COLLABORATORS | COACHES | ADVOCATES | MENTORS
FRIENDS | VOLUNTEERS | REGULARS | DINERS | VISITORS
CPAs | CONSULTANTS | WEALTH ADVISORS | *NEIGHBORS*
COLLABORATORS | COACHES | ADVOCATES | MENTORS |
CONNOISSEURS | CUSTOMERS | TEACHERS |
| VOLUNTEERS |

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2026 AND 2025

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WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
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INDEPENDENT AUDITORS' REPORT

Board of Governors
West Virginia Northern Community College
Wheeling, West Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of West Virginia Northern Community College (the College), a component unit of the West Virginia Council for Community and Technical College Education, as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2026 and 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of West Virginia Northern Community College Foundation, Inc. (the Foundation), which represent 100% of the total assets, 100% of the total net assets, and 100% of revenues of the discretely presented component unit as of June 30, 2026 and 2025, for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Foundation, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Proportionate Share of Net OPEB liability and Contributions, and the Schedule of Proportionate Share of Net Pension Liability and Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2026, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
September 29, 2026

Overview

West Virginia Northern Community College (WVNCC or the College) is providing its financial statements for the years ended June 30, 2026 and 2025. There are three Financial Statements presented: the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows as required by GASB reporting standards. This section of the annual financial report focuses on an overview of the College's financial performance during the fiscal year ended June 30, 2026, with comparisons to the two previous fiscal years (June 30, 2025 and 2024).

In addition, the financial statements of the College's component unit, WVNCC Foundation, Inc. consists of two basic financial statements, the Statements of Financial Position and the Statements of Activities. The WVNCC Foundation, Inc. assets are controlled by a separate Board of Trustees, and its historical purpose has been in support of the College's student scholarships, capital improvements, and institutional support. More information about the accounting and reporting aspects of the Foundation can be found in Note 14 of these financial statements.

Statements of Net Position

The Statements of Net Position present the Assets (current and noncurrent), Deferred Outflows of Resources, Liabilities (current and noncurrent), Deferred Inflows of Resources and Net Position (Assets plus Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources) of the College as of June 30, 2026. Assets denote the resources available to continue the operations of the College. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s). Liabilities indicate how much the College owes vendors, employees, lending institutions, and the West Virginia Higher Education Policy Commission. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s). Net Position provides a way to measure the financial position of the College.

Net Position is Displayed in Three Major Categories:

- ***Net Investment in Capital Assets*.** This category provides equity in the property, plant, and equipment owned by WVNCC. The title is held by the West Virginia Northern Community College Board of Governors. It represents the College's investment in capital assets plus deferred outflows of resources attributable to those capital assets, net of accumulated depreciation, outstanding debt obligations and deferred inflows of resources related to those capital assets. To the extent debt or deferred inflows of resources have been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. Rather that portion of debt or deferred inflows of resources is included in the same net position component as the unspent amount.

- ***Restricted Net Position*.** This category includes net position whose use is restricted either due to externally imposed constraints or because of restrictions imposed by law. They are further divided into two additional components – expendable and nonexpendable:

  Expendable restricted net position includes resources for which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. For example, the expenditure must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets.

Statements of Net Position (Continued)

Non-expendable restricted net position includes endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The College presently does not have any nonexpendable net position.

- ***Unrestricted Net Position*.** This category represents resources derived from tuition and fees, state appropriations and sales and services of educational activities. These resources are used for transactions related to the educational and general operations of the College and may be used at the sole discretion of the Governing Board to meet current expenses for any purpose.

Statement of Net Position
Fiscal Years Ended June 30

	2026	2025	Change FS 26-25	2024	Change FS 25-24
Assets:					
Current Assets	$ 4,416,119	$ 5,875,710	(24.84)%	$ 8,350,196	(29.63)%
Other Noncurrent Assets	2,771,676	2,404,557	15.27	2,357,386	2.00
Capital Assets – Net	38,128,029	38,168,693	(0.11)	36,551,800	4.42
Total Assets	45,315,824	46,448,960	(2.44)	47,259,382	(1.71)
Deferred Outflows of Resources	400,179	267,156	49.79	121,813	119.32
Liabilities:					
Current Liabilities	2,115,021	2,047,976	3.27	2,469,549	(17.07)
Noncurrent Liabilities	148,593	66,723	122.70	80,198	(16.80)
Total Liabilities	2,263,614	2,114,699	7.04	2,549,747	(17.06)
Deferred Inflows of Resources	201,687	202,054	(0.18)	351,064	(42.45)
Net Position:					
Net Investments in Capital Assets	38,128,029	37,732,812	1.05	36,551,800	3.23
Restricted for – Expendable	2,833,661	2,382,030	18.96	2,157,064	10.43
Unrestricted	2,289,012	4,284,521	(46.57)	5,771,520	(25.76)
Total Net Position	$ 43,250,702	$ 44,399,363	(2.59)	$ 44,480,384	(0.18)

Statement of Net Position 2026 to 2025 Financial Highlights

Assets

- Cash & Cash Equivalents, both Current & Noncurrent decreased by $1.4M as result of continued investment in personnel and programs.
- Accounts Receivable increased $0.2M due to a successful, very directed campaign to collect outstanding balances coupled with a stricter enforcement of policy concerning students returning with past debts. It is believed that the 'bounce back' program was successful allowing students to enroll with concurrent arrangements to clear up past balances.
- Though the College continues to invest in its infrastructure (buildings and technology), much of the funding came from the WV State Legislature funding deferred maintenance projects sponsored by the Higher Education Policy Commission (HEPC). This allowed the College grow Restricted Cash and Cash Equivalents by $.4M.

Liabilities

- Liabilities remained consistent between the current and prior period. Other Post Employment Benefits Liability decreased by .1M, which was driven by changes in actuarial various assumptions.

Overall

- The past strategic investments have resulted in increased enrollment during periods when the national trend was a decline. The College leadership is poised to shift from investment to operating efficiencies to drive future growth.

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position present the operating results of the College for the fiscal year ended June 30, 2026 compared to the fiscal year ended June 30, 2025. The purpose of the Statement is to present the revenues of the College (operating, noncapital subsidies, and nonoperating), the expenses of the College (operating and nonoperating), and any other revenues, expenses, gains, and losses of the College.

Due to the implementation of Government Accounting Standards Board Statement 103, *Financial Reporting Model Improvements*, State Appropriations, while budgeted for operations, are considered and reported as noncapital subsidies, along with certain gifts which are used to assist the college in subsidizing the costs of tuition and fees without the Legislature directly receiving commensurate goods and services for those revenues.

Other Nonoperating Revenues (Expenses) primarily consist of Investment Income and Capital Grants and Payments.

The utilization of capital assets is reflected in the Financial Statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Statements of Revenues, Expenses, and Changes in Net Position
Fiscal Years Ended June 30

	2026	2025	Change FS 26-25	2024	Change FS 25-24
Total Operating Revenues	$ 9,451,693	$ 9,878,816	(4.32)%	$ 8,126,863	21.56 %
Total Operating Expenses	21,088,249	21,091,110	(0.01)	18,817,959	12.08
Operating Loss	(11,636,556)	(11,212,294)	3.78	(10,691,096)	4.88
Noncapital Subsidies	8,901,661	8,488,024	4.87	8,181,031	3.75
Other Nonoperating Revenues	1,586,234	2,643,249	(39.99)	470,255	462.09
Increase (Decrease) in Net Position	(1,148,661)	(81,021)	1317.73	(2,039,810)	(96.03)
Net Position – Beginning of Year	44,399,363	44,480,384	(0.18)	46,520,194	(4.38)
Net Position – End of Year	$ 43,250,702	$ 44,399,363	(2.59)	$ 44,480,384	(0.18)

Statement of Revenue, Expenses, and Changes in Net Position 2026 to 2025 Financial Highlights

Operating Revenue

- Student tuition and fees, net of scholarship allowance, increased $0.3M or 9.1%. These are the results of effective marketing and the creation of new programs meeting the needs of local employers.
- In broad terms, state contracts & grants either act like financial aid to students or grants applied for by the College to support specific initiatives. Each of the two categories decreased by $0.6M; financial aid portion because of less funding available and support for initiatives because of an aggressive prior year for the College seeking this support.
- Sales & services of educational activities were bolstered greatly, $0.5M, primarily from the efforts of the Workforce division.

Operating Expenses

- Total Operating Expenses remained consistent with the prior period due to cost containment measures implemented by management to keep the operating costs of the college from raising as compared to the prior periods. The philosophy around operational expenses will now be more about efficiency than investment.

Noncapital Subsidies

- State Appropriations increased by .4M. The WV State Legislation was provided suggested increases to the state allocation based on a funding formula. The formula was based on year over year growth in key performance indicators (KPI). Each college was allowed to determine the weight of the KPIs. WVNCC evaluated the KPIs with the most growth potential resulting in a significant increase to the state appropriation to the College.

Other Non-Operating Revenues (Expenses)

- Capital payments made and expenses incurred on behalf of the college represent the deferred maintenance funding provided by the WV Legislature through the HEPC. The College's signature building, Wheeling Baltimore & Ohio, underwent extensive structure rehabilitation over the past 3 years. The bulk of the payments were made prior to this year, causing the decline of $1.0M.

Statements of Cash Flows

The Statements of Cash Flows provide information about the cash receipts, cash payments, and net change in cash resulting from the activities of the College during the year. This Statement helps users assess the College's ability to generate net cash flows, its ability to meet obligations as they come due, and its need for external financing.

The Statement of Cash Flows is Divided into Four Parts:

Cash Flows from Operating Activities. This section shows the net cash used by the operating activities of the College.

Cash Flows from Non-Capital Financing Activities. This section reflects the cash received and paid for nonoperating, noninvesting, and noncapital financing purposes.

Cash Flows from Capital and Related Financing Activities. This section includes cash used for the acquisition and construction of capital and related items.

Cash Flows from Investing Activities. This section shows the purchases, proceeds, and interest received from investing activities.

Statements of Cash Flows
Fiscal Years Ended June 30

	2026	2025	Change FS 26-25	2024	Change FS 25-24
Cash Provided (Used) by:					
Operating Activities	$ (13,028,961)	$ (13,717,190)	(5.02)%	$ (10,934,238)	25.45 %
Noncapital Financing Activities	12,273,910	11,665,382	5.22	11,500,601	1.43
Capital Financing Activities	(884,256)	(921,741)	(4.07)	(1,029,551)	(10.47)
Investing Activities	278,123	253,772	9.60	411,450	(38.32)
Increase (Decrease) in Cash and Cash Equivalents	(1,361,184)	(2,719,777)	(49.95)	(51,738)	5156.83
Cash and Cash Equivalents – Beginning of Year	4,909,964	7,629,741	(35.65)	7,681,479	(0.67)
Cash and Cash Equivalents – End of Year	$ 3,548,780	$ 4,909,964	(27.72)	$ 7,629,741	(35.65)

Comments

- Cash and cash equivalents have declined by $1.4M from the strategic investments made by the College in both human capital and physical assets. As previously noted, the College intents to shift focus to operating efficiently versus aggressive investment.

Capital Asset and Long-Term Financing Activity

- Capital assets, net of depreciation is up, demonstrating the investment in the College's facilities and commitment to keeping technology and significant program equipment current.
- The College maintains no debt / financing activity.

Currently Known Facts, Decisions, or Conditions

The high school population continues to decline having a natural adverse effect on new enrollments. However, the College is focused on increasing the percentage of students enrolling at WVNCC who are graduating high school. Over 30% of the College's students are still in high school. The state of WV has funded a new program in which pathways are created from high schools directly to the community colleges for completion. The College is poised to increase our communication to high school students about these pathways to increase the matriculation rate.

In addition, significant support systems have been implemented to bolster student success to sequentially increase retention.

In addition to opportunities in credit education, the workforce (noncredit or skills based) division is actively growing their offerings in healthcare (paramedic, EMT, phlebotomy, etc.) as well as welding, HVAC, CDL and others.

The credit and noncredit divisions are also working cooperatively to emphasis a career pathway from skill based to degree completion with the goal of converting more workforce students to credit, helping them expand their occupational opportunities.

The College President, Dr. Daniel Mosser, was fortunate to retire at the end of this past year. He generously assisted with the transition to Dr. Andrew Langrehr. Dr. Langrehr brings experience in developing operational efficiencies, fitting for the current state of the College.

General Outlook

The success of WVNCC is rooted in a well-developed strategic plan. The plan thoughtfully considered the needs of the community and local workforce. The College has proven the ability to adjust quickly and respond to those needs. The future will be more of the same, responding to needs, but also adding a level of operational efficiency to improve its annual financial position.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	Primary Government		Component Unit	
	2026	2025	2026	2025
ASSETS AND DEFERRED OUTFLOWS				
CURRENT ASSETS				
Cash and Cash Equivalents	$ 3,548,780	$ 4,909,964	$ 129,303	$ 77,663
Accounts Receivable, Net	495,844	655,023	-	100
Interest Receivable on State Cash Accounts	15,667	17,352	-	-
Due from Commission/Council	204,923	161,343	-	-
Arrears Pay Conversion Receivable – Current Portion	2,462	2,300	-	-
Prepaid Expenses and Other Current Assets	148,443	129,728	68,737	30,707
Total Current Assets	4,416,119	5,875,710	198,040	108,470
NONCURRENT ASSETS				
Restricted Cash and Cash Equivalents	2,755,470	2,343,712	-	-
Investments	-	-	9,402,381	7,627,935
Beneficial Interest in Perpetual Trust	-	-	1,515,299	1,353,021
Arrears Pay Conversion Receivable	16,206	18,668	-	-
Other Postemployment Benefits Asset	-	42,177	-	-
Capital Assets, Net	38,128,029	38,168,693	-	-
Total Noncurrent Assets	40,899,705	40,573,250	10,917,680	8,980,956
Total Assets	45,315,824	46,448,960	11,115,720	9,089,426
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pension	23,284	24,499	-	-
Deferred Outflows Related to Other Postemployment Benefits	376,895	242,657	-	-
Total Deferred Outflows of Resources	400,179	267,156	-	-
Total Assets and Deferred Outflows	$ 45,716,003	$ 46,716,116	$ 11,115,720	$ 9,089,426

See accompanying Notes to Financial Statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2026 AND 2025

	Primary Government		Component Unit	
	2026	2025	2026	2025
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
CURRENT LIABILITIES				
Accounts Payable	$ 445,570	$ 92,203	$ 11,769	$ 10,376
Due to State of West Virginia	3,048	8,900	-	-
Due to Commission/Council	48,213	-	-	-
Accrued Liabilities	737,904	1,212,823	-	-
Unearned Revenues	123,540	57,948	7,522	-
Compensated Absences	756,746	676,102	-	-
Total Current Liabilities	2,115,021	2,047,976	19,291	10,376
NONCURRENT LIABILITIES				
Other Postemployment Benefits Liability	102,837	-	-	-
Net Pension Liability	45,756	66,723	-	-
Total Noncurrent Liabilities	148,593	66,723	-	-
Total Liabilities	2,263,614	2,114,699	19,291	10,376
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Pension	23,458	37,319	-	-
Deferred Inflows Related to Postemployment Benefits	178,229	164,735	-	-
Total Deferred Inflows of Resources	201,687	202,054	-	-
NET POSITION				
Net Investment in Capital Assets				
Restricted for:	38,128,029	37,732,812	-	-
Capital Projects	2,755,470	2,343,712	211,837	182,509
Scholarships	78,191	38,318	5,993,361	5,041,145
Institutional Support	-	-	2,101,651	1,293,157
Restricted - Endowment - Nonexpendable	-	-	1,478,376	1,405,967
Unrestricted	2,289,012	4,284,521	1,311,204	1,156,272
Total Net Position	43,250,702	44,399,363	11,096,429	9,079,050
Total Liabilities, Deferred Inflows, and Net Position	$ 45,716,003	$ 46,716,116	$ 11,115,720	$ 9,089,426

See accompanying Notes to Financial Statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEARS ENDED JUNE 30, 2026 AND 2025

	Primary Government		Component Unit	
	2026	2025	2026	2025
OPERATING REVENUES				
Student Tuition and Fees, Net of Scholarship Allowance of $3,205,454 in 2026 and $3,061,244 in 2025	$ 2,022,727	$ 1,729,702	$ -	$ -
Gifts and Contributions	-	-	767,002	213,397
Federal Contracts and Grants	4,518,988	4,453,975	-	-
State Contracts and Grants	1,682,165	2,928,989	-	-
Private Contracts and Grants	208,266	212,187	-	-
Sales and Services of Educational Activities	1,019,547	530,267	-	-
Miscellaneous, Net	-	23,696	-	-
Total Operating Revenues	9,451,693	9,878,816	767,002	
OPERATING EXPENSES				
Salaries and Wages	9,611,894	9,464,556	-	-
Benefits	2,656,085	2,272,434	-	-
Supplies and Other Services	4,244,620	4,048,285	-	-
Utilities	1,015,693	989,352	-	-
Student Financial Aid – Scholarships and Fellowships	1,672,190	2,368,391	48,232	95,599
Depreciation	1,821,273	1,898,083	-	-
Fees Assessed by the Commission for Operations	66,494	50,009	-	-
Other Operating Expenses	-	-	254,921	253,909
Total Operating Expenses	21,088,249	21,091,110	303,153	349,508
OPERATING LOSS	(11,636,556)	(11,212,294)	463,849	(349,508)
NONCAPITAL SUBSIDIES				
State Appropriations	8,672,018	8,252,020	-	-
Scholarship Grants	229,643	236,004	-	-
Total Noncapital Subsidies	8,901,661	8,488,024	-	-
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	(2,734,895)	(2,724,270)	463,849	(349,508)
OTHER NONOPERATING REVENUES (EXPENSES)				
Investment Income	211,629	249,001	1,553,460	808,710
Capital Payments Made and Expenses Incurred on Behalf of College	1,374,605	2,394,248	-	-
Total Other Nonoperating Revenues (Expenses)	1,586,234	2,643,249	1,553,460	808,710
INCREASE (DECREASE) IN FUND NET POSITION	(1,148,661)	(81,021)	2,017,309	459,202
Fund Net Position – Beginning of Year	44,399,363	44,480,384	9,079,050	8,619,848
FUND NET POSITION – END OF YEAR	$ 43,250,702	$ 44,399,363	$ 11,096,359	$ 9,079,050

See accompanying Notes to Financial Statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Tuition and Fees	$ 2,247,498	$ 1,228,174
Contracts and Grants	3,031,318	3,654,925
Payments to and on Behalf of Employees	(12,196,678)	(11,805,189)
Payments to Suppliers	(4,377,954)	(4,190,823)
Payments to Utilities	(1,015,693)	(989,352)
Payments for Scholarships and Fellowships	(1,672,190)	(2,368,391)
Sales and Service of Educational Activities	1,019,547	530,267
Fees Assessed by the Commission for Operations	(64,809)	(12,805)
Federal Direct Lending Receipts	922,603	789,762
Federal Direct Lending Payments	(922,603)	(789,762)
Net Cash Used by Operating Activities	(13,028,961)	(13,953,194)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	8,672,018	8,252,020
Scholarship Grants	229,643	236,004
Pell Grants	3,372,249	3,413,362
Net Cash Provided by Noncapital Financing Activities	12,273,910	11,901,386
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of Capital Assets	(406,004)	(708,307)
Fees Assessed by Commission	(66,494)	(4,771)
Withdrawals from (Deposits to) Restricted Cash and Cash Equivalents	(411,758)	(208,663)
Net Cash Used by Capital and Related Financing Activities	(884,256)	(921,741)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	278,123	253,772
DECREASE IN CASH AND CASH EQUIVALENTS	(1,361,184)	(2,719,777)
Cash and Cash Equivalents – Beginning of Year	4,909,964	7,629,741
CASH AND CASH EQUIVALENTS – END OF YEAR	$ 3,548,780	$ 4,909,964

See accompanying Notes to Financial Statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Loss	$ (11,636,556)	$ (11,212,294)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation Expense	1,821,273	1,898,083
Pell Grants	(3,372,249)	(3,413,362)
Effect of Changes in Operating Assets, Deferred Outflows, Liabilities, and Deferred Inflows:		
Accounts Receivable, Net	159,179	(269,463)
Interest Receivable from State Cash Accounts	1,685	13,508
Due from Commission / Council	(43,580)	1,622
Arrears Pay Conversion Receivable	2,300	2,570
Prepaid Expenses	(18,715)	8,872
Accounts Payable	353,367	(72,199)
Due to State of West Virginia	(5,852)	(526,864)
Due to Commission / Council	48,213	(121,166)
Accrued Liabilities	(474,919)	37,763
Unearned Revenue	65,592	(506,554)
Refundable Advances	-	-
Compensated Absences	80,644	80,437
Other Postemployment Benefits	145,014	159,092
Defined Benefit Pension	(20,967)	(13,475)
Deferred Outflows of Resources Related to Pensions	1,215	279
Deferred Outflows of Resources Related to Other Postemployment Benefits	(134,238)	(145,622)
Deferred Inflows of Resources Related to State Grants	-	274,589
Deferred Inflows of Resources Related to Pensions	(13,861)	(13,145)
Deferred Inflows of Resources Related to Other Postemployment Benefits	13,494	(135,865)
Net Cash Used by Operating Activities	$ (13,028,961)	$ (13,953,194)
SUPPLEMENTAL DISCLOSURES OF NONCASH TRANSACTIONS		
Capital Assets Purchased Through Accounts Payable and Accrued Liabilities	$ -	$ 412,421
Capital Payments Made on Behalf of College	$ 1,374,605	$ 2,394,248

See accompanying Notes to Financial Statements.

NOTE 1 ORGANIZATION

West Virginia Northern Community College (the College) is governed by the West Virginia Northern Community College Board of Governors (the Board). The Board was established by Senate Bill 448 (S.B. 448).

Powers and duties of the Board include, but are not limited to, the power to determine, control, supervise, and manage the financial, business, and educational rules and affairs of the College under its jurisdiction, the duty to develop a master plan for the College, the power to prescribe the specific functions and College's budget request, the duty to review, at least every five years, all academic programs offered at the College, and the power to fix tuition and other fees for the different classes or categories of students enrolled at its College.

S.B. 448 gives the West Virginia Council for Community and Technical College Education (the Council) the responsibility for developing, overseeing, and advancing the state of West Virginia (the State) public policy agenda as it relates to community and technical college education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the College have been prepared in accordance with accounting principles generally accepted in the United States of America (generally accepted accounting principles) as prescribed by the Governmental Accounting Standards Board (GASB) standards. The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows.

Reporting Entity

The College is a blended component unit of the West Virginia Council for Community and Technical College Education and represents separate funds of the state that are not included in the state's general fund. The College is a separate entity which, along with all state institutions of higher education, the Council, and the West Virginia Higher Education Policy Commission (the Commission), which includes West Virginia Network for Educational Telecomputing (WVNET), form the Higher Education Fund of the State. The Higher Education Fund is considered a component unit of the State, and its financial statements are discretely presented in the State's comprehensive annual financial report. Discretely presented component units are aggregated and reported in a separate column in the government-wide financial statements to emphasize that they are both legally and substantively separate from the government.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

The accompanying financial statements present all funds under the authority of the College. The basic criterion for inclusion in the accompanying financial statements is the exercise of oversight responsibility derived from the College's ability to significantly influence operations and accountability for fiscal matters of related entities. A related alumni association of the College is not part of the College reporting entity and is not included in the accompanying financial statements, as the College has no ability to designate management, cannot significantly influence operations of this entity, and is not accountable for its fiscal matters under GASB.

The audited financial statements of West Virginia Northern Community College Foundation, Incorporated (the Foundation) are discretely presented herein with the College's financial statements for the fiscal years ended June 30, 2026 and 2025. The Foundation is a private nonprofit organization. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is, therefore, discretely presented with the College's financial statements in accordance with GASB.

Financial Statement Presentation

GASB establishes standards for external financial reporting for public colleges and universities and requires that financial statements be presented on a combined basis to focus on the College as a whole. Net Position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of College obligations. The College's net position is classified as follows:

Net Investment in Capital Assets – This represents the College's total investment in capital assets; net of depreciation and outstanding debt obligations related to those capital assets. To the extent that debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets, net of related debt.

Restricted Net Position, Expendable – This includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

The West Virginia Legislature (the State Legislature), as a regulatory body outside the reporting entity, has restricted the use of certain funds, by Article 10, *Fees and Other Money Collected at State Institutions of Higher Education* of the West Virginia State Code. House Bill 101, passed in March 2004, simplified the tuition and fee restrictions to auxiliaries and capital items. These activities are fundamental to the normal ongoing operations of the institution. These restrictions are subject to change by future actions of the West Virginia Legislature.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Restricted Net Position, Nonexpendable – This includes endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal. The College does not have any restricted nonexpendable net position as June 30, 2026 and 2025.

Unrestricted Net Position – This represents resources derived from student tuition and fees, state appropriations, and sales and services of educational activities. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Board to meet current expenses for any purpose.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been prepared on the accrual basis of accounting with a flow of economic resources measurement focus. Revenues are reported when earned and expenses are reported when materials or services are received.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Any cash and cash equivalents escrowed, restricted as noncurrent assets, or in funded reserves have not been included as cash and cash equivalents for the cash flow statement purposes.

Cash and cash equivalents balances on deposit with the State Treasurer's Office (the State Treasurer) are pooled by the State Treasurer with other available funds of the state for investment purposes by the West Virginia Board of Treasury Investments (BTI). These funds are transferred to the BTI, and the BTI is directed by the State Treasurer to invest the funds in specific external investment pools in accordance with West Virginia Code, policies set by the BTI, provisions of bond indentures, and trust agreements when applicable. Balances in the investment pools are recorded at fair value or amortized cost, which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources, in accordance with GASB. The BTI was established by the State Legislature and is subject to oversight by the State Legislature.

Fair value and investment income are allocated to participants in the pools based upon the funds that have been invested. The amounts on deposit are available for immediate withdrawal or on the first day of each month for the WV Short Term Bond Pool and, accordingly, are presented as cash and cash equivalents in the accompanying financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

The BTI maintains the Consolidated Fund investment fund, which consists of eight investment pools and participant-directed accounts, three of which the College may invest in. These pools have been structured as multi-participant, variable net position funds to reduce risk and offer investment liquidity diversification to the Fund participants. Funds not required to meet immediate disbursement needs are invested for longer periods. A more detailed discussion of the BTI's investment operations pool can be found in its annual audited financial report. A copy of that annual report can be obtained from the following address: 1900 Kanawha Boulevard East, Room E-122, Charleston, West Virginia 25305 or http://www.wvbti.com.

Appropriations Due from Primary Government

For financial reporting purposes, appropriations due from the state are presented separate from cash and cash equivalents, as amounts are not specific deposits with the state Treasurer but are obligations of the State.

Allowance for Doubtful Accounts

It is the College's policy to provide for future losses on uncollectible accounts, contracts, grants and loans receivable based on an evaluation of the underlying account, contract, grant and loan balances; the historical collectability experienced by the College on such balances; and such other factors which, in the College's judgment, require consideration in estimating doubtful accounts.

Noncurrent Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments that are (1) externally restricted to make debt service payments and long-term loans to students, or to maintain sinking or reserve funds, or (2) to purchase capital or other noncurrent assets are classified as a noncurrent asset in the statements of net position.

Capital Assets

Capital assets include property, plant, and equipment; books and materials that are part of a catalogued library; and infrastructure assets. Capital assets are stated at cost at the date of acquisition or construction, or acquisition value at the date of donation in the case of gifts. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and infrastructure, 15 years for land improvements, 7 years for library books, and 3 to 12 years for furniture and equipment. The College capitalizes all purchases of library books. The College uses capitalization thresholds of $5,000 for furniture and equipment; $2,500 for land improvements, leasehold and building improvements and computer software; and $15,000 for aggregate capital asset purchases. Land, buildings, infrastructure, and library books are capitalized regardless of cost.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenues

Revenues for programs or activities to be conducted primarily in the next fiscal year are classified as unearned revenues, including items such as application, orientation, and tuition fees. Financial aid and other deposits are separately classified as deposits.

Compensated Absences and Other Postemployment Benefits

GASB provides standards for the measurement, recognition, and display of other postemployment benefit (OPEB) expenditures, assets, deferred outflows of resources, liabilities and deferred inflows of resources, including applicable note disclosures and required supplementary information. During fiscal year 2006, House Bill No. 4654 was established to create a trust fund for postemployment benefits for the State. The College is required to participate in this multiemployer, cost-sharing plan, the West Virginia Retiree Health Benefit Trust Fund, sponsored by the State. Details regarding this plan and its stand-alone financial statements can be obtained by contacting the West Virginia Public Employees Insurance Agency (PEIA), State Capital Complex, Building 5, Room 1001, 1900 Kanawha Boulevard East, Charleston, West Virginia 25305-0710 or http://www.wvpeia.com.

The liability for compensated absences reported in the financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more-likely-than-not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that have been used for time off but have not yet been paid in cash or settled through noncash means and certain other types of leave.

The College's full-time employees earn up to two vacation leave days for each month of service and are entitled to compensation for accumulated, unpaid vacation leave upon termination. Full-time employees also earn 1 1/2 sick-leave days for each month of service and are entitled to extend their health or life insurance coverage upon retirement in lieu of accumulated, unpaid sick leave. Generally, two days of accrued sick leave extend health insurance for one month of single coverage and three days extend health insurance for one month of family coverage. For employees hired after 1988 or who were hired before 1988 but did not choose such coverage until after 1988 but before July 1, 2001, the employee shares in the cost of the extended benefit coverage to the extent of 50% of the premium required for the extended coverage. Employees hired July 1, 2001, or later will no longer receive sick-leave credit toward insurance premiums when they retire. Additionally, all retirees have the option to purchase continued coverage regardless of their eligibility for premium credits.

Certain faculty employees (generally, those with less than a 12-month contract) earn a similar extended health or life insurance coverage retirement benefit based on years of service. Generally, 3 1/3 years of teaching service extend health insurance for one year of single coverage, and five years extend health insurance for one year of family coverage. Faculty hired after July 1, 2009 will no longer receive years of service credit toward insurance premiums when they retire. Employees hired after July 1, 2010 receive no health insurance premium subsidy from the College.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences and Other Postemployment Benefits (Continued)

Two groups of employees hired after July 1, 2010 will not be required to pay the unsubsidized rate: 1) active employees who were originally hired before July 1, 2010 who have a break in service of fewer than two years after July 1, 2010; and 2) retired employees who retired before July 1, 2010, return to active service after July 1, 2010, and then go back into retirement. In those cases, the original hire date will apply.

The estimated expense and expense incurred for compensated absences or OPEB benefits are recorded as a component of benefits expense in the statements of revenues, expenses, and changes in net position.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the West Virginia Teachers' Retirement System (TRS), administered by the West Virginia Consolidated Public Retirement Board (CPRB), and additions to/reductions from the TRS fiduciary net position have been determined on the same basis as they are reported on the TRS financial statements, which can be found at https://www/wvretirement.com/Publications.html#CAFR. The plan schedules of TRS are prepared using the accrual basis of accounting and economic resources measurement focus in accordance with U.S. GAAP as prescribed by GASB. Employer contributions are recognized when due and the employer has a legal requirement to provide the contributions.

Investments are reported at fair value. Detailed information on investment valuation can be found in the TRS financial statements. Management of TRS has made certain estimates and assumptions relating to employer allocation schedules, and actual results could differ (Note 9).

Deferred Outflows of Resources

Consumption of net assets by the College that is applicable to a future fiscal year is reported as a deferred outflow of resources on the statements of net assets. As of June 30, 2026 and 2025, the College had deferred outflows of resources related to pension and other postemployment benefits.

Deferred Inflows of Resources

An acquisition of net assets by the College that is applicable to a future fiscal year is reported as a deferred inflow of resources on the statements of net assets. As of June 30, 2026 and 2025, the College had deferred inflows related to pension and other postemployment benefits.

Risk Management

The State's Board of Risk and Insurance Management (BRIM) provides general, property and casualty, and liability coverage to the College and its employees. Such coverage is provided to the College by BRIM through self-insurance programs maintained by BRIM or policies underwritten by BRIM that may involve experience-related premiums or adjustments to BRIM.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risk Management (Continued)

BRIM engages an independent actuary to assist in the determination of its premiums so as to minimize the likelihood of premium adjustments to the College or other participants in BRIM's insurance programs. As a result, management does not expect significant differences between the premiums the College is currently charged by BRIM and the ultimate cost of that insurance based on the College's actual loss experience. In the event such differences arise between estimated premiums currently charged by BRIM to the College and the College's ultimate actual loss experience, the difference will be recorded as the change in estimate becomes known.

In addition, through its participation in the PEIA and a third-party insurer, the College has obtained health, life, prescription drug coverage, and coverage for job-related injuries for its employees. In exchange for payment of premiums PEIA and the third-party insurer, the College has transferred its risks related to health, life, prescription drug coverage, and job-related injuries.

Settled claims have not exceeded these coverages for the past three fiscal years.

Classification of Revenues

The College has classified its revenues according to the following criteria:

Operating Revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances; (3) most federal, state, local, and nongovernmental grants and contracts; and (4) sales and services of educational activities.

Noncapital Subsidies – Noncapital subsidies include resources received from another party or fund (a) for which the college does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the college's current or future fees and charges lower than they would be otherwise as defined in GASB No. 103, *Financial Reporting Model Improvements.*

Nonoperating Revenues – Nonoperating revenues include subsidies received or provided, contributions to permanent and term endowments, revenues and expenses related to financing, resources from the disposal of capital assets and inventory, and investment income or expenses, as defined in GASB 103, *Financial Reporting Model Improvements*

Use of Restricted Net Position

The College has not adopted a formal policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Generally, the College attempts to utilize restricted net position first when practicable.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Financial Assistance Program

The College makes loans to students under the Federal Direct Student Loan Program. Under this program, the U.S. Department of Education makes interest subsidized and nonsubsidized loans directly to students through institutions like the College. Direct student loan receivables are not included in the College's accompanying statements of net position since the loans are repayable directly to the U.S. Department of Education. In 2026 and 2025, the College received and disbursed approximately $880,000 and $790,000, respectively, under the Federal Direct Student Loan Program on behalf of the U.S. Department of Education, which is not included as revenue and expense on the statements of revenues, expenses, and changes in net position.

The College also distributes other student financial assistance funds on behalf of the federal government to students under the federal Pell Grant, Supplemental Educational Opportunity Grant, and College Work Study programs. The activity of these programs is recorded in the accompanying financial statements. In 2026 and 2025, the College received and disbursed approximately $3.40 million and $3.50 million, respectively, under these federal student aid programs.

Scholarship Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the accompanying statements of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the student's behalf.

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and College Business Officers. Certain aid such as loans, funds provided to students as awarded by third parties, and Federal Direct Lending is accounted for as a third-party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses, or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a College basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third-party aid.

Government Grants and Contracts

Government grants and contracts normally provide for the recovery of direct and indirect costs, subject to audit. The College recognizes revenue associated with direct costs as the related costs are incurred. Recovery of related indirect costs is generally recorded at fixed rates negotiated for a period of one to five years.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The College is exempt from income taxes, except for unrelated business income, as a nonprofit organization under federal income tax laws and regulations of the Internal Revenue Service (IRS).

Use of 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 expenditures during the reporting period. Actual results could differ from those estimates.

Risk and Uncertainties

Investments, including restricted cash and cash equivalents held in external pools, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain securities, it is reasonably possible that changes in risk and values will occur in the near-term and that such changes could materially affect the amounts reported in the financial statements.

Reclassifications

Certain amounts previously reported in the financial statements for the year ended June 30, 2025, have been reclassified to conform to current year presentation. The reclassification had no effect on the change in net assets.

Adoption of New Accounting Standards

Effective for the year ended June 30, 2026, the College adopted Statement No. 103, *Financial Reporting Model Improvements*, issued by the Governmental Accounting Standards Board (GASB). The standard modernizes the foundational government financial reporting framework originally established by GASB Statement No. 34. The standard enhances the clarity, consistency, and analytical depth of state and local government financial reports. The College's financial statements contain various updates to the management discussion and analysis, the statement of net position, and the statement of revenues, expenses, and changes in net assets due to the adoption of GASB 103.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards (Continued)

Prior year amounts have been reclassified to conform to the current year presentation under GASB 103. These reclassifications had no effect on previously reported net position or change in net position. The following prior year financial statement line items are affected by the application of the new accounting principle as follows:

Financial Statement Line Item	As Previously Reported	As Reported Under GASB 103
Operating Revenues		
Federal Contracts and Grants	$ 810,540	$ 4,453,975
State Contracts and Grants	3,395,066	2,928,989
Noncapital Subsidies		
State Appropriations	-	8,252,020
Scholarship Grants	-	236,004
Nonoperating Revenues		
State Appropriations	8,252,020	-
Federal Pell Grants	3,413,362	-

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets,* (GASB 104), effective for reporting periods beginning after June 15, 2025. GASB 104 requires entity's to provide detailed information about capital assets in notes to financial statements. This statement did not have a significant impact on the College's financial statements.

NOTE 3 CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents at June 30, was held as follows:

	2026		
	Current	Noncurrent	Total
State Treasurer	$ 3,470,589	$ 2,755,470	$ 6,226,059
Bank	78,191	-	78,191
Total	$ 3,548,780	$ 2,755,470	$ 6,304,250

	2025		
	Current	Noncurrent	Total
State Treasurer	$ 4,160,581	$ 2,343,712	$ 6,504,293
Bank	749,383	-	749,383
Total	$ 4,909,964	$ 2,343,712	$ 7,253,676

Cash held by the State Treasurer includes $2,755,470 and $2,343,712 at June 30, 2026 and 2025, respectively, restricted for capital assets. These amounts were collateralized by financial instruments held by the State's agent.

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

The combined carrying amount of cash in bank was $78,191 and $749,383 as compared with the combined bank balance of $118,418 and $781,962 at June 30, 2026 and 2025, respectively. The difference is primarily caused by outstanding checks. The bank balances were covered by federal depository insurance as noted below or collateralized by securities held by the state's agent. Regarding federal depository insurance, accounts held by the bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2026, the amount uninsured and uncollateralized was $-0- at June 30, 2025, the amount uninsured and uncollateralized was $531,962.

Amounts with the State Treasurer as of June 30, 2026 and 2025, are comprised of two investment pools, the WV Money Market Pool and the WV Short-Term Bond Pool.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The following table provides information on the Standard & Poor's rating of the investment pools as of June 30:

	2026		2025	
External Pool	Carrying Value	S&P Rating	Carrying Value	S&P Rating
WV Money Market Pool	$ 4,898,275	AAAm	$ 4,676,819	AAAm
WV Short-Term Bond Pool	114,673	Not Rated	109,904	Not Rated
Total	$ 5,012,948		$ 4,786,723	

A Fund rated "AAAm" has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. "AAAm" is the highest principal stability fund rating assigned by Standard & Poor's.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The BTI's investment policy limits investment maturities from potential fair value losses due to increasing interest rates. No more than 5% of the money market fund's total market value may be invested in the obligations of a single issuer, with the exception of the U.S. government and its agencies. The College does not have a formal interest rate risk policy.

All the amounts with the State Treasurer are subject to interest rate risk. The following table provides information on the weighted-average maturities for the WV Money Market Pool:

	2026		2025	
External Pool	Carrying Value	WAM (Days)	Carrying Value	WAM (Days)
WV Money Market Pool	$ 4,898,275	46	$ 4,676,819	41

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Interest Rate Risk (Continued)

The following table provides information on the effective duration for the WV Short-Term Bond Pool:

	2026		2025	
External Pool	Carrying Value	Effective Duration (Days)	Carrying Value	Effective Duration (Days)
WV Short-Term Bond Pool	$ 114,673	664	$ 109,904	637

Other Investment Risks

Other investment risks include concentration of credit risk, custodial credit risk, and foreign currency risk. None of the BTI's Consolidated Fund's investment pools or accounts is exposed to these risks as described below.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the College will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The College does not have a formal custodial credit risk policy.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The College has no securities with foreign currency risk.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable at June 30, are as follows:

	2026	2025
Student Tuition and Fees, Net of Allowance for Doubtful Accounts of $1,484,485 in 2026, and $1,206,519 in 2025	$ 282,381	$ 554,497
Third-Party Contracts Receivable	213,463	100,526
Total	$ 495,844	$ 655,023

NOTE 5 CAPITAL ASSETS

Capital asset activity for the years ended June 30, 2026 and 2025 is as follows:

	2026			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 1,713,751	$ -	$ -	$ 1,713,751
Construction in Progress	2,949,035	1,177,539	(4,033,508)	93,066
Total Capital Assets Not Being Depreciated	$ 4,662,786	$ 1,177,539	$ (4,033,508)	$ 1,806,817
Other Capital Assets:				
Land Improvements	$ 740,567	$ -	$ -	$ 740,567
Infrastructure	4,285,710	-	-	4,285,710
Buildings	46,914,052	4,099,231	-	51,013,283
Equipment	11,554,183	533,467	(127,940)	11,959,710
Library Books	321,494	3,880	(27,980)	297,394
Total Other Capital Assets	63,816,006	4,636,578	(155,920)	68,296,664
Less: Accumulated Depreciation for:				
Land Improvements	(738,763)	(167)	-	(738,930)
Infrastructure	(2,404,107)	(220,653)	-	(2,624,760)
Buildings	(18,410,136)	(898,052)	-	(19,308,188)
Equipment	(8,442,092)	(700,236)	127,940	(9,014,388)
Library Books	(315,001)	(2,165)	27,980	(289,186)
Total Accumulated Depreciation	(30,310,099)	(1,821,273)	155,920	(31,975,452)
Other Capital Assets, Net	$ 33,505,907	$ 2,815,305	$ -	$ 36,321,212
Capital Asset Summary:				
Capital Assets Not Being Depreciated	$ 4,662,786	$ 1,177,539	$ (4,033,508)	$ 1,806,817
Other Capital Assets	63,816,006	4,636,578	(155,920)	68,296,664
Total Cost of Capital Assets	68,478,792	5,814,117	(4,189,428)	70,103,481
Less: Accumulated Depreciation	(30,310,099)	(1,821,273)	155,920	(31,975,452)
Capital Assets, Net	$ 38,168,693	$ 3,992,844	$ (4,033,508)	$ 38,128,029

NOTE 5 CAPITAL ASSETS (CONTINUED)

	2025			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 1,713,751	$ -	$ -	$ 1,713,751
Construction in Progress	23,855	2,952,776	(27,596)	2,949,035
Total Capital Assets Not Being Depreciated	$ 1,737,606	$ 2,952,776	$ (27,596)	$ 4,662,786
Other Capital Assets:				
Land Improvements	$ 740,567	$ -	$ -	$ 740,567
Infrastructure	4,278,345	7,365	-	4,285,710
Buildings	46,806,195	107,857	-	46,914,052
Equipment	11,229,584	471,040	(146,441)	11,554,183
Library Books	338,042	3,533	(20,081)	321,494
Total Other Capital Assets	63,392,733	589,795	(166,522)	63,816,006
Less: Accumulated Depreciation for:				
Land Improvements	(738,596)	(167)	-	(738,763)
Infrastructure	(2,183,720)	(220,387)	-	(2,404,107)
Buildings	(17,524,686)	(885,450)	-	(18,410,136)
Equipment	(7,798,438)	(790,095)	146,441	(8,442,092)
Library Books	(333,099)	(1,983)	20,081	(315,001)
Total Accumulated Depreciation	(28,578,539)	(1,898,082)	166,522	(30,310,099)
Other Capital Assets, Net	$ 34,814,194	$ (1,308,287)	$ -	$ 33,505,907
Capital Asset Summary:				
Capital Assets Not Being Depreciated	$ 1,737,606	$ 2,952,776	$ (27,596)	$ 4,662,786
Other Capital Assets	63,392,733	589,795	(166,522)	63,816,006
Total Cost of Capital Assets	65,130,339	3,542,571	(194,118)	68,478,792
Less: Accumulated Depreciation	(28,578,539)	(1,898,082)	166,522	(30,310,099)
Capital Assets, Net	$ 36,551,800	$ 1,644,489	$ (27,596)	$ 38,168,693

The College maintains various collections of inexhaustible assets to which no value can be practically determined. Accordingly, such collections are not capitalized or recognized for financial statement purposes. Such collections include contributed works of art, historical treasures and literature that are held for exhibition, education, research, and public service. These collections are neither disposed of for financial gain nor encumbered in any means.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS

Employees of the College are enrolled in the West Virginia Other Postemployment Benefit Plan (the OPEB plan) which is administered by the West Virginia Public Employees Insurance Agency (PEIA) and the West Virginia Retiree Health Benefit Trust Fund (the RHBT).

Following is the College's other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, revenues, and other postemployment benefits expense and expenditures for the fiscal years June 30 (dollars in thousands):

	2026	2025
Net OPEB Liability (Asset)	$ 103	$ (42)
Deferred Outflows of Resources	$ 377	$ 243
Deferred Inflows of Resources	$ 178	$ 165
Payments Made on Behalf of the College	$ 117	$ (17)
OPEB Expense	$ 141	$ (122)
Contributions Made by the College	$ 41	$ 74

Plan Description

The OPEB plan is a cost-sharing, multiemployer, defined benefit other postemployment benefit plan that covers the retirees of state agencies, colleges and universities, county boards of education, and other government entities as set forth in West Virginia Code Section 5-16D-2 (the Code). Plan benefits are established and revised by PEIA and the RHBT with approval of the Finance Board. The Finance Board is comprised of nine members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The State Department of Administration secretary serves as Chairman of the Board. Four members represent labor, education, public employees, and public retirees. Four remaining members represent the public-at-large.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

Active employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the applicable state retirement system and if their last employer immediately prior to retirement is a participating employer under the Consolidated Public Retirement Board (CPRB) and, as of July 1, 2008 forward, is a participating employer with PEIA. Active employees who, as of July 1, 2008, have 10 years or more of credited service in the CPRB and whose employer at the time of their retirement does participate with CPRB, but does not participate with PEIA will be eligible for PEIA retiree coverage provided: they otherwise meet all criteria under this heading and their employer agrees, in writing, upon a form prescribed by PEIA, that the employer will pay to PEIA the nonparticipating retiree premium on behalf of the retiree or retirees, or that the retiree agrees to pay the entire unsubsidized premium themselves. Employees who participate in nonstate retirement systems but that are CPRB system affiliated, contracted, or approved (such as TIAA-CREF and Empower Retirement), or are approved, in writing, by the PEIA Director must, in the case of education employees, meet the minimum eligibility requirements of the State Teachers Retirement System (STRS), and in all other cases meet the minimum eligibility requirements of the Public Employees Retirement System to be eligible for PEIA benefits as a retiree.

The financial activities of the OPEB plan are accounted for in the RHBT, a fiduciary fund of the state of West Virginia. For purposes of measuring the net pension liability, deferred outflows and inflows, and pension expense, the information is consistent with that reported on the RHBT financial statements The RHBT audited financial statements and actuarial reports can be found on the PEIA website at www.peia.wv.gov.

Benefits Provided

The OPEB plan provides the following benefits: medical and prescription drug insurance and life insurance. The medical and prescription drug insurance is provided through two options: the self-insured preferred provider benefit plan option, which is primarily for non-Medicare-eligible retirees and spouses; and the external managed care organization option, which is primarily for Medicare-eligible retirees and spouses.

Contributions

Pay as you go premiums (paygo) are established by the Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The active premiums subsidize the retirees' health care.

Members retired before July 1, 1997, pay retiree healthcare contributions at the highest sponsor subsidized rate, regardless of their actual years of service. Members retired between July 1, 1997 and June 30, 2010, pay a subsidized rate depending on the member's years of service. Members hired on or after July 1, 2010, pay retiree health care contributions with no sponsor provided implicit or explicit subsidy.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions (Continued)

Retiree leave conversion contributions from the employer depend on the retiree's date of hire and years of service at retirement as described below:

- Members hired before July 1, 1988 may convert accrued sick or vacation leave days into 100% of the required retiree health care contribution.

- Members hired from July 1, 1988 to June 30, 2001 may convert sick or vacation leave days into 50% of the required retiree health care contribution.

The conversion rate is two days of unused sick and vacation leave days per month for single health care coverage and three days of unused sick and vacation leave days per month for family health care coverage.

Employees hired on or after July 1, 2001 no longer receive sick and/or vacation leave credit toward the required retiree health care contribution when they retire. All retirees have the option to purchase continued coverage regardless of their eligibility for premium credits.

Certain faculty employees (generally those with less than a 12-month contract) earn a similar extended health or life insurance coverage retirement benefit based on years of service. Generally, 3 1/3 years of teaching service extend health insurance coverage for one year of family coverage. Faculty hired after July 1, 2009 no longer receive years of service credit toward insurance premiums when they retire. Faculty hired on or after July 1, 2010 receive no health insurance premium subsidy when they retire. Two groups of employees hired after July 1, 2010 will not be required to pay the unsubsidized rate: 1) active employees who were originally hired before July 1, 2010 who have a break in service of fewer than two years after July 1, 2010; and 2) retired employees who had an original hire date prior to July 1, 2010 may return to active employment. In those cases, the original hire date may apply.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions

The net OPEB liability (asset) for financial reporting purposes for the year ended June 30, 2026 was determined by an actuarial valuation as of June 30, 2024, and a measurement date of June 30, 2025. The net OPEB liability (asset) for financial reporting purposes for the year ended June 30, 2025 was determined by an actuarial valuation as of June 30, 2023, and a measurement date of June 30, 2024. The following actuarial assumptions were used and applied to all periods included in the measurement, unless otherwise specified:

- Inflation rate: 2.50%.
- Salary increase: Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.
- Investment rate of return: 7.40%, net of OPEB plan investment expense, including inflation.
- Healthcare cost trend rates: Trend rate for pre-Medicare and Medicare per capita costs of 5.0% for medical and 8.0% for drug, the trends increase over four years to 7.0% and 9.5%, respectively, and then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year-end 2034.
- Actuarial cost method: Entry age normal cost method.
- Amortization method: Level percentage of payroll over a 20-year closed period beginning June 30, 2017.
- Wage inflation: 2.75%.
- Retirement age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2020 actuarial valuation.
- Aging factors: Based on the 2013 SOA Study “Health Care Costs – From Birth to Death”.
- Expenses: Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of the annual expense.
- Mortality postretirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females.
- Mortality pre-retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021 and scaling factors of 100% males for males and 100% for females.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2015 − June 30, 2020.

The long-term investment rate of return of 7.40% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.60% for long-term assets invested with the West Virginia Investment Management Board (IMB) and an expected short-term rate of return of 2.75% for assets invested with the WV Board of Treasury Investments (BTI).

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

Long-term pre-funding assets are invested with the IMB. The strategic asset allocation consists of 45% equity, 15% fixed income, 6% private credit and income, 12% private equity, 10% hedge fund, and 12% real estate invested. Short-term assets used to pay current year benefits and expenses are invested with the BTI.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which estimates of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. Best estimates of the long-term geometric rates for each major asset class are summarized below. The returns and allocations below were used and applied to all periods included in the measurement, unless otherwise specified:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Equity	7.4 %	45.0 %
Fixed Income	3.9	15.0
Private Credit and Income	7.4	6.0
Private Equity	10.0	12.0
Real Estate	7.7	12.0
Hedge Funds	4.5	10.0
Total		100.0 %

Discount Rate

The discount rate used to measure the OPEB liability was 7.40%. The projection of cash flows used to determine the discount rate assumed that RHBT contributions will be made at rates equal to the actuarially determined contribution rates, in accordance with prefunding and investment policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net OPEB liability as of June 30, 2026 and 2025, calculated using the discount rate, as well as what the College's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the discount rate for the year (dollars in thousands):

	1% Decrease (6.40%) 2026 (6.40%) 2025	Discount Rate (7.40%) 2026 (7.40%) 2025	1% Increase (8.40%) 2026 (8.40%) 2025
Net OPEB Liability (Asset) 2026	$ 393	$ 103	$ (145)
Net OPEB Liability (Asset) 2025	184	(42)	(230)

Sensitivity of the Net OPEB Liability to Changes in Health Care Cost Trend Rates

The following presents the College's proportionate share of the net OPEB liability as of June 30, 2026 and 2025, calculated using the current health care cost trend rates, as well as what the College's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates (dollars in thousands):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Net OPEB Liability (Asset) 2026	$ (261)	$ 103	$ 535
Net OPEB Liability (Asset) 2025	(332)	(42)	309

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2026 and 2025**,** the amount recognized as the College's proportionate share of the net OPEB (asset) liability was approximately $103,000 and ($42,000), respectively. At June 30, 2026, the nonemployer contributing entity's (state of West Virginia) portion of the collective net OPEB liability is $81,568 and the total net OPEB liability attributable to the College is $184,568. At June 30, 2025, the nonemployer contributing entity's (state of West Virginia) portion of the collective net OPEB liability is ($32,000) and the total net OPEB liability attributable to the College is $82,000.

The allocation percentage assigned to each contributing employer is based on the employer's proportionate share of employer contributions to the RHBT for the fiscal years ended June 30, 2025 and June 30, 2024. Employer contributions are recognized when due. At June 30, 2025, the College's proportion was 0.109048597% an increase of 0.00775% from its proportion of 0.101298561%, calculated as of June 30, 2024.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the years ended June 30, 2026 and 2025, the College recognized OPEB expense of $141,544 and ($139,000), respectively. Of this amount, $24,270 and ($122,000) at June 30, 2026 and 2025, respectively, was recognized as the College's proportionate share of the OPEB expense, and $117,274 and ($17,000) at June 30, 2026 and 2025, respectively, as the amount of OPEB expense attributed to special funding. The College also recognized revenue of $117,274 and ($17,000) at June 30, 2026 and 2025, respectively, for support provided by the state.

At June 30, 2026, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows (dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	$ 2	$ 6
Net Difference Between Projected and Actual Investment Earnings	94	75
Differences Between Expected and Actual Experience	-	76
Changes in Assumptions	240	21
Reallocation of Opt-Out Change in Proportionate Share	-	-
Contributions After the Measurement Date	41	-
Total	$ 377	$ 178

At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows (dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	$ 6	$ 24
Net Difference Between Projected and Actual Investment Earnings	147	49
Differences Between Expected and Actual Experience	-	42
Changes in Assumptions	16	50
Reallocation of Opt-Out Change in Proportionate Share	-	-
Contributions After the Measurement Date	74	-
Total	$ 243	$ 165

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The College will recognize $41,000 of the amount reported as deferred outflows of resources resulting from OPEB contributions after the measurement date as a reduction of the net OPEB liability in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

Fiscal Year Ending June 30,	Total Amortization
2027	$ 127
2028	73
2029	(26)
2030	(16)
Total	$ 158

NOTE 7 STATE SYSTEM OF HIGHER EDUCATION INDEBTEDNESS

The College is a state institution of higher education and the College receives a state appropriation to finance a portion of its operations. In addition, it is subject to the legislative and administrative mandates of state government. Those mandates affect all aspects of the College's operations, its tuition and fee structure, its personnel policies, and its administrative practices.

The state has chartered the Commission with the responsibility to construct or renovate, finance and maintain various academic and other facilities of the State's universities and colleges, including certain facilities of the College. Financing for these facilities was provided through revenue bonds issued by the former Board of Regents or the former Boards of the College and College Systems (the Boards). These obligations administered by the Commission are the direct and total responsibility of the Commission, as successor to the former Boards.

The Commission has the authority to assess each public institution of higher education for payment of debt service on these system bonds. The education and general capital fees (previously tuition and registration fees) of the members of the former State College System are generally pledged as collateral for the Commission's bond indebtedness. Student fees collected by the institution in excess of the debt service allocation are retained by the institution for internal funding of capital projects and maintenance. Although the bonds remain as a capital obligation of the Commission, an estimate of the obligation of each institution is reported as a long-term payable by each institution and as a receivable by the Commission, effective as of June 30, 2002. As of June 30, 2026 and 2025, there were no debt obligations due to the Commission.

NOTE 8 UNRESTRICTED NET POSITION

The College's unrestricted net position for years ended June 30, was as follows:

	2026	2025
Total Unrestricted Net Position Before OPEB Liability	$ 2,289,012	$ 4,242,344
Less: OPEB Liability (Asset)	-	(42,177)
Total Unrestricted Net Position	$ 2,289,012	$ 4,284,521

NOTE 9 DEFINED BENEFIT PENSION PLAN

Some employees of the College are enrolled in a defined benefit pension plan, the West Virginia Teachers' Retirement System (TRS), which is administered by the West Virginia Consolidated Public Retirement Board (CPRB).

Following is the College's pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, revenues, and the pension expense and expenditures for the fiscal years ended June 30:

	2026	2025
Net Pension Liability	$ 45,756	$ 66,723
Deferred Outflows of Resources	$ 23,284	$ 24,449
Deferred Inflows of Resources	$ 23,458	$ 37,319
Payments Made on Behalf of the College	$ 2,080	$ 2,384
Pension Expense (Revenue)	$ 32,785	$ (26,341)
Contributions Made by the College	$ 13,993	$ 13,657

TRS

Plan Description

TRS is a multiemployer defined benefit cost-sharing public employee retirement system providing retirement benefits as well as death and disability benefits. It covers all full-time employees of the 55 county public school systems in the state and certain personnel of the 13 state-supported institutions of higher education, State Department of Education and the Higher Education Policy Commission hired prior to July 1, 1991. Employees of the state-supported institutions of higher education and the Higher Education Policy Commission hired after June 30, 1991, are required to participate in the Higher Education Retirement System. TRS closed membership to new hires effective July 1, 1991.

TRS is considered a component unit of the state for financial reporting purposes, and, as such, its financial report is also included in the state of West Virginia's Comprehensive Annual Financial Report. TRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained from the TRS website at https://www.wvretirement.com/Publications.html#CAFR.3

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Benefits Provided

TRS provides retirement, death, and disability benefits. A member is eligible for normal retirement at age 60 with five years of service, age 55 with 30 years of service, or any age with 35 years of service. A member may retire with 30 years of credited service at any age with the pension reduced actuarially if the member retires before age 55. Terminated members with at least five, but less than 20, years of credited service who do not withdraw their accumulated contributions are entitled to a deferred retirement commencing at age 62. Retirement benefits are equivalent to 2% of average annual salary multiplied by years of service. Average salary is the average of the five highest fiscal years of earnings during the last 15 fiscal years of earnings. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan, including contribution rates, to the State Legislature.

Contributions

The funding objective of the CPRB pension trust funds is to meet long-term benefit requirements through contributions, which remain relatively level as a percent of member payroll over time, and through investment earnings. Contribution requirements are set by CPRB. A member who withdraws from service for any cause other than death or retirement may request that the accumulated employee contributions plus interest be refunded.

Member Contributions: TRS funding policy provides for member contributions based on 6% of members' gross salary. Contributions as a percentage of payroll for members and employers are established by state law and are not actuarially determined.

Employer Contributions: Employers make the following contributions:

The state (including institutions of higher education) contributes:

1. 15% of gross salary of their State-employed members hired prior to July 1, 1991;
2. 15% of School Aid Formula (SAF) covered payroll of county-employed members;
3. 7.5% of SAF-covered payroll of members of the TDCRS;
4. A certain percentage of fire insurance premiums paid by state residents; and
5. Under WV State code section 18-9-A-6a, beginning in fiscal year 1996, an amount determined by the state Actuary as being needed to eliminate the TRS unfunded liability within 40 years of June 30, 1994. As of the June 30, 2025 and 2024 measurement dates, respectively, the College's proportionate share attributable to this special funding subsidy was ($73,479) and ($110,352) and is recorded as expense.

The College's contributions to TRS for the years ended June 30, 2026, 2025, and 2024, were approximately $13,993, $13,657, and $12,908, respectively.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Assumptions

The total pension liabilities for June 30, 2026 and 2025 financial reporting purposes were determined by actuarial valuations as of July 1, 2024 and 2023, respectively and rolled forward to June 30, 2025 and 2024, respectively. The following actuarial assumptions were used and applied to all periods included in the measurement:

- Actuarial cost method: Entry age normal cost with level percentage of payroll.
- Asset valuation method: Investments are reported at fair value.
- Amortization method and period for contributions: Level dollar, fixed period through fiscal year 2034.
- Investment rate of return of 7.25%, net of pension plan administrative and investment expenses.
- Projected salary increases: Teachers 2.75%-5.90% and Non-Teachers 2.75%–6.50%, based on age.
- Inflation rate of 2.75%.
- Discount rate of 7.25%.
- Mortality rates: Active – based on Pub-2016 General Employee Tables, headcount-weighted, projected with Scale MP-2021.
- Withdrawal rates: Teachers 1.9%-31.5% and Non-Teachers 2.5%-18%.
- Disability rates: 0.000%-0.507%.
- Retirement age: An age-related assumption is used for participants not yet receiving payments.
- Retirement rates: 15%-100%, based on age, after 55.
- Ad hoc cost-of-living increases in pensions are periodically granted by the State Legislature. However, the retirement system makes no automatic provision for such increases.

Experience studies are performed at least once in every five-year period. The most recent experience study covered the period from July 1, 2019 to June 30, 2024. These assumptions will remain in effect for valuation purposes until such time as the CPRB adopts revised assumptions.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the long-term geometric real rates of return for each major asset class included in TRS' target asset allocation as of June 30, are summarized below.

	2025	
Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic Equity	5.3 %	22.5 %
International Equity	6.7	22.5
Core Fixed Income	4.3	15.0
Real Estate	7.2	12.0
Private Equity	8.0	12.0
Private Credit	8.2	6.0
Hedge Funds	5.0	10.0

	2024	
Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic Equity	6.5 %	22.5 %
International Equity	9.1	22.5
Core Fixed Income	4.3	15.0
Real Estate	5.8	12.0
Private Equity	9.2	12.0
Private Credit	9.8	6.0
Hedge Funds	4.6	10.0

Discount Rate. The discount rate used to measure the total TRS pension liability was 7.25% and 7.25% for fiscal years ending June 30, 2025 and 2024, respectively. The projection of cash flows used to determine the discount rate assumed that state contributions will continue to follow the current funding policy. Based on those assumptions, TRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Assumptions (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the College's proportionate share of the TRS net pension liability as of June 30, 2026 and 2025, calculated using the discount rate of 7.25% and 7.25%, respectively, as well as what the College's TRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25% and 6.25%, respectively) or 1-percentage-point higher (8.25% and 8.25%, respectively) than the current rate (dollars in thousands).

	1% Decrease	Discount Rate Used	1% Increase
Net Pension Liability 2026	$ 91,462	$ 45,756	$ 7,021
Net Pension Liability 2025	111,964	66,723	28,428

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The June 30, 2026 TRS net pension liability was measured as of June 30, 2025, and the total pension liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025. The June 30, 2025 TRS net pension liability was measured as of June 30, 2024, and the total pension liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025.

At June 30, 2026 and 2025, the College's proportionate share of the TRS net pension liability was $119,235 and $177,075, respectively. Of this amount, the College recognized $45,756 and $66,723, respectively, as its proportionate share on the statements of net position. The remainder of $73,479 and $110,352, respectively, denotes the College's proportionate share of net pension liability attributable to the special funding provided by the state.

The allocation percentage assigned to each participating employer and nonemployer contributing entity is based on their proportionate share of employer and nonemployer contributions to TRS for each of the fiscal years ended June 30, 2026 and 2025. Employer contributions are recognized when due. At the June 30, 2025 measurement date, the College's proportion was 0.003521%, a decrease of 0.000015% from its proportion of 0.003536%, calculated as of June 30, 2024.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the years ended June 30, 2026 and 2025, the College recognized total TRS pension expense (benefit) of ($32,085) and ($34,684), respectively. Of this amount, ($33,613) and ($26,341), respectively was recognized as the College's proportionate share of the TRS benefit, offset by, ($552) and ($8,307), respectively, as the amount of pension expense (benefit) attributable to special funding from a nonemployer contributing entity, and $2,080 and $2,384, respectively, as the amount of pension expense from a nonemployer contributing entity not attributable to a special funding situation. The College also recognized expense (benefit) of $552 and ($8,307), respectively, for support provided by the State.

At June 30, 2026, deferred outflows of resources and deferred inflows of resources related to the TRS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	$ 1,306	$ 10,996
Net Difference Between Projected and Actual Investment Earnings	-	9,931
Difference Between Projected and Actual Experience	7,890	-
Changes in Assumptions	95	2,531
Contributions After Measurement Date	13,993	-
Total	$ 23,284	$ 23,458

At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to the TRS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	$ 2,240	$ 30,430
Net Difference Between Projected and Actual Investment Earnings	-	6,889
Difference Between Projected and Actual Experience	6,907	-
Changes in Assumptions	1,695	-
Contributions After Measurement Date	13,607	-
Total	$ 24,449	$ 37,319

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

TRS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The College will recognize $13,993 of the amount reported as deferred outflows of resources resulting from pension contributions after the measurement date as a reduction of the TRS net pension liability in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of or increase in the TRS pension expense as follows:

Fiscal Year Ending June 30,	Amortization
2027	$ 1,837
2028	(9,318)
2029	(3,862)
2030	(2,824)
Total	$ (14,167)

Payables to the Pension Plan

The College did not report any amounts payable for normal contributions to the TRS as of June 30, 2026 and 2025.

NOTE 10 RETIREMENT PLANS

Substantially all full-time employees of the College participate in either the West Virginia State Teachers' Retirement System (the TRS) or the Teachers' Insurance and Annuities Association – College Retirement Equities Fund (the TIAA-CREF). (See Note 9 for information regarding TRS).

Effective January 1, 2003, higher education employees enrolled in the basic 401(a) retirement plan with TIAA-CREF have an option to switch to the Educators Money 401(a) Basic Retirement Plan (the Educators Money). New hires have the choice of either plan.

The TIAA-CREF and Educators Money are defined contribution benefit plans in which benefits are based solely upon amounts contributed plus investment earnings. Each employee who elects to participate in this plan is required to make a contribution equal to 6% of total annual compensation. The College matches the employees' 6% contribution. Contributions are immediately and fully vested. In addition, employees may elect to make additional contributions to TIAA-CREF and Educators Money, which are not matched by the College.

Total contributions to the TIAA-CREF for the years ended June 30, 2026, 2025, and 2024 were $1,017,312, $988,553, and $918,466, respectively, which consisted of equal contributions from the College and covered employees of $508,656 in 2026, $494,276 in 2025, and $459,223 in 2024.

NOTE 10 RETIREMENT PLANS (CONTINUED)

Total contributions to Educators Money for the years ended June 30, 2026, 2025, and 2024, were $-0-, $-0-, and $17,552, respectively, which consisted of equal contributions from the College and covered employees of $-0-, $-0-, and $8,776, in 2026, 2025, and 2024, respectively.

The College's total payroll for the years ended June 30, 2026, 2025, and 2024, was $9,417,682, $9,220,734, and $8,012,138, respectively; total covered employees' salaries in the TIAA-CREF and Educators Money were $8,477,599, $8,237,939, and $-0-; and $-0-, $-0-; and $146,264 in 2026, 2025, and 2024, respectively.

NOTE 11 CONTINGENCIES

The nature of the education industry is such that, from time to time, claims will be presented against the College on account of alleged negligence, acts of discrimination, breach of contract or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system. In the opinion of management, all known claims are covered by insurance or are such that an award against the College would not seriously affect the financial status of the College.

Under the terms of federal grants and awards, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The College's management believes disallowances, if any, will not have a significant financial impact on the College's financial position.

The College owns various buildings, which are known to contain asbestos. The College is not required by federal, state or local law to remove the asbestos from its buildings. The College is required by federal environmental, health and safety regulations to manage the presence of asbestos in its buildings in a safe manner. The College addresses its responsibility to manage the presence of asbestos in its buildings on a case-by-case basis. Significant problems of dangerous asbestos conditions are abated, as the condition becomes known. The College also addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing or operating with the asbestos in a safe manner.

Authorized expenditures for construction projects unexpended as of June 30, 2026, were $0.

NOTE 12 NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATIONS

For the years ended June 30, the following tables represent operating expenses within both natural and functional classifications:

	2026							
	Salaries and Wages	Benefits	Supplies and Other Services	Utilities	Scholarships and Fellowships	Depreciation	Fees Assessed by the Commission	Total
Instruction	$ 5,363,377	$ 1,390,647	$ 824,878	$ 118,906	$ -	$ -	$ -	$ 7,697,808
Public Service	546,585	66,032	244,090	-	-	-	-	856,707
Academic Support	363,477	133,438	204,568	118,906	-	-	-	820,389
Student Services	908,753	305,071	151,276	-	-	-	-	1,365,100
General Institutional Support	2,027,949	618,034	1,641,816	315,713	-	-	-	4,603,512
Operations and Maintenance of Plant	401,753	142,863	1,177,992	462,168	-	-	-	2,184,776
Student Financial Aid	-	-	-	-	1,672,190	-	-	1,672,190
Depreciation	-	-	-	-	-	1,821,273	-	1,821,273
Other	-	-	-	-	-	-	66,494	66,494
Total Expenses by Function	$ 9,611,894	$ 2,656,085	$ 4,244,620	$ 1,015,693	$ 1,672,190	$ 1,821,273	$ 66,494	$ 21,088,249

	2025							
	Salaries and Wages	Benefits	Supplies and Other Services	Utilities	Scholarships and Fellowships	Depreciation	Fees Assessed by the Commission	Total
Instruction	$ 5,202,528	$ 1,196,946	$ 788,666	$ 119,794	$ -	$ -	$ -	$ 7,307,934
Public Service	549,199	66,397	245,335	-	-	-	-	860,931
Academic Support	392,562	106,844	225,706	117,052	-	-	-	842,164
Student Services	984,463	276,780	152,741	-	-	-	-	1,413,984
General Institutional Support	1,906,612	497,423	1,641,460	309,470	-	-	-	4,354,965
Operations and Maintenance of Plant	429,192	128,044	994,377	443,036	-	-	-	1,994,649
Student Financial Aid	-	-	-	-	2,368,391	-	-	2,368,391
Depreciation	-	-	-	-	-	1,898,083	-	1,898,083
Other	-	-	-	-	-	-	50,009	50,009
Total Expenses by Function	$ 9,464,556	$ 2,272,434	$ 4,048,285	$ 989,352	$ 2,368,391	$ 1,898,083	$ 50,009	$ 21,091,110

NOTE 13 BALANCES DUE TO OR FROM WEST VIRGINIA STATE AGENCIES

For the years ended June 30, the following table represents amounts due (to) from West Virginia State Agencies:

	2026	2025
Amounts Due from State Agencies:		
Higher Education Policy Commission, Including Interest Receivable	$ 220,590	$ 178,695
Amounts Due to State Agencies:		
Higher Education Policy Commission/ Council for Community and Technical Colleges	$ 48,213	$ -
Other State Agencies	3,048	8,900
Total Amounts Due to State Agencies	$ 51,261	$ 8,900

NOTE 14 COMPONENT UNIT DISCLOSURES (FOUNDATION)

The Foundation is discretely presented within the financial statements as a component unit. The Foundation is a legally separate, tax-exempt entity with an independent governing board. The majority of resources, or income thereon, which the Foundation holds and invests are restricted to the activities of the College by the donors and not controlled directly by the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the University, the Foundation is considered a component unit of the College and is discretely presented in the financial statements.

The financial activity is reported for the year ended June 30, 2026 and June 30, 2025. The Foundation is audited annually and received an unmodified audit opinion in 2026 and 2025.

The Foundation invests in marketable securities and all debt securities are reported at their fair value based upon quoted market prices in the statement of net position.

The Foundation operates a pooled investment portfolio consisting of common trust funds for all investment funds. New funds or additions to existing funds are assigned a share in the common trust fund investment pool based upon the amount of cash or estimated fair value of securities deposited. Income, including unrealized appreciation or depreciation, and realized capital gains and losses, are allocated depending on whether the investment was established for general operating (without donor restrictions) or a specific purpose (with donor restrictions) on the statements of activities.

Split-interest agreements consist of a beneficial interest in a perpetual trust. The Foundation was bequeathed a beneficial interest in a perpetual trust established at a financial institution in accordance with a decedent's will. Under the terms of this split-interest agreement, the Foundation is to receive distributions of 5% of the income from the trust in perpetuity. These distributions are to be used to establish an endowment, the income from which will be used to provide scholarships. The Foundation's beneficial interest is valued in the statements of financial position at 5% of the fair market value of the trust's assets. Adjustments due to changes in the market value of the trust assets are recorded as changes in value of split

NOTE 14 COMPONENT UNIT DISCLOSURES (FOUNDATION) (CONTINUED)

The Foundation's beneficial interest is valued in the statements of financial position at 5% of the fair market value of the trust's assets. Adjustments due to changes in the market value of the trust assets are recorded as changes in value of split interest agreements. Distributions received from the trust are restricted for endowed scholarships and are recorded as investment income with donor restrictions from beneficial interest in perpetual trust.

Investments

The cost and estimated fair values of investments at June 30, are:

	2026		2025	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
U.S. Government Agency Obligations		$ -		$ 48,447
Corporate Bonds and Notes		493,415		429,821
Mortgage Backed Securities		3,137		4,895
Equity Securities		3,164,298		2,575,896
Equity Mutual Funds		2,296,700		1,771,230
Fixed Income Mutual Funds		2,642,107		2,099,497
Common Trust Fund Balance	$ 7,101,149	8,599,657	$ 6,228,459	6,929,786
Cash Equivalents	802,724	802,724	698,149	698,149
Total	$ 7,903,873	$ 9,402,381	$ 6,926,608	$ 7,627,935

Gains (losses) on investments for the years ended June 30, are summarized as follows:

	2026	2025
Realized Gains	$ 1,593	$ 7,979
Unrealized Gains (Losses)	1,122,876	292,496
Total Gains (Losses) on Investments	$ 1,124,469	$ 300,475

Investment income and gains and losses on investments are reported as an increase or decrease in net assets without donor restrictions unless a donor or law restricts their use as to time or purpose.

All of the Foundation investment funds are invested in a financial institution's common trust fund. The common trust fund balance reflects the aggregate cost basis that each of these investment funds has in the financial institutions common trust fund. The common trust fund fair market value reflects the market value of individual investments held by the fund at June 30, 2026 and 2025.

NOTE 14 COMPONENT UNIT DISCLOSURES (FOUNDATION) (CONTINUED)

Investments (Continued)

Investment income and gains and losses on investments are reported as an increase or decrease in net assets without donor restrictions unless a donor or law restricts their use as to time or purpose.

All of the Foundation investment funds are invested in a financial institution's common trust fund. The common trust fund balance reflects the aggregate cost basis that each of these investment funds has in the financial institutions common trust fund. The common trust fund fair market value reflects the market value of individual investments held by the fund at June 30, 2026 and 2025.

The Foundation, through a trust department, invests in cash equivalents and a common trust fund, which allows the Foundation to purchase domestic and foreign equities, fixed income and equity mutual funds, U.S. government obligations, corporate bonds, and commercial paper. "The Foundation's primary investment objective is to outperform the established spending rate of 3.00% plus inflation over the long-term in order for the Foundation to operate in perpetuity."

It is the Foundation's investment policy that except for fixed income investments explicitly guaranteed by the U.S. government, no single investment security shall represent more than 5% of total Portfolio assets. Except for passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20% of total Portfolio assets. With respect to fixed income investments, for individual bonds, the minimum average credit quality of these investments shall be investment grade (Standard & Poor's BBB or Moody's Baa or higher). A maximum of 5% of fixed income investments may be exempted from this guideline.

The Foundation's spending policy states that income available for spending is determined by the Allocation Committee, unless the investment fund has a legal document stipulating otherwise. For scholarships, the Allocation Committee calculates 3% of the three-year rolling fair market value average to determine the amount of student assistance available. Capital spending and institutional development spending is discretionary depending on adequate funding sources to maintain the expenditure level of the program. All income and appreciation not needed to meet the spending needs will be reinvested.

Split-Interest Agreements

The following summarized the transactions affecting the beneficial interest in perpetual trust for the years ended June 30:

	2026	2025
Distributions Received from the Trust Recorded as an Investment with Donor Restrictions	$ 72,408	$ 51,040
Change in Value of the Split-Interest Agreement	$ 162,277	$ 76,730

NOTE 14 COMPONENT UNIT DISCLOSURES (FOUNDATION) (CONTINUED)

Fair Value of Financial Instruments

The Foundation follows Financial Accounting Standards Board (FASB) standards for using fair value to measure financial assets and financial liabilities. This standard applies whenever other standards require or permit assets or liabilities to be measured at fair value.

FASB establishes a three-level hierarchy based on pricing availability in measuring fair values for assets and liabilities. These three levels are:

Level 1 – Quoted market prices are available in active trading markets for identical assets or liabilities as of the report date.

Level 2 – Pricing inputs other than quoted market prices are available in active trading markets as of the report date. These assets or liabilities have prices available but are traded less frequently, or are fair valued using other financial instruments, the parameters of which can be directly observed.

Level 3 – Assets or liabilities have little or no pricing observability as of the report date. These items are usually measured using management's best estimate of fair value, where the inputs into the determination of fair value require significant management judgment or estimation.

The Foundation reports all investments at their fair value as of June 30:

	2026			
	Level 1	Level 2	Level 3	Total
Valued on a Recurring Basis:				
Assets:				
Equity Securities	$ 3,164,298	$ -	$ -	$ 3,164,298
Debt Securities	-	496,552	-	496,552
Mutual Funds	4,938,807	-	-	4,938,807
Cash Equivalents	802,724	-	-	802,724
Beneficial Interest in Perpetual Trust	-	-	1,515,299	1,515,299
Total	$ 8,905,829	$ 496,552	$ 1,515,299	$ 10,917,680

	2025			
	Level 1	Level 2	Level 3	Total
Valued on a Recurring Basis:				
Assets:				
Equity Securities	$ 2,575,896	$ -	$ -	$ 2,575,896
Debt Securities	-	483,163	-	483,163
Mutual Funds	3,870,727	-	-	3,870,727
Cash Equivalents	698,149	-	-	698,149
Beneficial Interest in Perpetual Trust	-	-	1,353,021	1,353,021
Total	$ 7,144,772	$ 483,163	$ 1,353,021	$ 8,980,956

REQUIRED SUPPLEMENTARY INFORMATION

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST TEN YEARS
(IN THOUSANDS)

Measurement Date	College's Proportionate Share as a Percentage of Net Pension Liability	College's Proportionate Share	State's Proportionate Share	Total Proportionate Share	College's Covered Employee Payroll	College's Proportionate Share as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2016	0.008977 %	$ 369	$ 702	$ 1,071	$ 232	159.05 %	61.42 %
June 30, 2017	0.007685	266	587	853	198	134.34	67.85
June 30, 2018	0.006360	199	515	714	202	98.51	71.20
June 30, 2019	0.006980	208	501	709	196	106.12	72.64
June 30, 2020	0.006951	224	486	710	123	182.11	70.89
June 30, 2021	0.004434	69	392	461	124	55.65	86.38
June 30, 2022	0.000046	118	264	382	136	86.76	77.78
June 30, 2023	0.003503	80	164	244	146	54.79	80.42
June 30, 2024	0.003536	67	110	177	147	45.58	84.24
June 30, 2025	0.003521	46	73	119	93	49.46	89.27

Note to Schedule:

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN YEARS
(IN THOUSANDS)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution Recognized	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2017	$ 35	$ 35	$ -	$ 212	16.51 %
June 30, 2018	32	32	-	198	16.16
June 30, 2019	30	29	1	202	14.36
June 30, 2020	34	34	-	196	17.35
June 30, 2021	32	32	-	123	26.02
June 30, 2022	19	19	-	124	15.32
June 30, 2023	19	22	(3)	136	16.18
June 30, 2024	13	13	-	146	8.90
June 30, 2025	14	14	-	147	9.52
June 30, 2026	14	14	-	93	15.05

Note to Schedule:

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
LAST EIGHT YEARS*
(IN THOUSANDS)

Measurement Date	University's Proportionate Share as a Percentage of Net OPEB Liability	University's Proportionate Share	State's Proportionate Share	Total Proportionate Share	University's Covered Employee Payroll	University's Proportionate Share as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability
June 30, 2018	0.144171698 %	$ 3,093	$ 639	$ 3,732	$ 6,156	50.24 %	28.45 %
June 30, 2019	0.139889586	2,321	475	2,796	7,100	32.69	39.69
June 30, 2020	0.143749092	635	140	775	7,220	8.80	73.49
June 30, 2021	0.001414461	(42)	(8)	(50)	7,299	(0.6)	101.81
June 30, 2022	0.001308789	146	50	196	8,012	1.82	93.59
June 30, 2023	0.001272483	(201)	(60)	(261)	8,775	(2.3)	109.66
June 30, 2024	0.001012986	(42)	(32)	(74)	9,221	(0.5)	102.19
June 30, 2025	0.001090486	103	82	185	9,418	1.09	95.76

Notes to Schedule:

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions.

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the College will present information for only those years for which information is available. Additional information, if necessary, can be obtained from the CPRB Comprehensive Annual Financial Report.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
SCHEDULE OPEB CONTRIBUTIONS
LAST EIGHT YEARS*
(IN THOUSANDS)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2019	$ 295	$ 295	$ -	$ 6,156	4.79 %
June 30, 2020	278	278	-	7,100	3.92
June 30, 2021	258	258	-	7,220	3.57
June 30, 2022	184	184	-	7,299	2.52
June 30, 2023	128	128	-	8,012	1.60
June 30, 2024	40	40	-	8,775	0.46
June 30, 2025	74	74	-	9,221	0.80
June 30, 2026	41	41	-	9,418	0.44

Notes to Schedule:

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions.

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the College will present information for only those years for which information is available. Additional information, if necessary, can be obtained from the CPRB Comprehensive Annual Financial Report.

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INDEPENDENT AUDITORS' REPORT 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*

Board of Governors
West Virginia Northern Community College
Wheeling, West Virginia

We have audited, in accordance with the 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, the financial statements of the business-type activities and the discretely presented component unit of West Virginia Northern Community College (the College), a component unit of the West Virginia Council for Community and Technical College Education, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 29, 2026. Our report includes a reference to other auditors who audited the financial statements of West Virginia Northern Community College Foundation, Inc. (the Foundation), the College's discretely presented component unit, as described in our report on the College's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards* and, accordingly, do not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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 financial statements. 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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
September 29, 2026



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