



Crowe Horwath LLP
Independent Member Crowe Horwath International

REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
of Wright State University
Dayton, Ohio

We have audited the financial statements of Wright State University as of and for the year ended June 30, 2009, and have issued our report thereon dated the same date as this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Wright State University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wright State University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Wright State University's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

(Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. We noted certain matters that we reported to management of Wright State University in a separate letter dated October 15, 2009.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wright State University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Trustees, federal awarding agencies and pass-through entities and others within the entity, and the State of Ohio Office of the Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio
October 15, 2009



Crowe Horwath LLP
Independent Member Crowe Horwath International

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Trustees
of Wright State University
Dayton, Ohio

Compliance

We have audited the compliance of Wright State University (the "University") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Wright State University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 09-01.

(Continued)

Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as an item 09-01 to be a control deficiency. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We noted certain matters that we reported to management of Wright State University in a separate letter dated October 15, 2009. The University's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the University's response and, according, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the entity, the Office of the Auditor of State of Ohio, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio
October 15, 2009

WRIGHT STATE UNIVERSITY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2009

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiencies identified not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiencies identified not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133? X Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Student Financial Assistance Cluster</u>
84.007	Federal Supplemental Educational Opportunity Grant
84.032	Federal Family Education Loans
84.033	Federal Work Study
84.038	Federal Perkins Loan
84.063	Federal Pell Grant
84.375	Academic Competitiveness Grant
84.376	National SMART Grant Program
93.342	Loans to Disadvantaged Students / Primary Care Loan Program / Health Professional Student Loans
93.364	Nursing Student Loan Program
93.243	Substance Abuse and Mental Health Services-Projects of Regional and National Significance (B)

Dollar threshold used to distinguish between Type A and Type B programs: \$1,447,921

Auditee qualified as low-risk auditee? X Yes No

(Continued)

WRIGHT STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

Section II - Financial Statement Findings

There were no findings for the year ended June 30, 2009.

Section III - Federal Award Findings

FINDING 09-01

Federal program information: CFDA No. 93.243: Substance Abuse and Mental Health Services-Projects of Regional and National Significance (B)

Criteria: The grant award documents indicate that Financial Status Report, Standard Form 269 (FSR 269) is due within 90 days after expiration of the budget period and 90 days after the expiration of the project period.

Condition: The major program consists of seven grants from Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA). For the budget period expired on September 28, 2008, the University did not file, on a timely basis, the required FSR 269 report for two of the seven grants under the major program.

Context: The required FSR 269 reports for SAMHSA Grant No. 1H79TI019320-01 and 1H79TI018921-01 (the University identification No. 667065 and 667069, respectively) for the budget period expired on September 28, 2008 were filed on January 6, 2009 and January 14, 2009, respectively.

Recommendation: We recommend that the University review its procedures in this area including personnel training and consider implementing a computer control to generate automatic reminders to prevent similar oversights.

In addition, we recommend that the University review its procedures in regard to documentation retention to ensure necessary supporting documentation is maintained.

Management's response: The University concurs with the Finding.

WRIGHT STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

**Section III - Federal
Award Findings**

FINDING 09-01
(continued)

Corrective actions

taken or to be taken: The University will implement a weekly report to monitor the progress of reports that are both initiated by the Office of Research and Sponsored Programs (RSP) and reports initiated by the Principal Investigator (PI) to ensure timely reporting of all required grant reports. In addition, the University will continue sending out automated email report reminders generated based upon reporting events defined in the accounting system and will document any follow-up correspondence to those reminders in the grant file. Focus will also be given to regular communication with the college/unit fiscal officers to ensure timely reporting from the PI's in their respective college or unit. RSP staff will attend relevant OMB Circular training to ensure that the RSP staff is knowledgeable of changes to federal guidelines on reporting and compliance. Lastly, the University will develop in-house training for the university community that will specifically address reporting and compliance issues for grants.

Section IV -Prior Year Findings and Questioned Costs

There were no findings for the year ended June 30, 2008.

**WRIGHT STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

**Report of Independent Accountants on
Applying Agreed-Upon Procedures**
June 30, 2009

WRIGHT STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT
Dayton, Ohio

AGREED UPON PROCEDURES
REQUIRED BY THE NCAA
June 30, 2009

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Crowe Horwath LLP
Independent Member Crowe Horwath International

INDEPENDENT ACCOUNTANTS' REPORT ON THE APPLICATION OF AGREED-UPON PROCEDURES

Dr. David Hopkins, President
Wright State University
Dayton, Ohio

We have performed the procedures enumerated below, which were agreed to by management of Wright State University (the "University"), solely to assist the University in evaluating whether the accompanying Statement of Revenues and Expenses of the University is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1 for the year ended June 30, 2009. Management of the University is responsible for the Statement of Revenues and Expenses ("Statement") and the University's compliance with those requirements. 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 those parties specified in this report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-Upon Procedures Related to the Statement of Revenues and Expenses

The procedures that we performed and our findings are as follows:

Procedures Related to the Accounting Records

1. We obtained the Statement of Revenues and Expenses (the "Statement") of the Intercollegiate Athletics Department (the "Athletics Department") for the year ended June 30, 2009, as prepared by management and as shown on page 6. Additionally, we obtained the supporting worksheets, recalculated totals, and agreed each of the revenue and expense amounts on the Statement to management's worksheets, noting no exceptions.
2. We agreed all amounts on management's worksheets to the University's June 30, 2009 general ledger, noting no exceptions.

(Continued)

3. We compared revenues and expenses appearing on the Statement to budgeted amounts and prior year amounts and obtained explanations for all variances greater than \$50,000 and 10 percent. All variances were explained by management. We have read the schedule and explanations provided by management at the Athletic Department and the University's Controllor's Office of the 18 items that met the criteria.
4. We scanned the supporting schedules provided by the University and did not identify any contributions of cash, services or goods which were received directly by the University's Athletics Department and that constituted 10 percent or greater of all contributions received by the University's Athletics Department. We then haphazardly selected a sample of 10 contributions and agreed to check copies or other supporting documentation maintained by the University, noting no exceptions.
5. We haphazardly selected a sample of 10 operating revenue receipts and agreed the revenue receipts to check copies and/or other supporting documentation maintained by the University, noting no exceptions.
6. We haphazardly selected one home men's basketball game and one home women's basketball game and recalculated revenue totals related to tickets sold and agreed the ticket revenue to the general ledger, noting no exception. We recalculated totals of complimentary tickets and unsold tickets appearing on the ticket office sales reports, noting no exceptions.
7. We haphazardly selected a sample of 5 away games and agreed all related revenues and expenditures to the signed agreements, settlement reports and other supporting documentation, and the Statement, noting no exceptions.
8. We agreed the Federal Work Study support recorded by the Athletics Department with federal appropriations and/or other supporting documentation, noting no exceptions.
9. We agreed the University's direct support recorded by the Athletics Department to the University's authorizations, noting no exceptions.
10. We obtained and inspected 10 agreements related to the University's participation in revenues from tournaments during the year ended June 30, 2009 to gain an understanding of the relevant terms and conditions. We agreed the related tournament revenues to the check copies as well as to the general ledger and Statement, noting no exceptions.
11. We obtained and inspected the agreements related to the University's participation in revenues from advertisements and sponsorships. We haphazardly selected 10 revenue transactions and agreed them to the check copies, where applicable, as well as the total to the Statement, noting no exceptions.
12. There was no information provided by the University to perform the agreed-upon procedures on sports camp contracts between the University and external parties. Management indicated all sports camps are conducted by the coaches employed by the University. We haphazardly selected 10 sports-camp participant cash receipts and agreed the revenue to check copies, noting no exceptions.

(Continued)

13. We haphazardly selected 10 sports-camp expenses and agreed the expense to the supporting documentation (for example, invoices) and agreed that the expense was for camp related activity, noting no exceptions.
14. We haphazardly selected a sample of 10 student athletes who received institutional financial aid during the fiscal year ended June 30, 2009 and agreed the award amount per the student's account detail to the related award letter, noting no exceptions.
15. We obtained a listing of coaches employed by the University. We haphazardly selected coaches for men's and women's basketball and a selection of five other coaches and obtained the related contracts. We agreed the financial terms and conditions to the related coaches' salaries, benefits and bonuses to the amounts recorded by the University in the Statement noting no exceptions.
16. We obtained the W-2's and 1099's for the coaches selected above and agreed amounts appearing in the W-2's and 1099's to the related expenses in the Statement. Because the W-2's are for the year ended December 31, 2008, and the salaries and benefit expense per the Statement are for the fiscal year ended June 30, 2009, the total compensation per the W-2's did not agree with the salaries and benefits expense per the Statement.
17. We obtained a listing of administrative employees of the Athletics Department and other third parties that are not included in the University's general ledger. We haphazardly selected 10 administrative employees of the Athletics Department and obtained the W-2's and 1099's for the employees selected and agreed the amounts appearing in the W-2's and 1099's to the related expenses in the Statement. Because the W-2's are for the year ended December 31, 2008, and the salaries and benefit expense per the Statement are for the fiscal year ended June 30, 2009, the total compensation per the W-2's did not agree with the salaries and benefits expense per the Statement.
18. We agreed the salaries, benefits and bonuses paid by the University for the administrative employees selected above to the related expense recorded by the University in the Statement noting no exceptions. Management indicated there were no other third party administrative employees.
19. There was no information provided by the University to perform the agreed-upon procedures on employees receiving severance payments by the University during the reporting period. Management indicated there were no such transactions during the reporting period.
20. We obtained copies of the University's recruiting and travel policies. We read the policies and agreed them to the NCAA policies, noting they are consistent.
21. We haphazardly selected a sample of 10 program sales, concessions, novelty sales and parking revenue transactions and agreed the expense transaction to supporting documentation maintained by the University, noting no exceptions.

(Continued)

22. We haphazardly selected a sample of 10 equipment, uniform and/or supplies expense transactions and agreed the expense transaction to supporting documentation maintained by the University, noting no exceptions.
23. We reviewed contracts for fundraising, marketing and promotional activities for the Athletics Department. We haphazardly selected a sample of 10 fundraising, marketing and/or promotion expense transactions and agreed them to supporting documentation, noting no exceptions.
24. We haphazardly selected a sample of 10 medical and medical insurance expense transactions and agreed them to supporting documentation, noting no exceptions.
25. We haphazardly selected a sample of 10 memberships and dues expense transactions and agreed them to supporting documentation, noting no exceptions.
26. We haphazardly selected a sample of 10 other operating expense transactions and agreed the expense to supporting documentation maintained by the University, noting no exceptions.
27. There was no information provided by the University to perform the agreed-upon procedures on student fees, compensation and benefits provided by a third-party, indirect facilities and administrative support, endowment or investment, coaches employed by third parties, or participation in revenues from broadcast, television, radio and Internet rights. Management indicated there were no such transactions during the reporting period.
28. For the remaining operating expense category reported in the Statement and not individually listed above, we haphazardly selected a sample of 10 transactions from the supporting schedules provided by the University and agreed to related supporting documentation, noting no exceptions.

Procedures Related to the Internal Accounting Controls

29. We obtained an understanding of the University's procedures for gathering information on the nature and extent of the affiliated and outside organization's activities for or on behalf of the University's intercollegiate athletic programs. We found that the University receives internal reports of the outside organization's activities on a monthly basis and an external audited report on an annual basis.

(Continued)

Procedures Related to the Wright State University Foundation

30. We obtained the list of outside programs and related financial activities for the year ended June 30, 2009, which is included on page 7 of this report.
31. We confirmed with the athletic business manager that the information referred to in 30 above is a complete list of programs outside the University's financial reporting system, which conducted financial transactions for or on behalf of the University's intercollegiate athletic programs during the year ended June 30, 2009.
32. We confirmed directly with officers of the Foundation that the data to be contained in 30 above represented a complete and accurate summary of all business transacted for or on behalf of the University's intercollegiate athletic programs during the year ended June 30, 2009.

Procedures Related to the Athletics Assets

33. We obtained a schedule of intercollegiate athletics capitalized assets, additions and improvements of facilities summarized by type.
34. We agreed the schedule to the institution's general ledger.
35. We identified one capitalized addition which was made by the University during the reporting period and that constituted 10 percent or greater of total capital additions by the University's Athletics Department. We agreed the capitalized addition to supporting documentation, noting no exceptions.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying Statement of Revenues and Expenses of Wright State University. 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 University management and governing boards, and is not intended to be and should not be used by anyone other than these specified parties.

Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio
December 14, 2009

Wright State University
Intercollegiate Athletics Department
Statement of Revenue and Expenses
For the Year Ended June 30, 2009 (Unaudited)

Revenues	Men's Basketball	Women's Basketball	Other Sports	Non- Program Specific	Total
Ticket Sales	\$ 335,633	\$ 2,753	\$ 7,485	\$ -	\$ 345,871
Student Fees					
Guarantees	60,000		18,100		78,100
Contributions	159,938	1,041	73,469	155,587	390,035
Compensation and Benefits Paid by a Third Party-Support					
Direct State/Other Gov's. Support		2,477		27,484	29,961
Direct Institutional Support	1,274,184	852,972	3,889,139	1,037,130	7,053,425
Indirect Facilities & Administrative Support					
NCAA/Conference Distributions Including all Tournament Revenues	6,388	15,540	17,773	255,840	295,541
Broadcast, TV, Radio, & Internet Rights					
Program Sales, Concessions, Novelty Sales, Parking	39,599		59,681	117,701	216,981
Royalties, Licensing, Advertisements, & Sponsorships	71,385	71,385	4,500	22,381	169,651
Sport Camp Revenues	36,357	17,295	85,293		138,945
Endowment & Investment Income					
Other	60		22,800	46,077	68,937
Total Operating Revenue	1,983,544	963,463	4,178,240	1,662,200	8,787,447
Expenses					
Athletics Student Aid	303,754	329,637	2,049,041		2,682,432
Guarantees	51,887	2,500	3,021		57,408
Coaching Salaries, Benefits, & Bonuses Paid by the University & Related Entities	753,674	219,467	937,240		1,910,381
Coaching Other Compensation & Benefits Paid by a Third Party					
Support-Staff/Administrative Salaries, Benefits, & Bonuses Paid by the University and Related Entities	119,191	78,011	10,395	1,736,843	1,944,440
Support-Staff/Administrative Other Compensation & Benefits Paid by a Third Party					
Severance Payments					
Recruiting	75,048	35,580	63,089		173,717
Team Travel	196,663	145,678	674,745		1,017,086
Equipment, Uniforms, & Supplies	17,469	17,105	152,061	14,191	200,826
Game Expenses	57,289	26,208	48,473		131,970
Fundraising, Marketing, & Promotion	145,131	18,443	36,451	97,172	297,197
Sport Camp Expenses	13,982	8,062	44,446		66,490
Direct Facilities, Maintenance, & Rental	133,247	19,128	75,698	619,999	848,072
Spirit Groups	764	1,180		195,006	196,950
Indirect Facilities & Administrative Support					
Medical Expenses and Medical Insurance	909	1,123	640	90,287	92,959
Membership and Dues	740	3,423	3,784	6,390	14,337
Other Operating Expenses	113,796	57,918	79,156	394,751	645,621
Total Operating Expenses	1,983,544	963,463	4,178,240	3,154,639	10,279,886
Excess (Deficiency) of Revenues Over (under) Expenses	\$ -	\$ -	\$ -	\$(1,492,439)	\$(1,492,439)

Wright State University
Intercollegiate Athletics Department
Statement of Change in Funds
For the Year Ended June 30, 2009 (Unaudited)

Gift Accounts	Beginning Fund Balance	Increase in Funds (1)	Expenses for or on Behalf of Program (2)	Transfers & Others	Ending Fund Balance
Nischwitz Gregg Scholarship	\$ 13,367	\$ -	\$ (13,009)	\$ 11,177	\$ 11,535
Campus Scholarship Campaign-Athletics	491	20	(511)		
Athletics General Fund		41,251	(41,251)		
Volleyball	1,479	1,035	(2,514)		
Heider James/Timothy Best Mem Scholarship	1,820		(1,820)	461	461
Baseball		20,955	(20,955)		
Basketball-Women's		3,182	(1,002)		2,180
Basketball-Men's	4,215	21,535	(15,750)		10,000
Cross Country-Men's					
Soccer-Men's		400	(400)		
Softball		2,905	(2,905)		
Swimming-Women's		2,150	(2,150)		
Swimming-Men's		750	(750)		
Tennis-Women's		1,000	(492)		508
Tennis-Men's		655	(167)		488
Cheerleading		625	(625)		
Training Room					
Golf		5,915	(5,915)		
Women's Volleyball Scholarship	143	20	(163)		
Women's Soccer		1,050	(1,050)		
Emerald Jazz		150	(150)		
Sports Information					
Soccer Dugout	1,289	668	(1,100)		857
Wynkoop Peggy L Scholarship	760	200	(960)		
Campus School Campaign-Men's Basketball	181		(181)		
Campus School Campaign-Women's Basketball	39		(39)		
Baseball Facility Project	60				60
Soccer Lights	1,021		(1,021)		
Baseball-Premium Seats					
Basketball-Premium Seats		113,050	(113,050)		
Cross Country-Women's					
Wright State University Pavilion	47				47
ADC Platinum Charter Fund		91,500	(91,500)		
Coaches Corner-Men's Basketball	7	52,500	(52,507)		
Graduate Assistant-Baseball		20,614	(18,098)		2,516
	24,919	382,130	(390,035)	11,638	28,652
Endowment Income Accounts					
Nischwitz Gregg Scholarship	147,725	15			147,740
Heider James/Timothy Best Mem Scholarship	2,308	450			2,758
Harden Dennis C. Memorial Athletic Scholarship	19,990	12,891			32,882
Nischwitz Gregg Scholarship	73,708	(53,244)	(2,214)	(11,177)	7,073
Heider James/Timothy Best Mem Scholarship	7,571	(2,483)	(103)	(461)	4,523
Harden Dennis C. Memorial Athletic Scholarship		(7,906)			(7,906)
Indoor/Outdoor Practice Facility		720			720
	251,302	(49,557)	(2,317)	(11,638)	187,790
Total Wright State Foundation, Inc.	\$ 276,221	\$ 332,573	\$ (392,352)	\$ -	\$ 216,442



Mary Taylor, CPA
Auditor of State

WRIGHT STATE UNIVERSITY

GREENE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 2, 2010**