WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2026 AND 2025



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WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
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INDEPENDENT AUDITORS' REPORT

West Virginia Higher Education Policy Commission
West Virginia Higher Education Fund
Charleston, West Virginia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audits and the reports of the 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 aggregate discretely presented component units of the Fund 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 Fairmont State University, West Virginia Council for Community and Technical College Education, and the West Virginia School of Osteopathic Medicine (collectively, the Other Institutions), which represent 16%, 22%, and 13%, respectively, of total assets, total net position, and total revenues (including subsidies) of the Fund as of June 30, 2026. We did not audit the financial statements of the Other Institutions, which represent 17%, 24%, and 14%, respectively, of total assets, total net position and total revenues of the Fund as of June 30, 2025. 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 Other Institutions, are based solely on the report of the other auditors.

We also did not audit the financial statements of the discretely presented component units defined in Note 2 to the financial statements (collectively, the Other Discretely Presented Component Units), which represent 100% of total assets, total net position, and total revenues of the discretely presented component units as of and for the years ended June 30, 2026 and 2025. 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 Other Discretely Presented Component Units, are based solely on the reports of the other auditors.

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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 Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The discretely presented component units financial statements, other than the Shepherd University Foundation Inc. and Supporting Organization, were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

The 2025 West Liberty Foundation financial statements have been restated to correct an error. Our opinions are not modified with respect to that matter.

Emphasis of Matter- Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Fund adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. The standard defines presentation and classification requirements including certain revenue classifications. Our opinions are not modified with respect to this matter.

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 Fund'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 Fund'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 Fund'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 audit, significant audit findings, and certain internal control related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of Proportionate Share of TRS Net Pension Liability and Employer Contributions, and the Schedules of Proportionate Share of Net Other Postemployment Benefit Liability (Asset) and Employer Contributions (the required supplementary information), as listed in the table of contents, 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 and other auditors 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.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fund's basic financial statements. The schedule of combining net position information and schedule of combining revenues, expenses, and changes in net position information (the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, based on our audits and the reports of other auditors, the Schedule of Combining Net Position Information and Schedule of Combining Revenues, Expenses, and Changes in Net Position Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 29, 2026 on our consideration of the Fund'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 Fund'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 Fund's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
October 29, 2026

Overview of the Financial Statements and Financial Analysis

The West Virginia Higher Education Fund (the Fund) is comprised of 20 public colleges and universities and two administrative units. The Fund is a discretely presented component unit of the State of West Virginia (the State). The supervision and management of the affairs of each institution are the responsibility of individual Governing Boards, while the West Virginia Higher Education Policy Commission (the Commission) and the West Virginia Council for Community and Technical College Education (the Council) are responsible for the development and implementation of a higher education policy agenda.

Governmental Accounting Standards Board (GASB) standards require the audited financial statements of certain institutions' component units to be separately presented as a discrete component unit in the institution's and Fund's financial statements for the fiscal years ended June 30, 2026 and 2025.

The following discussion and analysis of the Fund's financial statements provides an overview of its financial activities for Fiscal Years 2026 and 2025 and its required supplementary information. The emphasis of discussions about these statements will focus on current year data in comparison to prior year. There are three financial statements presented: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows.

Statements of Net Position

The statements of net position present the assets and deferred outflows of resources, liabilities and deferred inflow of resources and net position of the Fund and are point-in-time financial statements. The purpose of the statement of net position is to present to the readers of the financial statements a fiscal snapshot of the Fund. The statement of net position presents end-of-year data concerning assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets and deferred outflows minus liabilities and deferred inflows).

From the data presented, readers of the statements of net position are able to determine the assets available to continue the operations of the Fund. They are also able to determine how much the Fund owes to vendors, employees, investors and lending institutions. Finally, the statements of net position provide a picture of the net position (assets and deferred outflows minus liabilities and deferred inflows).

Net position is divided into three major categories. The first category, net investment in capital assets, provides the Fund's equity in land, buildings, furniture, and equipment owned by the Fund less related long-term debt issued to finance capital assets. The next net position category is restricted, which is divided into two categories, nonexpendable and expendable. The nonexpendable restricted category is used for an endowment program where funds are invested. The earnings are available for expenditure, but the original principal is not. The expendable restricted category reflects amounts that are available for expenditure by the Fund but have a specific purpose. The final category is unrestricted. The unrestricted category is used to record amounts that are available to be used for any lawful purpose of the Fund.

Statements of Net Position (Continued)

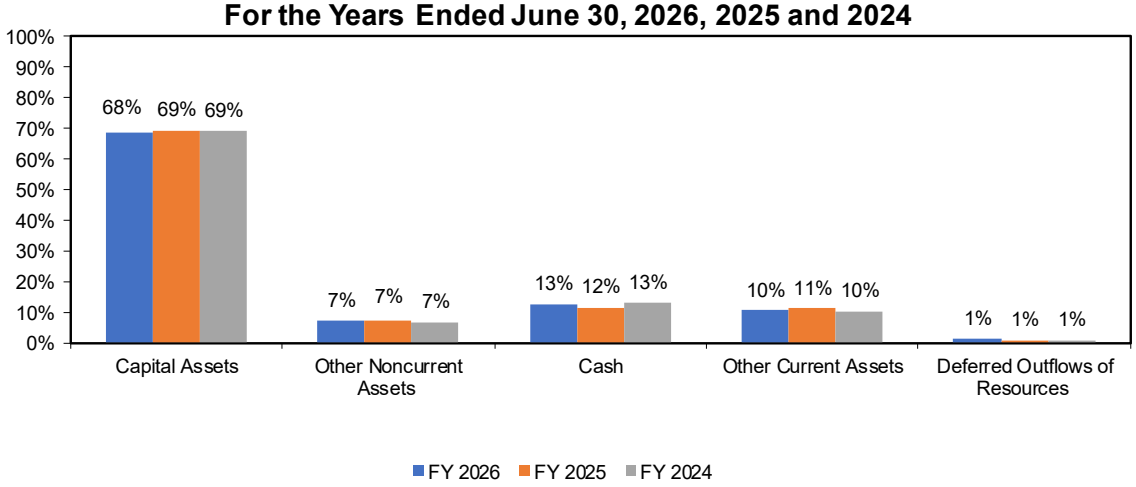
Condensed Schedules of Net Position
(In Thousands of Dollars)

	2026	2025	2024
ASSETS			
Current Assets	$ 1,181,492	$ 1,122,248	$ 1,117,466
Capital Assets, Net	3,498,330	3,436,514	3,347,277
Other Noncurrent Assets	366,922	345,223	328,794
Total Assets	5,046,744	4,903,985	4,793,537
DEFERRED OUTFLOWS OF RESOURCES	60,349	46,849	41,797
Total	$ 5,107,093	$ 4,950,834	$ 4,835,334
LIABILITIES			
Current Liabilities	$ 540,671	$ 556,066	$ 505,376
Noncurrent Liabilities	1,454,938	1,505,227	1,573,958
Total Liabilities	1,995,609	2,061,293	2,079,334
DEFERRED INFLOWS OF RESOURCES	66,869	61,371	79,606
Total	2,062,478	2,122,664	2,158,940
NET POSITION			
Net Investment in Capital Assets	2,243,197	2,141,632	2,024,366
Restricted-Expendable	414,930	348,705	321,516
Restricted-Nonexpendable	38,105	36,325	36,392
Unrestricted	348,383	301,508	294,120
Total Net Position	3,044,615	2,828,170	2,676,394
Total	$ 5,107,093	$ 4,950,834	$ 4,835,334

Statements of Net Position (Continued)

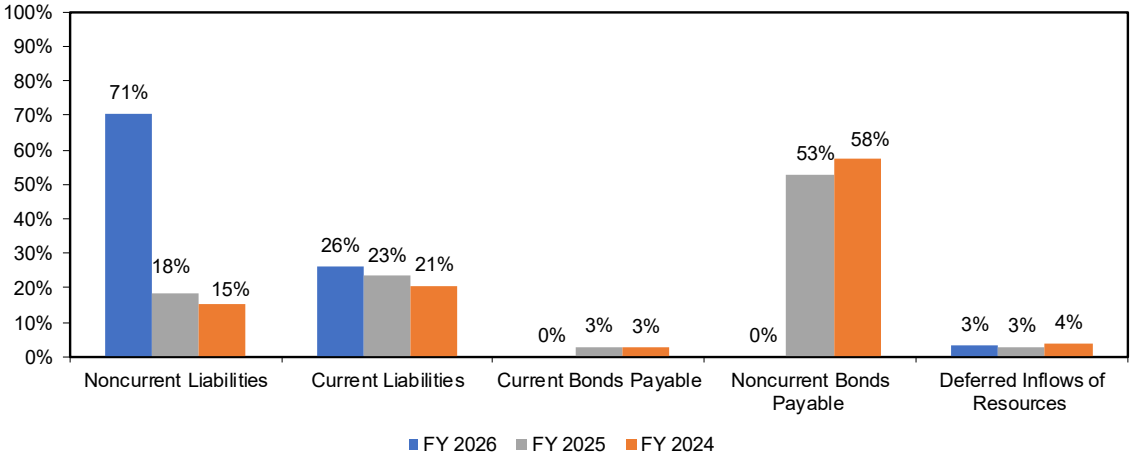
Assets and Deferred Outflows Composition

For the Years Ended June 30, 2026, 2025 and 2024



Liabilities and Deferred Inflows Composition

For the Years Ended June 30, 2026, 2025 and 2024



Statements of Net Position (Continued)

Major items of note in the Statement of Net Position included:

- Total current assets of $1,181.5 million exceeded total current liabilities of $540.7 million as of June 30, 2026 for net working capital of $640.8 million as compared to net working capital of $566.1 million and $612.1 million as of June 30, 2025 and 2024, respectively. Current assets increased by $59.3 million from 2025 to 2026 and increased by $4.78 million from 2024 to 2025, while current liabilities decreased by $15.4 million and $51 million from 2025 to 2026 and 2024 to 2025, respectively.

    - The major components of currents assets include cash and cash equivalents of $646.0 million, $572.0 million, and $622.3 million and net accounts receivable of $182.3 million, $227.7 million, and $199.5 million as of June 30, 2026, 2025, and 2024, respectively. The majority of the cash and cash equivalents represent interest earning assets invested through the office of the West Virginia State Treasurer which invested with Board of Treasury Investments at June 30, 2026, 2025 and 2024.

    - The major components of current liabilities include $157.0 million, $183.5 million, and $175.9 million of unearned revenue, $95.4 million, $104.9 million, and $84.3 million, in accounts payable, $106.0 million, $99.8 million, and $87.4 million of accrued liabilities, $66.4 million, $62.3 million, and $57.2 million in accrued compensated absences, and $66.3 million, $60.6 million, and $59.4 million in current portion of bonds payable as of June 30, 2026, 2025 and 2024, respectively.

    - The changes from last year in the level of most of the current assets and liabilities reflect normal fluctuations in business operations; current construction projects activities and changes in grant activities.

- Noncurrent assets total $3,865.3 million, $3,781.7 million, and $3,676.1 million and noncurrent liabilities total $1,455.0 million, $1,505.2 million, and $1,574.0 million as of June 30, 2026, 2025 and 2024, respectively. Noncurrent assets increased by $83.6 million from 2025 to 2026 and increased by $105.7 million from 2024 to 2025 while noncurrent liabilities decreased by $50.2 million from 2025 to 2026 and decreased by $68.7 million from 2024 to 2025.

    - The primary noncurrent assets are $3,498.3 million, $3,436.5 million, and $3,347.3 million, of net capital assets as of June 30, 2026, 2025 and 2024, respectively. Also included as noncurrent assets are cash and cash equivalents primarily for capital purposes of $123.6 million, $116.2 million, and $82.4 million, investments for capital purposes totaling $190.4 million, $179.9 million, and $178.3 million, and net loans to students of $15.4 million, $14.0 million, and $20.4 million as of June 30, 2026, 2025 and 2024, respectively.

Statements of Net Position (Continued)

- Major components of noncurrent liabilities include long-term bonds payable totaling $1,071.3 million, $1,119.1 million, and $1,181.5 million, lease liabilities of $97.1 million, $99.1 million, and $96.5 million, financed purchases of $59.3 million, $58.3 million, and $57.0 million, advances from federal sponsors of $7.0 million, $10.2 million, and $14.5 million, and notes payable of $99.1 million, $103.3 million, and $105.3 million, as of June 30, 2026, 2025 and 2024, respectively. In addition, the net pension liability recorded was $1.7 million, $3.1 million and $4.2 million, as of June 30, 2026, 2025 and 2024, respectively.

- Other post-employment benefit (OPEB) asset decreased by $2.4 million 2025 to 2026. The OPEB liability increased by $8.8 million from 2025 to 2026. In 2025, the Fund's fiduciary net position exceeded the total OPEB liability resulting in a net OPEB asset based on the actuarial valuation. In 2026, the Fund's total OPEB liability exceeded fiduciary net position resulting in a net OPEB liability based on the actuarial valuation.

- Deferred outflows of resources totaling $41.8 million as of June 30, 2024 increased to $46.8 million as of June 30, 2025 and increased to $60.3 million as of June 30, 2026. The 2026 increase is the result of an increase in OPEB related deferred outflows of $16.1 million and a decrease in deferred loss on refunding of $2.3 million. The 2025 increase is the result of an increase in OPEB related deferred outflows of $7.6 million and a decrease in deferred loss on refunding of $2.4 million.

- Most of the FY 2026 $5.6 million increase in deferred inflows was a result of a increase in the inflows related to OPEB of $5.3 and a decrease of inflows related to Public-Private Partnerships of $1.1 million. Most of the FY 2025 $18.2 million decrease in deferred inflows was a result of a decrease in the inflows related to OPEB of $15.8 and a decrease of inflows related to Public-Private Partnerships of $1.7 million.

- The net position of the Fund totaled $3,044.6 million, $2,828.2 million, and $2,676.4 million as of June 30, 2026, 2025 and 2024, respectively, an increase of $216.4 million from 2025 to 2026 and $152.6 million from 2024 to 2025.

  - Net investment in capital assets totaled $2,243.2 million, $2,141.6 million, and $2,024.4 million as of June 30, 2026, 2025 and 2024, respectively.

  - Restricted expendable net position totaled $414.9 million, $348.7 million, and $321.5 million and included $99.5 million, $82.6 million, $70.5 million for sponsored projects, $72.3 million, $69.2 million, and $19.4 million for capital projects, and $19.1 million, $19.3 million, and $19.6 million for loan programs as of June 30, 2026, 2025 and 2024, respectively.

  - Unrestricted net position totaled $348.4 million, $301.5 million, and $294.1 million as of June 30, 2026, 2025 and 2024, respectively, and represents net position available to the Fund for any lawful purpose of the Fund.

  - The increase in net position is more fully explained in the following section.

Statements of Revenues, Expenses and Changes in Net Position

Changes in total net position as presented on the statements of net position are based on the activity presented in the statements of revenues, expenses, and changes in net position. The purpose of the statement is to present the revenues of the Fund, both operating and nonoperating, and the expenses of the Fund, operating and nonoperating, and any other revenues, expenses, gains or losses of the Fund.

Operating revenues represent the receipts earned from providing goods and services to the various customers and constituencies served by the Fund, including fees from students and revenue in the form of Federal and State grants used to support operations and various initiatives. Operating expenses include staff salaries, benefits, and various goods and services required to carry out the Fund's mission. Revenues for which goods and services are not provided are reported as nonoperating revenues. For example, State appropriations are nonoperating because they are provided by the West Virginia State Legislature to the Fund without the Legislature directly receiving commensurate goods and services for those revenues. Likewise, Pell grants are reported as nonoperating because of specific guidance in the GASB implementation guide.

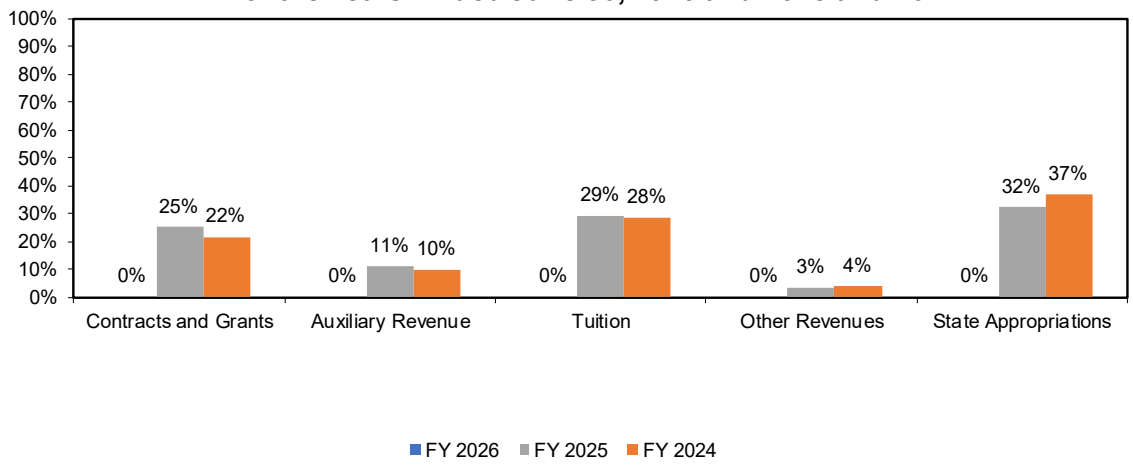
Condensed Schedules of Revenues, Expenses and Changes in Net Position
(In Thousands of Dollars)

	2026	2025	2024
OPERATING REVENUES	$ 1,698,646	$ 1,655,950	$ 1,366,370
OPERATING EXPENSES	2,297,148	2,297,445	2,136,976
OPERATING LOSS	(598,502)	(641,495)	(770,606)
NONCAPITAL SUBSIDIES	640,096	574,764	-
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	41,594	(66,731)	(770,606)
NET NONOPERATING REVENUES	168,170	219,309	978,991
INCOME (LOSS) BEFORE UNUSUAL OR INFREQUENT	209,764	-	-
UNUSUAL OR INFREQUENT	6,681	-	-
INCOME BEFORE OTHER REVENUES EXPENSES, GAINS, AND LOSSES	216,445	152,578	208,385
CAPITAL GRANTS, APPROPRIATIONS AND GIFTS	-	-	24,624
LOSS ON DISPOSAL OF OPERATIONS	-	-	-
INCREASE IN NET POSITION	$ 216,445	$ 152,578	$ 233,009

Statements of Revenues, Expenses and Changes in Net Position (Continued)

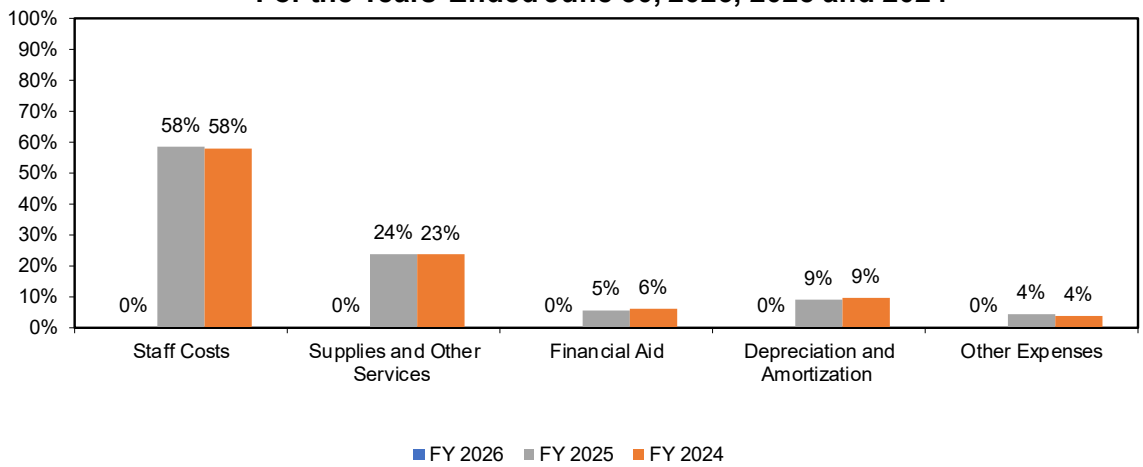
Operating Revenues and State Appropriations

For the Years Ended June 30, 2026 and 2025 and 2024



Total Operating Expenses

For the Years Ended June 30, 2026, 2025 and 2024



Statements of Revenues, Expenses and Changes in Net Position (Continued)

Major items of note in the statement of revenues, expenses and changes in net position include:

- Operating Revenues of the Fund totaled $1,698.6 million, $1,656.0 million, and $1,366.4 million for the years ended June 30, 2026, 2025 and 2024, respectively, an increase of $42.7 million from 2025 to 2026 and an increase of $289.6 million from 2024 to 2025. The change from 2024 to 2025 primarily relates to the impact of Pell Grants and State Appropriations under GASB 103, effective starting in FY25.

    - Student tuition and fees revenues totaled $627.3 million in FY 2026, $590.1 million in FY 2025 and $610.4 million in FY 2024, an increase of $37.2 million or 6.3% in FY 2026 and an decrease of $20.3 million or 3.3% in FY 2025. Tuition is reported net of scholarship allowances totaling $290.6 million, $293.0 million, and $247.7 million for the years ended June 30, 2026, 2025 and 2024, respectively.

    - Federal grant and contracts totaled $236.0 million, $250.3 million, and $234.7 million, for the years ended June 30, 2026, 2025 and 2024, respectively. The decrease of $14.3 million in FY 2026 and the increase of $15.6 million in FY 2025 mainly represents fluctuations in sponsored awards funded by the Federal government including the U.S. Department of Energy, U.S. Department of Education, U.S. Department of Health and Human Services, and the U.S. Department of Commerce.

    - Auxiliary enterprises generated revenues of $244.2 million, $221.9 million, and $212.4 million, net of $48.2 million, $47.6 million, and $29.2 million, of scholarship allowances for the years ended June 30, 2026, 2025 and 2024, respectively. FY 2026 net auxiliary revenues increased by $22.3 million or 10.0%. FY 2025 net auxiliary revenues increased by $9.4 million or 4.4%. This is primarily driven by revenues generated by athletics.

    - State grants and contracts totaled $228.4 million, $223.8 million, and $66.4 million for the years ended June 30, 2026, 2025 and 2024, respectively, an decrease of $4.7 million from 2025 to 2026 and an increase of $157.4 million from 2024 to 2025. The large increase from 2024 to 2025 is due to the impact of GASB 103 implementation, and reclassification of activity to state grants. Private grants and contracts totaled $170.6 million, $173.6 million, and $161.2 million for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $3.0 million from 2025 to 2026 and increase of $12.4 million from 2024 to 2025. These changes represent normal fluctuations in grant activities.

- Operating expenses totaled $2,297.1 million, $2,297.4 million, and $2,137.0 million for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $0.3 million from 2025 to 2026 and an increase of $160.4 million from 2024 to 2025.

    - Staff salary costs totaled $1,037.3 million, $1,025.2 million, and $1,017.6 million, an increase of $12.1 million or 1.2% from 2025 to 2026 and an increase of $7.6 million or 0.7% from 2024 to 2025. The FY 2026 increase is attributed to increases in salaries for faculty and both classified and non-classified staff. Also, benefits expense increased due to a decrease in OPEB credits and increased insurance premiums.

Statements of Revenues, Expenses and Changes in Net Position (Continued)

- Supplies and other services totaled $529.3 million, $532.4 million, and $499.6 million for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $3.1 million or 0.58% from 2025 to 2026 and an increase of $32.8 million or 6.6% from 2024 to 2025.

- Scholarships and fellowships totaled $100.1 million, $130.9 million, and $126.7 million for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $30.8 million or 23.5% from 2025 to 2026 and an increase of $4.2 million or 3.3% from 2024 to 2025. These changes are related to fluctuations in state funding for financial aid.

- Depreciation and amortization totaled $215.5 million, $197.2 million, and $195.1 million for the years ended June 30, 2026, 2025 and 2024, respectively, an increase of $18.3 million from 2025 to 2026 and a increase of $2.1 million from 2024 to 2025.

- The result from operations was a net operating loss of $598.5 million, $641.5 million, and $770.0 million for the years ended June 30, 2026, 2025 and 2024, respectively. These figures exclude State appropriations of $507.3 million, $472.3 million, and $789.4 million, respectively. The net operating loss decrease of $43 million in FY 2026 and the net operating loss decrease of $128.5 million in FY 2025 was the outcome of the factors previously described.

- Net nonoperating revenue totaled $168.2 million, $219.3 million, and $979.0 million for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $51.1 million from 2025 to 2026 and an decrease of $759.7 million from 2024 to 2025. The change from 2024 to 2025 is primarily related to the impact of GASB 103, effective starting in FY25, on the classification of State Appropriations.

  - State appropriations totaled $507.3 million, $472.3 million, and $789.4 million for the years ended June 30, 2026, 2025 and 2024, respectively, an increase of $35 million from 2025 to 2026 and a decrease of $317.1 million from 2024 to 2025. The 2024 to 2025 change is the result of the previously mentioned impacts from GASB 103.

  - Interest incurred on indebtedness totaled $55.3 million, $56.9 million, and $58.7 million for the years ended June 30, 2026, 2025 and 2024, a decrease of $1.6 million from 2025 to 2026 and a decrease of $1.8 million from 2024 to 2025.

  - Investment income totaled $60.6 million, $54.0 million, and $56.3 million for the years ended June 30, 2026, 2025 and 2024, respectively, an increase of $6.6 million from 2025 to 2026 and a decrease of $2.3 million from 2024 to 2025. There was a slight increase in FY2026 due to market performance. The FY 2025 slight decrease is due to market performance.

  - Capital grants and gifts totaled $140.6 million, $199.3 million, $25.0 million, for the years ended June 30, 2026, 2025 and 2024, respectively, a decrease of $58.7 million from 2025 to 2026 and an increase of $174.3 million from 2024 to 2025.

Statements of Revenues, Expenses and Changes in Net Position (Continued)

- The activity for FY 2026 resulted in an increase of net position totaling $216.4 million as compared to the FY 2025 increase of net position totaling $152.6 million, and an increase of $233.4 million FY 2024.

- As reported below on a functional expenditure basis, expenditures for Educational and General Expenses were $1,698.8 million, $1,666.7 million, and $1,577.6 million for the years ended June 30, 2026, 2025 and 2024, respectively, an increase of $32.1 million or 1.93% from FY 2025 and an increase of $89.1 million or 5.65% from FY 2024. Cost of instruction constitutes 39.6%, 39.6%, and 38.7% of total educational and general expenses for the years ended June 30, 2026, 2025 and 2024, respectively.

Functional Expenditures Comparisons
(In Thousands of Dollars)

	FY 2026 Total	% of E&G Total	FY 2025 Total	% of E&G Total	FY 2024 Total	% of E&G Total
Instruction	$ 672,623	39.6%	$ 659,480	39.6%	$ 610,759	38.7%
Research	233,742	13.8%	225,737	13.5%	226,920	14.4%
Public Service	115,686	6.8%	129,291	7.8%	119,244	7.6%
Academic Support	110,809	6.5%	110,363	6.6%	107,502	6.8%
Student Services	103,327	6.1%	104,495	6.3%	99,852	6.3%
Plant Operations	157,641	9.3%	134,265	8.1%	129,113	8.2%
Institutional Support	304,978	18.0%	303,045	18.2%	284,337	18.0%
Total Educational and General Expenses	1,698,806	100.0%	1,666,676	100.0%	1,577,727	100.0%
Financial Aid	101,025		124,685		127,256	
Auxiliary Enterprises	270,833		265,135		228,163	
Depreciation and Amortization	215,485		197,237		195,082	
Admin of Leasing Activities	7,551		8,057			
Other	3,448		35,655		8,748	
Total Operating Expenses	$ 2,297,148		$ 2,297,445		$ 2,136,976	

Capital Asset and Long-Term Financing Activity

The Fund continued to expand its capital facilities to further its mission of providing quality programs to students and to provide expanded research capabilities. Cash used for capital assets totaled $215.9 million in FY 2026, as compared to $168.9 million in FY 2025. Institutional projects at all the institutions are under way due to institutional bond issues in 2010, 2012, 2014, 2020, 2021, 2023 and 2025 and 2015 system bond issues in FY 2009, 2010, 2011 and 2012, and a State bond issue in FY 2011. For FY 2026, expenditures at West Virginia University and Marshall University accounted for $94.9 million and $23.5 million of the total, respectively. For FY 2025, expenditures at West Virginia University and Marshall University accounted for $63.0 million and $27.2 million of the total, respectively.

The Commission made all required debt service payments and repaid principal of $227.7 million in FY 2026, $17.2 million in FY 2025 and $18.2 million in FY 2024, respectively. See Notes 11 and 12 to the financial statements for further detail of long-term debt.

Capital Asset and Long-Term Financing Activity (Continued)

West Virginia University, including the Health Sciences Center and its regional campuses, has a multi-year capital budget including planned capital expenditures of approximately $183.0 million. The capital plan includes various capital projects to construct, renovate and/or upgrade academic and auxiliary facilities on the University's campuses. These capital projects are being financed through bond proceeds, grants, and other sources of revenues available to the University including internal financing, operational revenue and gifts.

During the 2023 Legislative session, the West Virginia Legislature appropriated $209 million in the FY2024 budget bill for Higher Education deferred maintenance. During FY24, $170M was awarded to both the 2 year and 4 year schools. Over the past 3 fiscal years, no new awards have been made. In FY24, $43M of the funds was disbursed. In FY25, an accumulative total of $66M was disbursed. In FY26, an accumulative total of $120M was disbursed. Of the $170M awarded during FY24, approximately $50M remains to be disbursed to the schools for awarded projects. Of the remaining $39M that hasn't been awarded, we anticipate awarding that during the current fiscal year or FY 2027.

Other Factors Impacting the Financial Position and Results of Operations of the Fund

The Commission in partnership with the West Virginia Community and Technical College System and the West Virginia Department of Education is sponsoring the West Virginia Climb campaign. The goal of the campaign is to have 60% of the state's workforce with a formal education credential beyond high school by the year 2030. Achievement of the goal would double the percentage of working age West Virginians with a high-quality postsecondary credential. It is estimated that 60% of working West Virginians will need a certificate or degree in order to meet future workforce demands.

Currently Known Facts, Decisions, or Conditions

West Virginia's economy in FY2026 showed encouraging signs of progress, with the state ending the year in a strong fiscal position thanks to a budget surplus. While some of that surplus was driven by temporary factors like energy market rebounds and one-time funding, it still reflects a broader trend of financial stability. Most importantly, the state continues to demonstrate its commitment to higher education with relatively flat appropriations for FY2027 and the continued disbursement of previously appropriated support.

Further evidence of this is the implementation of a new funding formula, effective FY2024, was developed collaboratively by the West Virginia Legislature, the Higher Education Policy Commission, and the State's institutions of higher education. This model uses data to objectively calculate and propose annual state appropriations for institutions. It aims to reward colleges and universities that emphasize helping students, especially those who are low-income or underprepared, complete their degrees on time. The focus is on degrees that are state priorities for workforce development, such as engineering, health care, social work, education, computer science, and transportation. This model also includes an inflationary adjustment that increases or decreases with the most recent Higher Education Price Index (HEPI).

Currently Known Facts, Decisions, or Conditions (Continued)

West Virginia's public higher education system continues to operate in the context of a long-term population decline and an aging demographic profile. The state's population fell from approximately 1.79 million in 2020 to 1.77 million in 2025. West Virginia has one of the oldest populations in the nation, with 23% of residents aged 65 or older. The state also has a relatively low educational attainment rate, with only about 24% of adults holding a bachelor's degree or higher. These demographic trends reduce the number of traditional college-age students available to enroll and place increasing importance on attracting, retaining, and upskilling adult learners.

The effects of these demographic challenges are evident in higher education enrollment trends. Enrollment at West Virginia's public colleges and universities declined from approximately 85,000 students in 2016 to just under 73,000 students in 2026, driven by declining numbers of high school graduates, lower college-going rates, and out-migration of young adults. In response, state leaders have increasingly focused on workforce-aligned educational opportunities and adult learner engagement. The Commission's "West Virginia's Climb" initiative seeks to increase postsecondary attainment so that 60% of working-age residents hold a certificate, credential, or degree by 2030, addressing workforce needs while supporting economic development.

To improve college affordability and workforce participation, West Virginia has expanded several state-funded financial aid programs. The PROMISE Scholarship remains the state's flagship merit-based award, helping academically qualified students attend in-state institutions. The Higher Education Grant Program provides need-based assistance to eligible students with financial need. WV Invests offers last-dollar funding for certificates and associate degrees in high-demand fields at public community and technical colleges. More recently, West Virginia Climb provides tuition assistance for adults seeking short-term credential programs that support workforce advancement. Together, these programs are intended to reduce financial barriers, increase postsecondary participation, encourage residents to remain in West Virginia, and support the state's long-term educational attainment and workforce goals. The vast majority of the funding that is reported in the financial statements of the Commission is ultimately assigned to the public higher education institutions in the state for capital projects, grants, scholarships, and special projects. This funding is critical to the success of the higher education system in meeting the state's post-secondary goals.

State appropriations to the Commission and public higher education institutions have continued to trend upward over the past five years. While some increases in appropriations are credited to statewide salary increases and increases to employee and employer costs for public health insurance, some are a result of the higher education funding formula and other supplemental appropriations. In FY 2026, funding of $39 million was transferred to the Commission for the purpose of deferred maintenance and capital projects at public higher education institutions. The state's medical schools also received a supplemental appropriation totaling $72 million that same fiscal year. The higher education funding formula model considers inflationary factors, such as the Higher Education Price Index (HEPI), as well as individual institutions' performance in relation to various metrics. In FY 2027, the higher education funding formula was fully funded for the first time since its inception.

Request for Information

Requests for information may be directed to the Vice Chancellor for Finance, 2001 Union Carbide Drive, Building 2000, South Charleston, WV 25303.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 645,951	$ 572,029
Investments	141,849	131,189
Appropriations Due from Primary Government	185,195	161,097
Accounts Receivable, Net	182,282	227,734
Loans Receivable, Current Portion	3,809	9,353
Other Current Assets	17,885	16,846
Inventories	4,521	4,000
Total Current Assets	1,181,492	1,122,248
NONCURRENT ASSETS		
Cash and Cash Equivalents	123,627	116,190
Investments	190,427	179,879
Loans Receivable, Net of Allowance of $9,437 and $10,384 in 2026 and 2025, Respectively	15,421	13,985
Net Other Postemployment Benefit Asset	-	2,442
Other Assets	37,447	32,727
Capital Assets:		
Capital Assets Not Being Depreciated	349,940	298,862
Capital Assets, Net of Depreciation and Amortization	3,148,390	3,137,652
Total Capital Assets	3,498,330	3,436,514
Total Noncurrent Assets	3,865,252	3,781,737
Total Assets	5,046,744	4,903,985
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on Refunding	26,966	29,359
Related to Pensions	846	1,070
Related to OPEB	32,537	16,420
Total Deferred Outflows of Resources	60,349	46,849
Total Assets and Deferred Outflows of Resources	$ 5,107,093	$ 4,950,834

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	$ 95,359	$ 104,943
Accrued Liabilities	105,911	99,807
Unearned Revenue	156,959	183,513
Deposits	4,189	4,230
Real Estate Purchase Agreements Payable, Current Portion	822	667
Retainages Payable	665	-
Other Liabilities, Current Portion	508	67
Compensated Absences, Current Portion	66,350	62,316
Loans Payable, Current Portion	106	-
Notes Payable, Current Portion	6,746	6,484
Lease Liabilities, Current Portion	7,271	6,897
SBITA Liabilities, Current Portion	18,314	15,902
Financed Purchases Payable, Current Portion	1,975	1,131
Interest Payable	9,225	9,531
Bonds Payable, Current Portion	66,271	60,578
Total Current Liabilities	540,671	556,066
NONCURRENT LIABILITIES		
Advances from Federal Sponsors	7,000	10,236
Real Estate Purchase Agreement Payable	8,431	9,322
Compensated Absences	5,651	5,187
Notes Payable	99,071	103,327
Loans Payable	223	-
Lease Liabilities	97,071	99,087
SBITA Liabilities	15,682	18,342
Financed Purchases Payable	59,331	58,321
Future Interest Payable	17,124	20,527
Bonds Payable	1,071,282	1,119,091
Net Other Post Employment Benefit Liability	8,785	-
Net Pension Liability	1,738	3,086
Other Noncurrent Liabilities	63,549	58,701
Total Noncurrent Liabilities	1,454,938	1,505,227
Total Liabilities	1,995,609	2,061,293

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
DEFERRED INFLOWS OF RESOURCES		
Related to Public-Private Partnerships	$ 34,399	$ 36,111
Related to Pensions	1,974	2,450
Related to OPEB	16,645	11,263
Related to Leases	13,070	10,585
Other	781	962
Total Deferred Inflows of Resources	66,869	61,371
Total Liabilities and Deferred Inflows of Resources	2,062,478	2,122,664
NET POSITION		
Net Investment in Capital Assets	2,243,197	2,141,632
Restricted for:		
Expendable:		
Scholarships	16,809	19,254
Sponsored Projects	99,456	82,625
Loans	19,130	19,257
Capital Projects	72,351	69,230
Debt Service	70,608	50,357
OPEB	-	2,442
Other	136,576	105,540
Total Restricted Expendable	414,930	348,705
Nonexpendable	38,105	36,325
Unrestricted	348,383	301,508
Total Net Position	3,044,615	2,828,170
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 5,107,093	$ 4,950,834

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
YEARS ENDED JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
OPERATING REVENUES		
Student Tuition and Fees, Net of Scholarship Allowance of $290,597 in 2026 and $292,991 in 2025, Respectively	$ 627,293	$ 590,095
Federal and Local Land Grants	10,895	10,640
Contracts and Grants:		
Pell Grants	117,284	126,987
Federal	235,984	250,331
State	228,439	223,782
Local	1,295	1,199
Private	170,633	173,550
Operating Gifts	8,002	-
Sales and Services of Educational Activities	17,045	19,898
Auxiliary Enterprise Revenue, Net of Scholarship Allowance of $48,226 in 2026 and $47,578 in 2025, Respectively	244,154	221,872
Other Operating Revenues	37,622	37,596
Total Operating Revenues	1,698,646	1,655,950
OPERATING EXPENSES		
Salaries and Wages	1,037,267	1,025,221
Benefits	309,268	286,452
Supplies and Other Services	529,323	532,373
Utilities	78,865	75,713
Student Financial Aid, Scholarships and Fellowships	100,145	130,934
Depreciation and Amortization	215,485	197,237
Other Operating Expenses	26,795	49,515
Total Operating Expenses	2,297,148	2,297,445
OPERATING LOSS	(598,502)	(641,495)
NONCAPITAL SUBSIDIES		
State Appropriations	507,348	472,278
Payments Made on Behalf of the Fund	10,100	4,489
Contributions for Scholarships	3,729	1,764
Gifts	118,412	93,396
Other Noncapital subsidies	507	2,837
Total Noncapital Subsidies	640,096	574,764
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	41,594	(66,731)

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (CONTINUED)
YEARS ENDED JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
OTHER NONOPERATING REVENUES (EXPENSES)		
Investment Income, Including Unrealized Gain of $11,608 in 2026 and $13,142 in 2025, Respectively	$ 60,630	$ 53,996
Interest on Indebtedness	(55,323)	(56,884)
Capital Grants, Appropriations, and Gifts	140,592	199,342
Capital Payments made on Behalf of the Fund	(545)	(5,364)
Interest on student loans receivable	418	577
Federal Appropriations - Capital	3,335	-
State Appropriations - Capital	4,575	-
Financing Related Revenues	19,998	19,993
Other Nonoperating Expense, Net	(5,510)	7,649
Total Other Nonoperating Revenues (Expenses)	168,170	219,309
INCOME BEFORE UNUSUAL OR INFREQUENT	209,764	152,578
UNUSUAL OR INFREQUENT - SETTLEMENT REVENUE	6,681	-
INCREASE IN FUND NET POSITION	216,445	152,578
Fund Net Position - Beginning of Year	2,828,170	2,676,394
Adjustment for Change in Accounting Principle	-	(802)
Fund Net Position - Beginning of Year (Restated)	2,828,170	2,675,592
FUND NET POSITION - END OF YEAR	$ 3,044,615	$ 2,828,170

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Tuition and Fees	$ 599,735	$ 570,372
Federal and Local Land Grants	10,894	10,640
Contracts and Grants	628,770	575,059
Payments to and on Behalf of Employees	(1,289,816)	(1,271,832)
Payments to Suppliers	(524,230)	(505,511)
Payments to Utilities	(80,253)	(75,429)
Payments for Scholarships and Fellowships	(109,157)	(150,552)
Loans Issued to Students	(242)	(222)
Collection of Loans to Students	2,539	4,059
Sales and Services of Educational Activities	16,113	19,269
Interest Earned on Loans to Students	318	408
Auxiliary Enterprise Charges	241,918	220,151
Direct Lending Receipts	393,460	381,979
Direct Lending Payments	(393,880)	(381,502)
Other Receipts, Net	15,754	13,367
Net Cash Used by Operating Activities	(488,077)	(589,744)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	534,626	496,469
Federal Pell Grants	120,738	127,600
COVID Relief Grants	-	3,773
Payments to Other Institutions	(3,677)	377
Gift Receipts	100,420	87,028
Other Nonoperating Receipts, Net	10,840	11,024
Net Cash Provided by Noncapital Financing Activities	762,947	726,271
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Proceeds from Bond Issuances and Borrowings	32,403	565
Proceeds from Capital Asset Disposals and Sale of Natural Resources	15,960	14,126
Capital Grants and Gifts Received	106,110	115,591
Purchases of Capital Assets	(215,949)	(168,388)
Principal Paid on Notes, Bonds, Leases and SBITAs	(107,950)	(91,493)
Interest Paid on Notes, Bonds, Leases and SBITAs	(58,830)	(60,796)
Other	(4,574)	(2,359)
Net Cash Used by Capital Financing Activities	(232,830)	(192,754)

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from Sales/Maturities of Investments	$ 35,207	$ 113,912
Purchases of Investments	(33,243)	(111,714)
Withdrawals from Noncurrent Cash and Cash Equivalents	22,144	23,770
Deposits to Noncurrent Cash and Cash Equivalents	(29,581)	(57,576)
Investment Income	37,355	37,538
Net Cash Provided by Investing Activities	31,882	5,930
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	73,922	(50,297)
Cash and Cash Equivalents - Beginning of Year	572,029	622,326
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 645,951	$ 572,029
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Loss	$ (598,502)	$ (641,495)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization Expense	215,485	197,237
Federal Pell Grants	(120,882)	(127,030)
State Appropriations	(18,364)	-
Donated/Noncapitalized Expense	18,564	6,889
Accretion on Bond Premium/Discount	(2)	(2)
Loan Cancellations and Write-offs	386	47
Expenses Paid on Behalf of the Fund	6,155	2,766
Changes in Assets and Liabilities:		
Receivables, Net	16,559	(52,984)
Leases Receivable	(3,344)	305
Loans Receivable, Net	2,729	7,808
Prepaid Expenses	(949)	(1,555)
Inventories	(461)	(250)
Accounts Payable	(1,736)	19,670
Accrued Liabilities	15,203	21,426
Defined Benefit Pension	(1,876)	(2,403)
Compensated Absences	4,496	5,282
Unearned Revenue	(27,990)	(16,299)
Deposits	(236)	376
Other Postemployment Benefit Liability	(2,695)	(10,263)
Advances from Federal Sponsors	(3,036)	(4,269)
Other	12,419	5,000
Net Cash Used by Operating Activities	$ (488,077)	$ (589,744)

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)

	2026	2025
SUPPLEMENTAL DISCLOSURES OF SIGNIFICANT NONCASH TRANSACTIONS		
Construction in Progress and Capital Asset Additions Included in Accounts Payable and Accrued Liabilities	$ 15,806	$ 13,288
Donated Capital Assets	$ 30,615	$ 77,734
Gain (Loss) on Disposal of Fixed Assets	$ 2,821	$ 6,309
Unrealized Gain (Loss) on Investment	$ 11,608	$ 13,142
Gift of Noncapital Asset	$ 18,328	$ 4,987
Other Non Cash Property Additions	$ 363	$ 311
Expenses Paid on Behalf	$ 7,845	$ 3,728
Deferred Gain on Refunding	$ 26	$ 45
Acquisition of Right-of-Use Assets	$ 5,747	$ 3,013

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS
JUNE 30, 2026

ASSETS	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State University Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
CURRENT ASSETS									
Cash and Cash Equivalents	$ 1,916,221	$ 442,451	$ 625,544	$ 525,337	$ 169,038	$ 45,514,991	$ 255,872	$ 1,920,469	$ -
Cash and Cash Equivalents-Restricted	-	-	-	-	-	-	-	-	-
Short-Term Investments	-	-	-	-	28,248,783	-	3,149,891	-	-
Pledges and Contributions Receivable, Net	8,956,570	1,000	100,000	-	1,408,175	3,982,495	48,000	319,896	-
Loans Receivable- Current Portion	-	-	-	646,669	-	-	-	-	-
Other Current Assets	194,057	1,464,870	3,033	28,990	400,000	52,679	-	4,268,705	28,443
Inventories	-	-	2,432	-	-	-	-	-	-
Total Current Assets	11,066,848	1,908,321	731,009	1,200,996	30,225,996	49,550,165	3,453,763	6,509,070	28,443
NONCURRENT ASSETS									
Cash and Cash Equivalents	-	522,802	544,957	561,240	-	-	-	-	5,710,832
Investments	15,774,271	7,645,439	71,906,831	44,933,619	-	347,339,871	-	-	54,124,456
Pledges and Contributions Receivable, Net	-	-	96,656	512,879	-	56,912,067	-	-	264,553
Other Noncurrent Assets	806,844	8,728	1,101,558	4,169,732	1,162,561	26,275,262	1,894,501	445,211	66,495
Capital Assets, Net	36,247	-	-	345,126	4,390,626	8,150,463	-	36,387,512	15,933,902
Total Noncurrent Assets	16,617,362	8,176,969	73,650,002	50,522,596	5,553,187	438,677,663	1,894,501	36,832,723	76,100,238
Total Assets	$ 27,684,210	$ 10,085,290	$ 74,381,011	$ 51,723,592	$ 35,779,183	$ 488,227,828	$ 5,348,264	$ 43,341,793	$ 76,128,681

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2026

ASSETS	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc.	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
CURRENT ASSETS									
Cash and Cash Equivalents	$ 90,752	$ 195,206	$ 129,303	$ 329,809	$ 1,016,342	$ 3,450,727	$ 528,747	$ 247,151	$ 57,357,960
Cash and Cash Equivalents- Restricted	423,146	-	-	-	-	-	-	-	423,146
Short-Term Investments	5,316,296	-	-	-	-	17,736,815	1,323,178	-	55,774,963
Pledges and Contributions Receivable, Net	-	271,875	-	90,174	1,460,422	500,000	11,000	500	17,150,107
Loans Receivable- Current Portion	-	-	-	10,000	-	-	-	-	656,669
Other Current Assets	35,573	15,918	68,737	-	-	-	8,659	26,710	6,596,374
Inventories	-	-	-	-	-	-	-	-	2,432
Total Current Assets	5,865,767	482,999	198,040	429,983	2,476,764	21,687,542	1,871,584	274,361	137,961,651
NONCURRENT ASSETS									
Cash and Cash Equivalents	-	-	-	-	2,682,065	-	-	-	10,021,896
Investments	-	33,241,628	9,402,381	70,907,965	22,285,730	-	-	3,326,287	680,888,478
Pledges and Contributions Receivable, Net	66,907	-	-	100,300	4,203,358	-	-	-	62,156,720
Other Noncurrent Assets	-	3,106,870	1,515,299	1,200,000	763,721	2,014	-	-	42,518,796
Capital Assets, Net	-	-	-	-	1,564,107	33,359,668	-	-	100,167,651
Total Noncurrent Assets	66,907	36,348,498	10,917,680	72,208,265	31,498,981	33,361,682	-	3,326,287	895,753,541
Total Assets	$ 5,932,674	$ 36,831,497	$ 11,115,720	$ 72,638,248	$ 33,975,745	$ 55,049,224	$ 1,871,584	$ 3,600,648	$ 1,033,715,192

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2026

	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State College Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
LIABILITIES									
CURRENT LIABILITIES									
Accounts Payable	$ 961,775	$ 527,365	$ 20,680	$ 1,497	$ 6,822	$ 74,878	$ -	$ 447,932	$ 7,573
Accrued Liabilities	15,299	-	-	-	-	803,345	232,000	2,299,069	504,714
Unearned Revenue	-	842,703	-	-	-	3,500	-	-	-
Deposits/Custodial/Annuity Liabilities	-	153,740	7,422,377	509,924	77,897	70,277,362	-	-	1,367,674
Other Liabilities- Current Portion	-	-	-	284	-	-	-	-	-
Notes Payable- Current Portion	475,342	-	-	-	40,279	-	-	-	-
Lease Liabilities- Current Portion	28,672	-	-	-	-	-	-	-	-
Bonds Payable- Current Portion	-	-	-	-	-	-	-	2,185,000	-
Total Current Liabilities	1,481,088	1,523,808	7,443,057	511,705	124,998	71,159,085	232,000	4,932,001	1,879,961
NONCURRENT LIABILITIES									
Notes Payable	5,039,527	-	-	-	2,588,885	11,507,790	-	-	19,712,033
Lease Liabilities	-	-	-	-	-	-	-	75,676,829	-
Other Noncurrent Liabilities	-	-	-	1,615	-	343,786	-	5,356,037	37,384
Total Noncurrent Liabilities	5,039,527	-	-	1,615	2,588,885	11,851,576	-	81,032,866	19,749,417
Total Liabilities	6,520,615	1,523,808	7,443,057	513,320	2,713,883	83,010,661	232,000	85,964,867	21,629,378
NET POSITION									
Net Investment in Capital Assets	(5,031,952)	-	-	345,126	1,761,462	8,146,916	-	(41,474,317)	(3,778,131)
Restricted for:									
Expendable:									
Scholarships	-	3,036,379	21,828,382	4,740,589	1,092,399	25,002,627	249,146	-	-
Sponsored Projects	-	501,479	-	-	-	-	684,545	-	-
Capital Projects	-	-	-	-	-	-	-	-	-
Other	2,085,571	-	5,092,261	43,431,004	28,562,113	59,791,435	1,437,583	-	26,327,267
Nonexpendable	15,862,072	3,150,155	39,021,516	-	-	291,945,220	2,560,457	-	31,755,964
Unrestricted	8,247,904	1,873,469	995,795	2,693,553	1,649,326	20,330,969	184,533	(1,148,757)	194,203
Total Net Position	21,163,595	8,561,482	66,937,954	51,210,272	33,065,300	405,217,167	5,116,264	(42,623,074)	54,499,303
Total	$ 27,684,210	$ 10,085,290	$ 74,381,011	$ 51,723,592	$ 35,779,183	$ 488,227,828	$ 5,348,264	$ 43,341,793	$ 76,128,681

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2026

	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc.	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
LIABILITIES									
CURRENT LIABILITIES									
Accounts Payable	$ 25,223	$ -	$ 11,769	$ 4,734	$ 10,766	$ 453,447	$ 59,792	$ 10,539	$ 2,624,792
Accrued Liabilities	-	16,500	-	-	-	194,723	-	-	4,065,650
Unearned Revenue	-	-	7,522	-	-	-	-	-	853,725
Deposits/Custodial/Annuity Liabilities	-	-	-	58,744,611	-	47,154	-	-	138,600,739
Other Liabilities- Current Portion	-	-	-	-	-	-	-	13,445	13,729
Notes Payable- Current Portion	-	-	-	-	27,464	5,000,000	-	-	5,543,085
Lease Liabilities- Current Portion	-	-	-	-	-	-	-	-	28,672
Bonds Payable- Current Portion	-	-	-	-	-	-	-	-	2,185,000
Total Current Liabilities	25,223	16,500	19,291	58,749,345	38,230	5,695,324	59,792	23,984	153,915,392
NONCURRENT LIABILITIES									
Notes Payable	-	-	-	-	-	6,473,334	-	-	45,321,569
Lease Liabilities	-	-	-	-	-	-	-	-	75,676,829
Other Noncurrent Liabilities	-	4,974	-	-	459,533	-	-	-	6,203,329
Total Noncurrent Liabilities	-	4,974	-	-	459,533	6,473,334	-	-	127,201,727
Total Liabilities	25,223	21,474	19,291	58,749,345	497,763	12,168,658	59,792	23,984	281,117,119
NET POSITION									
Net Investment in Capital Assets	-	-	-	-	1,536,643	21,886,334	-	-	(16,607,919)
Restricted for:									
Expendable:									
Scholarships	2,776,003	27,926,005	7,471,737	1,791,282	1,480,893	215,526	472,033	261,303	98,344,304
Sponsored Projects	-	-	-	-	-	-	-	-	1,186,024
Capital Projects	-	726,027	211,837	2,159,209	-	-	-	-	3,097,073
Other	1,438,343	6,751,391	2,101,651	-	14,291,085	40,947,281	-	2,299,617	234,556,602
Nonexpendable	818,927	-	-	6,348,600	15,827,834	-	999,513	732,844	409,023,102
Unrestricted	874,178	1,406,600	1,311,204	3,589,812	341,527	(20,168,575)	340,246	282,900	22,998,887
Total Net Position	5,907,451	36,810,023	11,096,429	13,888,903	33,477,982	42,880,566	1,811,792	3,576,664	752,598,073
Total	$ 5,932,674	$ 36,831,497	$ 11,115,720	$ 72,638,248	$ 33,975,745	$ 55,049,224	$ 1,871,584	$ 3,600,648	$ 1,033,715,192

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS
JUNE 30, 2025

ASSETS	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State University Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
CURRENT ASSETS									
Cash and Cash Equivalents	$ 2,476,238	$ 597,974	$ 517,743	$ 475,581	$ 1,086,485	$ 66,021,272	$ 178,245	$ 1,540,019	$ -
Cash and Cash Equivalents-Restricted	-	-	-	-	-	-	-	-	-
Short-Term Investments	-	-	-	-	25,149,265	-	1,860,314	-	-
Pledges and Contributions Receivable, Net	9,463,896	110,970	100,000	-	336,131	(3,386,304)	73,000	471,853	-
Loans Receivable- Current Portion	-	-	-	573,573	-	-	-	-	-
Other Current Assets	2,639	434,941	29,572	21,142	-	80,598	-	4,610,211	31,546
Inventories	-	-	2,432	-	-	-	-	-	-
Total Current Assets	11,942,773	1,143,885	649,747	1,070,296	26,571,881	62,715,566	2,111,559	6,622,083	31,546
NONCURRENT ASSETS									
Cash and Cash Equivalents	-	113,573	814,705	541,151	-		-	-	4,919,685
Investments	14,167,795	6,913,095	64,354,064	40,665,923	-	294,993,248	616,612	-	45,038,856
Pledges and Contributions Receivable, Net	-	-	96,656	324,646	-	62,816,572	-	-	57,490
Other Noncurrent Assets	768,305	75,841	910,402	3,688,483	1,578,785	25,319,311	1,701,691	771,403	57,525
Capital Assets, Net	137,383	-	-	356,663	4,470,099	8,380,501	-	38,742,287	16,383,142
Total Noncurrent Assets	15,073,483	7,102,509	66,175,827	45,576,866	6,048,884	391,509,632	2,318,303	39,513,690	66,456,698
Total Assets	$ 27,016,256	$ 8,246,394	$ 66,825,574	$ 46,647,162	$ 32,620,765	$ 454,225,198	$ 4,429,862	$ 46,135,773	$ 66,488,244

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2025

ASSETS	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc. (Restated)	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
CURRENT ASSETS									
Cash and Cash Equivalents	$ 117,553	$ 125,651	$ 77,663	$ 172,146	$ 669,848	$ 315,132	$ 725,910	$ 185,664	$ 75,283,124
Cash and Cash Equivalents- Restricted	401,477	-	-	-	-	-	-	-	401,477
Short-Term Investments	4,658,737	-	-	-	-	16,082,520	1,164,981	-	48,915,817
Pledges and Contributions Receivable, Net	172,583	32,985	100	75,270	1,356,808	100,000	13,000	500	8,920,792
Loans Receivable- Current Portion	-	-	-	10,175	-	-	-	-	583,748
Other Current Assets	11,173	69,343	30,707	5,229	-	-	6,723	13,522	5,347,346
Inventories	-	-	-	-	-	-	-	-	2,432
Total Current Assets	5,361,523	227,979	108,470	262,820	2,026,656	16,497,652	1,910,614	199,686	139,454,736
NONCURRENT ASSETS									
Cash and Cash Equivalents	-	-	-	-	1,947,825	-	-	-	8,336,939
Investments	-	29,666,802	7,627,935	66,336,265	18,349,441	-	-	2,891,945	591,621,981
Pledges and Contributions Receivable, Net	82,198	-	-	109,950	4,082,515	-	-	-	67,570,027
Other Noncurrent Assets	-	2,706,042	1,353,021	1,200,000	904,948	2,014	-	-	41,037,771
Capital Assets, Net	-	-	-	-	1,691,819	20,369,230	-	-	90,531,124
Total Noncurrent Assets	82,198	32,372,844	8,980,956	67,646,215	26,976,548	20,371,244	-	2,891,945	799,097,842
Total Assets	$ 5,443,721	$ 32,600,823	$ 9,089,426	$ 67,909,035	$ 29,003,204	$ 36,868,896	$ 1,910,614	$ 3,091,631	$ 938,552,578

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2025

	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State College Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
LIABILITIES									
CURRENT LIABILITIES									
Accounts Payable	$ 147,088	$ 196,353	$ 112,889	$ 1,630	$ 48,704	$ 65,069	$ 500	$ 397,277	$ 7,074
Accrued Liabilities	8,201	-	-	-	-	991,382	169,000	2,844,601	198,744
Unearned Revenue	-	914,423	-	-	-	6,775	-	-	-
Deposits/Custodial/Annuity Liabilities	-	120,866	6,864,943	465,121	1,104,664	69,333,484	-	-	1,260,214
Other Liabilities- Current Portion	-	-	-	1,700	-	-	-	-	-
Notes Payable- Current Portion	271,640	-	-	-	38,176	-	-	-	-
Lease Liabilities- Current Portion	81,933	-	-	-	-	-	-	-	-
Bonds Payable- Current Portion	-	-	-	-	-	-	-	2,075,000	-
Total Current Liabilities	508,862	1,231,642	6,977,832	468,451	1,191,544	70,396,710	169,500	5,316,878	1,466,032
NONCURRENT LIABILITIES									
Notes Payable	3,265,800	-	-	-	2,624,770	11,986,262	-	-	20,095,543
Lease Liabilities	28,672	-	-	-	-	-	-	-	-
Bonds Payable- Current Portion	-	-	-	-	-	-	-	77,838,200	-
Other Noncurrent Liabilities	-	-	-	765	-	362,258	-	4,773,542	42,746
Total Noncurrent Liabilities	3,294,472	-	-	765	2,624,770	12,348,520	-	82,611,742	20,138,289
Total Liabilities	3,803,334	1,231,642	6,977,832	469,216	3,816,314	82,745,230	169,500	87,928,620	21,604,321
NET POSITION									
Net Investment in Capital Assets	(3,210,350)	-	-	356,663	1,807,153	8,374,537	-	(41,170,913)	(3,712,401)
Restricted for:									
Expendable:									
Scholarships	-	2,329,653	18,808,234	4,358,567	7,895,769	25,471,683	246,554	-	-
Sponsored Projects	-	422,672	-	-	-	-	623,647	-	-
Capital Projects	-	-	-	-	-	-	-	-	-
Other	5,230,191	-	4,258,512	11,992,442	-	58,580,033	1,018,190	-	19,169,840
Nonexpendable	14,586,926	2,456,015	35,842,369	26,777,762	18,104,156	261,471,782	2,253,456	-	29,627,566
Unrestricted	6,606,155	1,806,412	938,627	2,692,512	997,373	17,581,933	118,515	(621,934)	(201,082)
Total Net Position	23,212,922	7,014,752	59,847,742	46,177,946	28,804,451	371,479,968	4,260,362	(41,792,847)	44,883,923
Total	$ 27,016,256	$ 8,246,394	$ 66,825,574	$ 46,647,162	$ 32,620,765	$ 454,225,198	$ 4,429,862	$ 46,135,773	$ 66,488,244

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENTS OF NET ASSETS (CONTINUED)
JUNE 30, 2025

	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc.	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
LIABILITIES									
CURRENT LIABILITIES									
Accounts Payable	$ 5,345	$ 6,285	$ 10,376	$ 7,584	$ 28,945	$ 3,435,371	$ 1,855	$ 7,575	$ 4,479,920
Accrued Liabilities	-	23,615	-	-	-	-	-	-	4,235,543
Unearned Revenue	-	-	-	-	-	-	-	-	921,198
Deposits/Custodial/Annuity Liabilities	-	-	-	55,521,126	-	96,453	-	-	134,766,871
Other Liabilities- Current Portion	-	-	-	-	-	-	-	10,927	12,627
Notes Payable- Current Portion	-	-	-	-	106,831	-	-	-	416,647
Lease Liabilities- Current Portion	-	-	-	-	-	-	-	-	81,933
Bonds Payable- Current Portion	-	-	-	-	-	-	-	-	2,075,000
Total Current Liabilities	5,345	29,900	10,376	55,528,710	135,776	3,531,824	1,855	18,502	146,989,739
NONCURRENT LIABILITIES									
Notes Payable	-	-	-	-	27,464	-	-	-	37,999,839
Lease Liabilities	-	-	-	-	-	-	-	-	28,672
Bonds Payable- Current Portion	-	-	-	-	-	-	-	-	77,838,200
Other Noncurrent Liabilities	-	-	-	-	626,405	-	-	-	5,805,716
Total Noncurrent Liabilities	-	-	-	-	653,869	-	-	-	121,672,427
Total Liabilities	5,345	29,900	10,376	55,528,710	789,645	3,531,824	1,855	18,502	268,662,166
NET POSITION									
Net Investment in Capital Assets	-	-	-	-	1,557,524	20,369,230	-	-	(15,628,557)
Restricted for:									
Expendable:									
Scholarships	2,562,535	-	3,766,914	1,628,330	1,804,914	-	726,844	271,202	69,871,199
Sponsored Projects	-	-	-	-	-	-	-	-	1,046,319
Capital Projects	-	1,618,665	182,509	1,968,537	-	-	-	-	3,769,711
Other	1,307,367	4,304,902	1,214,367	-	10,220,478	30,805,875	-	1,865,527	151,833,251
Nonexpendable	718,926	25,369,942	2,758,988	5,622,802	14,688,891	1,153,918	889,762	732,844	443,056,105
Unrestricted	849,548	1,277,414	1,156,272	3,160,656	(58,248)	(18,991,951)	292,153	203,556	17,807,911
Total Net Position	5,438,376	32,570,923	9,079,050	12,380,325	28,213,559	33,337,072	1,908,759	3,073,129	669,890,412
Total	$ 5,443,721	$ 32,600,823	$ 9,089,426	$ 67,909,035	$ 29,003,204	$ 36,868,896	$ 1,910,614	$ 3,091,631	$ 938,552,578

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State College Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
OPERATING REVENUES									
Gifts and Contributions	$ 8,545,890	$ 1,043,666	$ 2,760,275	$ 2,382,424	$ 7,790,388	$ 18,031,447	$ 551,172	$ 11,588,035	$ -
Auxiliary Enterprise Revenue, Net of Scholarship Allowance of $3,172	-	-	-	-	-	-	-	-	-
Other Operating Revenues	240,840	1,792,126	8,180,199	572,099	246,954	40,384,780	73,791	-	3,716,741
Total Operating Revenues	8,786,730	2,835,792	10,940,474	2,954,523	8,037,342	58,416,227	624,963	11,588,035	3,716,741
OPERATING EXPENSES									
Salaries and Wages	479,232	72,778	228,166	556,017	250,345	6,332,209	64,955	2,873,092	513,820
Benefits	-	-	-	143,081	-	-	58,016	-	127,044
Supplies and Other Services	2,619,651	307,406	92,418	2,296,811	-	8,822,966	140,266	1,768,515	699,834
Utilities	-	-	-	9,121	-	120,932	-	-	222,211
Student Financial Aid- Scholarships and Fellowships	3,490,667	288,062	-	1,332,025	1,092,399	8,438,808	211,776	-	1,968,654
Depreciation and Amortization	-	-	-	11,537	202,831	320,701	-	3,044,323	555,232
Other Operating Expenses	720,008	1,724,352	3,529,678	127,500	6,219,949	643,412	-	934,875	-
Total Operating Expenses	7,309,558	2,392,598	3,850,262	4,476,092	7,765,524	24,679,028	475,013	8,620,805	4,086,795
OPERATING INCOME (LOSS)	1,477,172	443,194	7,090,212	(1,521,569)	271,818	33,737,199	149,950	2,967,230	(370,054)
OTHER NONOPERATING REVENUES (EXPENSES)									
Investment Income, Net	2,086,584	1,103,536	-	5,557,983	3,989,031	-	705,952	142,420	8,604,631
Capital Grants, Appropriations, Gifts	-	-	-	-	-	-	-	-	-
Other Nonoperating Revenues (Expenses)	(5,613,083)	-	-	-	-	-	-	(3,939,877)	1,955,640
Interest on Indebtedness	-	-	-	995,912	-	-	-	-	(574,837)
Total Other Nonoperating Revenues (Expenses)	(3,526,499)	1,103,536	-	6,553,895	3,989,031	-	705,952	(3,797,457)	9,985,434
INCREASE (DECREASE) IN NET POSITION	(2,049,327)	1,546,730	7,090,212	5,032,326	4,260,849	33,737,199	855,902	(830,227)	9,615,380
Net Position - Beginning of Year	23,212,922	7,014,752	59,847,742	46,177,946	28,804,451	371,479,968	4,260,362	(41,792,847)	44,883,923
NET POSITION - END OF YEAR	$ 21,163,595	$ 8,561,482	$ 66,937,954	$ 51,210,272	$ 33,065,300	$ 405,217,167	$ 5,116,264	$ (42,623,074)	$ 54,499,303

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2026

	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc.	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
OPERATING REVENUES									
Gifts and Contributions	$ 238,647	$ 2,296,447	$ 767,002	$ 1,068,629	$ 391,865	$ 1,469,854	$ 338,453	$ 221,412	$ 59,485,606
Auxiliary Enterprise Revenue, Net of Scholarship Allowance of $3,172	-	-	-	-	289,963	-	-	-	289,963
Other Operating Revenues	183,932	212,360	-	-	461,123	255,195	995	56,506	56,377,641
Total Operating Revenues	422,579	2,508,807	767,002	1,068,629	1,142,951	1,725,049	339,448	277,918	116,153,210
OPERATING EXPENSES									
Salaries and Wages	183,932	-	-	-	415,046	49,156	-	-	12,018,748
Benefits	-	-	-	-	-	-	-	-	328,141
Supplies and Other Services	277,906	-	-	-	247,647	477,178	1,316	110,979	17,862,893
Utilities	-	-	-	-	-	-	-	-	352,264
Student Financial Aid- Scholarships and Fellowships	181,353	727,915	48,232	435,544	1,180,380	215,526	250,437	21,938	19,883,716
Depreciation and Amortization	-	-	-	-	127,712	982,502	-	-	5,244,838
Other Operating Expenses	-	2,391,179	254,851	351,498	1,356,257	586,250	350,824	-	19,190,633
Total Operating Expenses	643,191	3,119,094	303,083	787,042	3,327,042	2,310,612	602,577	132,917	74,881,233
OPERATING INCOME (LOSS)	(220,612)	(610,287)	463,919	281,587	(2,184,091)	(585,563)	(263,129)	145,001	41,271,977
OTHER NONOPERATING REVENUES (EXPENSES)									
Investment Income, Net	689,687	4,849,387	1,553,460	1,226,991	3,523,280	2,144,772	166,162	358,534	36,702,410
Capital Grants, Appropriations, Gifts	-	-	-	-	3,925,234	8,250,000	-	-	12,175,234
Other Nonoperating Revenues (Expenses)	-	-	-	-	-	(265,715)	-	-	(7,863,035)
Interest on Indebtedness	-	-	-	-	-	-	-	-	421,075
Total Other Nonoperating Revenues (Expenses)	689,687	4,849,387	1,553,460	1,226,991	7,448,514	10,129,057	166,162	358,534	41,435,684
INCREASE (DECREASE) IN NET POSITION	469,075	4,239,100	2,017,379	1,508,578	5,264,423	9,543,494	(96,967)	503,535	82,707,661
Net Position - Beginning of Year	5,438,376	32,570,923	9,079,050	12,380,325	28,213,559	33,337,072	1,908,759	3,073,129	669,890,412
NET POSITION - END OF YEAR	$ 5,907,451	$ 36,810,023	$ 11,096,429	$ 13,888,903	$ 33,477,982	$ 42,880,566	$ 1,811,792	$ 3,576,664	$ 752,598,073

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation Inc.	Fairmont State Foundation Inc.	The Glenville State College Foundation Inc.	The Marshall University Foundation Inc.	New River Community and Technical College Foundation Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation Inc.
OPERATING REVENUES									
Gifts and Contributions	$ 5,855,098	$ 538,370	$ 6,411,975	$ 2,850,088	$ 3,873,782	$ 72,958,206	$ 310,954	$ -	$ 2,417,231
Auxiliary Enterprise Revenue, Net of Scholarship Allowance of $47,578	-	-	-	-	211,704	-	-	11,154,008	1,811,554
Other Operating Revenues	1,112,790	1,498,215	-	3,860,654	-	1,355,887	-	46,085	32,889
Total Operating Revenues	6,967,888	2,036,585	6,411,975	6,710,742	4,085,486	74,314,093	310,954	11,200,093	4,261,674
OPERATING EXPENSES									
Salaries and Wages	498,996	-	199,877	590,586	202,175	4,956,679	64,213	2,821,463	500,910
Benefits	-	-	-	97,510	-	-	16,807	-	109,377
Supplies and Other Services	75,788	-	-	-	25,472	-	-	1,764,898	139,037
Utilities	8,086	-	-	26,236	-	115,118	-	-	219,642
Student Financial Aid- Scholarships and Fellowships	-	461,524	1,004,263	1,291,566	1,001,534	6,016,020	125,180	-	1,372,549
Depreciation and Amortization	19,203	-	-	11,240	178,474	304,210	-	3,223,033	532,309
Other Operating Expenses	8,817,426	1,754,787	1,875,299	1,257,648	3,001,960	7,423,718	140,675	910,007	951,548
Total Operating Expenses	9,419,499	2,216,311	3,079,439	3,274,786	4,409,615	18,815,745	346,875	8,719,401	3,825,372
OPERATING INCOME (LOSS)	(2,451,611)	(179,726)	3,332,536	3,435,956	(324,129)	55,498,348	(35,921)	2,480,692	436,302
OTHER NONOPERATING REVENUES (EXPENSES)									
Investment Income, Net	1,490,293	583,264	6,339,517	-	2,999,971	21,768,286	359,292	170,598	4,949,074
Interest on Indebtedness	-	-	-	-	-	-	-	(4,124,802)	-
Total Other Nonoperating Revenues (Expenses)	1,490,293	583,264	6,339,517	-	2,999,971	21,768,286	359,292	(3,954,204)	4,949,074
INCREASE (DECREASE) IN NET POSITION	(961,318)	403,538	9,672,053	3,435,956	2,675,842	77,266,634	323,371	(1,473,512)	5,385,376
Net Position - Beginning of Year	24,174,240	6,611,214	50,175,689	42,741,990	26,128,609	294,213,334	3,936,991	(40,319,335)	39,498,547
NET POSITION - END OF YEAR	$ 23,212,922	$ 7,014,752	$ 59,847,742	$ 46,177,946	$ 28,804,451	$ 371,479,968	$ 4,260,362	$ (41,792,847)	$ 44,883,923

* December 31 Year-End

See accompanying Notes to Financial Statements.

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
COMPONENT UNITS – STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Southern West Virginia Community College Foundation, Inc.*	West Liberty University Foundation Inc.	West Virginia Northern Community College Foundation Inc.	West Virginia School of Osteopathic Medicine Foundation Inc.	West Virginia State University Foundation Inc.	WVU at Parkersburg Foundation Inc.	Blue Ridge Community and Technical College Foundation Inc.	BridgeValley Community and Technical College Foundation Inc.	Total
OPERATING REVENUES									
Gifts and Contributions	$ 752,225	$ 3,382,637	$ 213,397	$ 2,019,177	$ 8,355,302	$ 6,215,652	$ 409,376	$ 216,599	$ 116,780,069
Auxiliary Enterprise Revenue, Net of Scholarship Allowance of $47,578	-	-	-	(3,135)	253,285	-	-	-	13,427,416
Other Operating Revenues	-	187,579	-	-	252,684	-	840	17,514	8,365,137
Total Operating Revenues	752,225	3,570,216	213,397	2,016,042	8,861,271	6,215,652	410,216	234,113	138,572,622
OPERATING EXPENSES									
Salaries and Wages	-	-	-	-	480,495	45,000	-	-	10,360,394
Benefits	-	-	-	-	-	-	-	-	223,694
Supplies and Other Services	-	-	-	-	251,035	85,289	918	-	2,342,437
Utilities	-	-	-	-	-	-	-	-	369,082
Student Financial Aid- Scholarships and Fellowships	105,778	619,821	95,599	503,214	1,041,779	147,291	296,402	58,697	14,141,217
Depreciation and Amortization	-	-	-	-	127,712	77,486	-	-	4,473,667
Other Operating Expenses	466,704	1,235,945	253,909	350,353	1,650,881	471,228	145,839	101,827	30,809,754
Total Operating Expenses	572,482	1,855,766	349,508	853,567	3,551,902	826,294	443,159	160,524	62,720,245
OPERATING INCOME (LOSS)	179,743	1,714,450	(136,111)	1,162,475	5,309,369	5,389,358	(32,943)	73,589	75,852,377
OTHER NONOPERATING REVENUES (EXPENSES)									
Investment Income, Net	592,893	2,918,772	595,313	1,153,112	2,197,619	1,596,196	133,469	273,150	48,120,819
Interest on Indebtedness	-	-	-	-	-	-	-	-	(4,124,802)
Total Other Nonoperating Revenues (Expenses)	592,893	2,918,772	595,313	1,153,112	2,197,619	1,596,196	133,469	273,150	43,996,017
INCREASE (DECREASE) IN NET POSITION	772,636	4,633,222	459,202	2,315,587	7,506,988	6,985,554	100,526	346,739	119,848,394
Net Position - Beginning of Year	4,665,740	27,937,701	8,619,848	10,064,738	20,706,571	26,351,518	1,808,233	2,726,390	550,042,018
NET POSITION - END OF YEAR	$ 5,438,376	$ 32,570,923	$ 9,079,050	$ 12,380,325	$ 28,213,559	$ 33,337,072	$ 1,908,759	$ 3,073,129	$ 669,890,412

* December 31 Year-End

See accompanying Notes to Financial Statements.

NOTE 1 ORGANIZATION

The West Virginia Higher Education Fund (the Fund) is comprised of the following blended component units:

- Bluefield State University (Bluefield)
- Concord University (Concord)
- Fairmont State University (Fairmont)
- Glenville State University (Glenville)
- Marshall University (Marshall)
- Shepherd University (Shepherd)
- West Liberty University (West Liberty)
- West Virginia Council for Community and Technical College Education
- West Virginia Higher Education Policy Commission (including West Virginia Network for Educational Telecomputing)
- West Virginia State University (WV State)
- West Virginia School of Osteopathic Medicine (WVSOM)
- West Virginia University (including Potomac State College and West Virginia University Institute of Technology) (WVU)

The Fund is a discretely presented component unit of the State of West Virginia (the State). Each college and university (the Institutions) in the Fund is governed by its own Governing Board, which is responsible for the general determination, control, supervision, and management of the financial business and educational policies and affairs of its institution. The West Virginia Higher Education Policy Commission (the Policy Commission), in accordance with Senate Bill No. 653, is responsible for developing, gaining consensus around, and overseeing the implementation and development of a higher education public policy agenda. The Policy Commission is comprised of 10 persons appointed by the Governor with the advice and consent of the Senate. Senate Bill No. 448 gives the West Virginia Council for Community and Technical College Education (the Council) the responsibility of developing, overseeing, and advancing the State's public policy agenda as it relates to community and technical college education. The Council is comprised of 12 persons appointed by the Governor with the advice and consent of the Senate and is comprised of the following Institutions:

- Blue Ridge Community and Technical College
- BridgeValley Community and Technical College
- Eastern West Virginia Community and Technical College
- Mountwest Community and Technical College
- New River Community and Technical College
- Pierpont Community and Technical College (Pierpont)
- Southern West Virginia Community and Technical College
- West Virginia Northern Community College (Northern)
- West Virginia University at Parkersburg Community and Technical College

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by Governmental Accounting Standards Board standards (GASB). The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the Fund'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 accompanying financial statements present all Institutions under the authority of the Fund, including the Policy Commission and the Council. The basic criteria for inclusion in the accompanying financial statements is the exercise of oversight responsibility derived from the ability of the Fund to significantly influence operations and accountability for fiscal matters of related entities (see Note 24 for condensed financial statements). These entities are included in the financial statements as blended component units of the Fund.

Complete financial statements for any blended component unit can be obtained by contacting the Business Office of the West Virginia Higher Education Policy Commission, 1018 Kanawha Boulevard East, Suite 700, Charleston, WV 25301.

The Fund applies GASB discretely presented component unit requirements and, as a result, the financial statements of certain component units as first presented in the Component Units – Statement of Net Assets are discretely presented here with the Fund's financial statements. The component units are the separate private nonprofit organizations of each applicable institution. The component units consist of foundations and other entities which meet the criteria for inclusion under GASB discretely presented component unit requirements. Each of the component units are considered to be major component units. See Note 21 for component unit disclosures.

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 Fund as a whole. Net position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of Fund obligations. The Fund's net position is classified as follows:

Net Investment in Capital Assets – This represents the Fund's total investment in capital assets, net of accumulated depreciation and amortization and outstanding debt obligations related to those capital assets. To the extent 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

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

The West Virginia 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 No. 101 passed in March 2004 simplified the tuition and fees restrictions to auxiliaries and capital items. These activities are fundamental to the normal ongoing operations of the Fund. These restrictions are subject to change by future actions of the West Virginia Legislature.

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.

Unrestricted Net Position – Unrestricted net position 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 Fund, and may be used at the discretion of the respective governing boards to meet current expenses for any purpose.

Basis of Accounting

For financial reporting purposes, the Fund is considered a special-purpose government engaged only in business-type activities. Accordingly, the Fund'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 when materials or services are received. All interdivision accounts and transactions have been eliminated.

Cash and Cash Equivalents

For purposes of the statements of net position, the Fund considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Cash and cash equivalents balances on deposit with the State of West Virginia 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, the provisions of bond indentures, and the 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

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.

The BTI maintains the Consolidated Fund investment fund which consists of eight investment pools and participant-directed accounts, three of which the state and local governmental agencies 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 audited financial 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.

Investments

Investments measured and reported at fair value are classified according to the following hierarchy. Level 1, investments reflect prices quoted in active markets. Level 2, investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active. Level 3, investments reflect prices based upon unobservable inputs. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Alternative investments are carried at fair value using the net asset value as a practical expedient. These valuations include assumptions and methods that were reviewed by Fund management and are primarily based on quoted market prices or other readily determinable market values for the underlying investments. The Fund believes that the carrying amount of its alternative investments is a reasonable estimate of fair value. Because a portion of alternative investments is not readily marketable and the estimated value is subject to uncertainty, the reported value may differ from the value that would have been used had a ready market existed.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

Permissible investments for all agencies include those guaranteed by the United States of America, its agencies and instrumentalities (U.S. Government obligation); corporate debt obligations, including commercial paper, which meet certain ratings; certain money market funds; repurchase agreements; reverse repurchase agreements, asset-backed securities; certificates of deposits; state and local government securities (SLGS); and other investments. Other investments consist primarily of investments in accordance with the Linked Deposit Program, a program using financial institutions in West Virginia to obtain certificates of deposit, loans approved by the legislature and any other program investments authorized by the legislature.

The Fund's investments held with the foundations and other agents are governed by investment policies that determine the permissible investments by category. The holdings include appropriately rated U.S. debt and equity securities, foreign debt and equity securities, as well as alternative investments. The respective investment policies outline the acceptable exposure to each category of investment and generally outline a liquidity goal.

Investments are made in accordance with and subject to provisions of the Uniform Prudent Investor Act codified as Chapter 44, Article 6C, of the West Virginia Code.

Lease Receivable

Leases receivable includes amounts due form external parties for long-term leases of land and building space, recorded at the present value of lease payments expected to be received during the lease term.

Allowance for Doubtful Accounts

It is the Fund'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 Fund on such balances; and such other factors which, in the Fund's judgment, require consideration in estimating doubtful accounts.

Inventories

Inventories are stated at the lower of cost or market, cost being determined on the first-in, first-out method.

Noncurrent Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments that are (1) externally restricted to make debt service payments, long-term loans to students, or to maintain sinking or reserve funds, (2) to purchase capital or other noncurrent assets or settle long-term liabilities, or (3) held for permanently restricted net position, are classified as noncurrent assets in the statements of net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets include property, plant, and equipment, Right-to-Use (ROU) assets, 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. Capital assets under service concession arrangements are recorded at acquisition value at the commencement of the agreement. Intangible ROU assets include software subscriptions and property and equipment. These assets are recorded at the sum of the present value of payments expected to be made during the term of the underlying contract, payments associated with the contract made to the vendor at the commencement of the contractual term, and capitalizable implementation costs, less any vendor incentives received at the commencement of the contractual term. 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, 20 years for land improvements, 7 to 20 years for library assets, and 3 to 10 years for furniture and equipment. The estimated useful life of other intangible assets varies. ROU assets are amortized in a systematic and rational manner over the shorter of the contractual term or the useful life of the underlying assets.

Unearned Revenue

Cash received for programs or activities to be conducted primarily in the next fiscal year is classified as unearned revenue, including items such as football ticket sales, tuition and fees and room and board. 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, and liabilities, 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. Effective July 1, 2007, the Fund was 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 West Virginia Public Employees Insurance Agency (PEIA), State Capitol complex, Building 5, Room 1001, 1900 Kanawha Boulevard East, Charleston, West Virginia 25305-071 or http://www.wvpeia.com.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences and Other Postemployment Benefits (Continued)

GASB requires recognition of a liability for leave that accumulates and is attributable to services already rendered and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The Fund'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 extends health insurance for one month of single coverage and three days extends 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 on 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. This liability is provided for under the multiemployer cost-sharing plan sponsored by the State.

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. The same hire date mentioned above applies to coverage for faculty employees also. 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 Fund. 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 vacation leave or OPEB benefits are recorded as a component of benefits expense in the statements of revenues, expenses, and changes in net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 in 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 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 (see Note 15).

Deferred Outflows of Resources

Consumption of net assets by the Fund that is applicable to a future fiscal year is reported as a deferred outflow of resources on the statements of net position. As of June 30, 2026 and 2025, the Fund had a deferred loss on refunding of $26,966 and $29,359, respectively, deferred outflows of resources related to pensions of $846 and $1,070, respectively (see Note 15), and deferred outflows of resources related to other postemployment benefits of $32,537 and $16,420, respectively (see Note 8). Deferred outflows are either accreted over the periods of the refinancing bond issue related to the deferred loss on refinancing or the remaining service lives for employees for the pension and other postemployment benefits plans.

Deferred Inflows of Resources

An acquisition of net assets by the Fund that is applicable to a future fiscal year is reported as a deferred inflow of resources on the statements of net position. Deferred inflows related to service concession arrangements are accreted over the periods of the service concession arrangements. As of June 30, 2026 and 2025, the Fund had total deferred inflows of resources of $34,399 and $36,111, respectively, related to public-private partnerships. As of June 30, 2026 and 2025, the deferred inflows related to pensions were $1,974 and $2,450, respectively (see Note 15). As of June 30, 2026 and 2025, the deferred inflows related to other postemployment benefits were $16,645 and $11,263, respectively (see Note 8). As of June 30, 2026 and 2025, the Fund had deferred inflows of resources related to leases of $13,070 and $10,585, respectively. Other deferred inflows of resources include deferred gains on refunding of $781 and $962 as of June 30, 2026 and 2025, respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risk Management

The State's Board of Risk and Insurance Management (BRIM) provides general liability, medical malpractice liability, property, and auto insurance coverage to the Fund and its employees. Such coverage is provided to the Fund through a self-insurance program maintained by BRIM for general liability, medical malpractice liability, and auto insurance coverage. BRIM maintains a self-insurance program to pay the first $1 million of each property insurance claim and purchases excess property insurance from the commercial insurance market to cover individual claims that exceed $1 million. The BRIM self-insurance programs may involve experience and exposure-related premiums.

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

The WVU and Marshall Schools of Medicine (SOMs) have established a $250 deductible program under BRIM's professional liability coverage for the SOMs effective July 1, 2005. Starting July 1, 2005, the SOMs assumed the risk and responsibility for any and all indemnity amounts up to $250 per occurrence and all loss expenses associated with medical malpractice claims and/or suits in exchange for a reduction in its premium for medical malpractice insurance. For fiscal year 2026, BRIM will provide coverage for indemnity amounts between $250 and $2,000 per occurrence. For fiscal year 2025, BRIM will provide coverage for indemnity amounts between $250 and $1,961 per occurrence. After June 30, 2016, BRIM coverage may increase annually based on the Consumer Price Index until it reaches a maximum of $2,000 per occurrence. Prior to July 1, 2005, the SOMs were totally covered by BRIM at a limit of $1,000 per occurrence.

Under the program, the SOMs entered into an agreement with BRIM whereby the SOMs have on deposit $3,506 and $3,500 as of June 30, 2026 and 2025, respectively, in escrow accounts created in the State Treasury from which BRIM may withdraw amounts to pay indemnity costs and allocated expenses in connection with medical malpractice claims against the SOMs. Additionally, the WVU Health Sciences Center also has on deposit $50,200 and $47,700 as of June 30, 2026 and 2025, respectively, in an investment account with the West Virginia University Foundation to cover the liabilities under this program. Marshall has a receivable from the University Physicians & Surgeons, Inc. for the funding it has agreed to provide for the self-insurance liability of $11,666 and $11,100 as of June 30, 2026 and 2025, respectively. Based on actuarial valuations of this self-insurance program, the Fund has recorded a liability of $55,472 and $50,737 to reflect projected claim payments at June 30, 2026 and 2025, respectively, for both WVU's and Marshall's SOMs.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risk Management (Continued)

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

Classification of Revenues

The Fund has classified its revenues and expenses according to the following criteria:

Operating Revenues

Operating revenues and expenses are revenues and expenses other than nonoperating revenues and expenses. Operating revenues may also include revenues or expense that would otherwise be classified as nonoperating if those transactions constitute the Fund's principal ongoing operations. The Fund's operating revenues include (1) fees from higher education institutions; (2) most federal, state, local, and nongovernmental grants, and contracts; and (4) revenue from leasing.

Noncapital Subsidies

Noncapital subsidies are defined as resources received from, or provided to, another party for which the Fund does not provide goods and services to the other party and that directly or indirectly keep the Fund's current or future fees lower than they would otherwise be as well as all other transfers.

Nonoperating Revenues

Other nonoperating revenues and expenses include revenues and expenses related to financing, resources from the disposal of capital assets and inventory, investment income and expenses and capital appropriations, grants and gifts.

Use of Restricted Net Position

The Fund 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 assets are available. Generally, the Fund attempts to utilize restricted net position first when practicable. Certain Institutions have adopted a policy to utilize restricted net position first.

Federal Financial Assistance Programs

The Fund 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 the institutions within the Fund. Direct student loan receivables are not included in the Fund's statements of net position. In 2026 and 2025, the Fund received and disbursed, or awarded, approximately $393,500 and $382,000, respectively, under the Direct Loan Program, which is not included as revenue and expense in the statements of revenues, expenses, and changes in net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Financial Assistance Programs (Continued)

The Fund 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 Fund received and disbursed approximately $128,000 and $136,600, 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 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 Fund, and the amount that is paid by students and/or third parties making payments on the students' behalf.

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). 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 an institution 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 Fund recognizes revenue associated with direct costs as the eligibility requirements are met. Recovery of related indirect costs is generally recorded at fixed rates negotiated for a period of one to five years.

Income Taxes

The Fund 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.

Cash Flows

Any cash and cash equivalents escrowed, restricted for noncurrent assets, or in funded reserves have not been included as cash and cash equivalents for the purpose of the statements of cash flows.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows 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 materially from those estimates.

Risk and Uncertainties

Investments 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.

Newly Adopted Statements Issued by the Governmental Accounting Standards Board (GASB)

Effective July 1, 2025 the Fund implemented GASB Statement No. 103, Financial Reporting Model Improvements. GASB 103 modifies certain financial statement presentation and classification requirements, including certain revenue classifications. 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:

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Adopted Statements Issued by the Governmental Accounting Standards Board (GASB) (Continued)

Financial Statement Line Item	2025 Amounts As Previously Reported	2025 Amounts As Reported under GASB 103
Operating Revenues		
Pell Grants	$ -	$ 122,949
Private	5,616	3,878
State	80,293	66,235
COVID Relief Grants	-	1
Federal Grants	8,211	11,788
Other Operating Revenues	8,703	12,878
Other Operating Expenses	16,167	16,167
Operating Gifts	-	1,854
State Appropriations - Financial Aid	-	9,637
Interest on Student Loans Receivable	512	-
Noncapital Subsidies		
State Appropriations	44,139	460,157
State Lottery Appropriations	-	3,867
Payments Made on Behalf of the Fund	-	4,482
Contributions for Scholarships	-	3,237
Gifts	-	91,923
Federal HEERF Grants	-	2,640
Other	-	197
Nonoperating Revenues (Expenses)		
State Appropriations	441,914	-
Federal Pell Grants	126,987	-
Payments on Behalf of the University	3,722	327
State Lottery Appropriations	4,500	-
Federal CARES Grants	1	-
Gifts	95,250	-
Special Revenue	3,900	-
Interest on Student Loans Receivable	-	512
Capital Grants, Appropriations, and Gifts	-	40,473
Other Nonoperating Revenues (Expenses), Net	8,368	3,901
Federal HEERF Grants	2,648	-
Federal Appropriations - Capital	-	461
State Appropriations - Capital	-	2,222
Payments to Foundation	-	(5,000)
Other		
Payments Made and Expenses Incurred by State on Behalf of University	658	-
Capital Grants and Gifts	855	-
Donated Capital Assets	7,015	-
Capital Payments Made on Behalf of the University	327	-
Payments to Foundation	(5,000)	-

NOTE 3 CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents at June 30, was held as follows (dollars in thousands):

	2026		
	Current	Noncurrent	Total
State Treasurer	$ 537,706	$ 58,518	$ 596,224
Municipal Bond Commission	2,017	-	2,017
Trustee	1	60,586	60,587
Bank	92,075	-	92,075
Cash Equivalents	14,089	-	14,089
Escrowed Cash	-	4,523	4,523
On Hand	63	-	63
Total	$ 645,951	$ 123,627	$ 769,578

	2025		
	Current	Noncurrent	Total
State Treasurer	$ 489,715	$ 58,989	$ 548,704
Municipal Bond Commission	1,924	-	1,924
Trustee	1	52,658	52,659
Bank	69,920	-	69,920
Cash Equivalents	10,427	-	10,427
Escrowed Cash	-	4,543	4,543
On Hand	42	-	42
Total	$ 572,029	$ 116,190	$ 688,219

Amounts held by the Municipal Bond Commission or trustee represent various project revenue, debt service, and other repair and replacement reserve funds required to be escrowed by various bond trust indentures. Other amounts held by the State Treasurer include $103,212 and $85,317 of restricted cash at June 30, 2026 and 2025, respectively. Cash equivalents are primarily related to amounts held in money markets, repurchase agreements, and savings accounts.

The combined carrying amounts of cash in the bank at June 30, 2026 and 2025 were approximately $91,273 and $69,400, as compared with the combined bank balance of $97,385 and $75,700, respectively. The difference is primarily caused by outstanding checks and items in transit. The bank balances were covered by federal depository insurance as noted below or were secured by financial instruments held as collateral by the State's agent. Regarding federal depository insurance, interest bearing accounts are insured by the Federal Deposit Insurance Company (FDIC) up to $250.

Amounts with the State Treasurer as of June 30, 2026 and 2025 are comprised of approximately $271,416 and $236,800, respectively, held by the State Treasury Fund and not invested, and three investment pools, the WV Money Market Pool, the WV Government Money Market Pool and the WV Short Term Bond Pool.

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

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&P) rating of the investment pools as of June 30:

	2026		2025	
External Pool	Carrying Value (in Thousands)	S & P Rating	Carrying Value (in Thousands)	S & P Rating
WV Money Market Pool	$ 315,408	AAAm	$ 302,896	AAAm
WV Government Money Market Pool	2,017	AAAm	1,924	AAAm
WV Short-Term Bond Pool	7,384	Not Rated	7,118	Not Rated

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 S&P.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 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 and the WV Government Money Market Pool:

	2026		2025	
External Pool	Carrying Value (in Thousands)	WAM (Days)	Carrying Value (in Thousands)	WAM (Days)
WV Money Market Pool	$ 315,408	46	$ 302,896	41
WV Government Money Market Pool	2,017	45	1,924	26

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

	2026		2025	
External Pool	Carrying Value (in Thousands)	Effective Duration (Days)	Carrying Value (in Thousands)	Effective Duration (Days)
WV Short-Term Bond Pool	$ 7,384	664	$ 7,118	637

Cash in Bank with Trustee

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Cash in bank with trustee is governed by provisions of various bond agreements.

	Carrying Value (in Thousands)	
Investment Type	2026	2025
Money Market Fund	$ 60,587	$ 52,659

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Cash in Bank with Trustee (Continued)

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 Fund will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Fund does not have a formal custodial credit risk policy.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund'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.

NOTE 4 INVESTMENTS

The Fund categorizes its fair value measurements within the fair value hierarchy established by GAAP. The Fund had the following recurring fair value measurements comprised of investments as of June 30 (dollars in thousands):

	2026			
		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U.S. Government Investments:				
Cash	$ 7,567	$ 7,567	$ -	$ -
Treasury Obligations	45,455	9,069	36,386	-
Mutual Money Market Funds	803	803	-	-
Corporate Bonds	5,486	5,486	-	-
Mutual Bond Funds:				
Guggenheim TR Bond	17,088	17,088	-	-
Allspring High Yield Bond - A	8	8	-	-
Fixed Income Funds:				
IR&M Core Bond	18,181	-	18,181	-
Other	263	263	-	-
Mutual Stock Funds:				
Allspring Opportunity - A	1,031	1,031	-	-
Cohen Steers Ins Rty	1,691	1,691	-	-
Eaton Vance	1,765	1,765	-	-
Equity Mutual Funds	30,909	30,909	-	-
Maingate MLP Fund	5,834	5,834	-	-
MFS International Value Fund	10,896	10,896	-	-
MFS Investment Management	16,112	16,112	-	-
REMS RE	1,489	1,489	-	-
Vanguard INT Growth	3,137	3,137	-	-
Vanguard S&P 500ETF	26,991	26,991	-	-
Vanguard Total Stock Market	26,026	26,026	-	-
Vanguard FTSE EM MKT	1,597	1,597	-	-
Vanguard FTSE DM MKT	7,456	7,456	-	-
Investments Held by Marshall University Foundation	$ 68,456	$ -	$ 68,456	$ -
Investments Held by Concord	-	-	-	-
Other	1,580	-	-	1,580
Total	299,821	$ 175,218	$ 123,023	$ 1,580
Investments Measured at Net Asset Value (NAV):				
Morgan Stanley	9,460			
Hedge Funds	3,334			
Limited Partnership Equity	19,661			
Total Investments	$ 332,276			

NOTE 4 INVESTMENTS (CONTINUED)

	2025			
		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U.S. Government Investments:				
Cash	$ 6,659	$ 6,659	$ -	$ -
Treasury Obligations	41,147	8,198	32,949	-
Mutual Money Market Funds	706	706	-	-
Corporate Bonds	6,010	6,010	-	-
Mutual Bond Funds:				
Guggenheim TR Bond	16,430	230	15,280	920
Allspring High Yield Bond - A	7	7	-	-
Fixed Income Funds:				
IR&M Core Bond	16,694		16,694	-
Other	217	217	-	-
Mutual Stock Funds:				
Allspring Opportunity - A	911	911	-	-
Artisan International Small Cap	2,846	2,846	-	-
Cohen Steers Ins Rty	1,538	797	637	104
Eaton Vance	1,640	1,640	-	-
Equity Mutual Funds	24,126	24,126	-	-
Maingate MLP Fund	5,010	5,010	-	-
MFS International Value Fund	9,329	8,465	864	-
MFS Investment Management	14,117	14,117	-	-
REMS RE	1,503	468	1,035	-
Vanguard INT Growth	2,851	900	1,948	3
Vanguard S&P 500ETF	27,169	27,169	-	-
Vanguard Total Stock Market	21,901	21,901	-	-
Vanguard FTSE EM MKT	1,334	163	1,170	1
Vanguard FTSE DM MKT	5,610	-		-
Investments Held by Marshall University Foundation	67,742	-	67,742	-
Investments Held by Concord	-	-	-	-
Other	579	-	-	579
Total	276,076	$ 130,540	$ 138,319	$ 1,607
Investments Measured at Net Asset Value (NAV):				
Morgan Stanley	14,840			
Limited Partnership Equity	15,337			
Hedge Funds	4,815			
Total Investments	$ 311,068			

Historically, the Fund was unable to invest excess operating funds outside of the State Treasurer. In 2005, the West Virginia State Legislature passed Senate Bill No. 603 (S.B. 603). S.B. 603 granted certain institutions the ability to invest a limited amount of funds with their foundations. In 2015, the Legislature passed Senate Bill 425 which allowed all monies of certain institutions to be invested with their foundations except for General Revenue funds.

NOTE 4 INVESTMENTS (CONTINUED)

As of June 30, 2026 and 2025, WVU's investments held with the Foundation were $187,300 and $172,000, respectively. WVU's investments held with the Foundation are governed by investment policies and an investment management agency agreement that determine the permissible investments by category. The holdings include investment cash accounts, commingled equity funds, exchange traded funds (EFT), mutual bond funds, mutual stock funds, fixed income commingled funds, and limited partnership and hedge fund investments. The investment management agency agreement outlines the acceptable exposure to each category of investment and generally outlines a liquidity goal. The agreement also states that at no time will illiquid investment assets (defined as those assets that cannot be converted into cash within 90 days) exceed 10% of any portfolio.

During 2016, Marshall and its Foundation executed an Investment Management Agency Agreement (the Agreement) in which the Foundation was appointed as Marshall's investment agent. Under the Agreement, the Foundation has full power and authority to make purchases and sales of securities on behalf of Marshall. Other responsibilities of the Foundation, in part, are to account for Marshall assets separately from Foundation assets, provide monthly investment reports to Marshall and engage third-party investment managers to invest Marshall assets in accordance with the asset allocation provisions established by Marshall's Investment Committee. Marshall's investments are held in the name of the Foundation. In return for the above noted services, Marshall pays the Foundation investment advisory fees as defined in the Agreement.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments classified in Level 2 of the fair value hierarchy are valued based on the securities' relationship to benchmark quoted prices. Level 3 represents investments with no observable market.

Marshall's investments held by the foundation are classified in Level 2 of the fair value hierarchy are valued at quoted prices for the underlying assets which are considered to be similar assets in active markets.

NOTE 4 INVESTMENTS (CONTINUED)

The valuation method for investments measured at the NAV per share (or its equivalent) is presented as follows at June 30 (dollars in thousands):

	2026			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Morgan Stanley Private:				
Renaissance Institutional Equities	$ 3,036	None	Monthly	60 Days
HP Millennium International	927	None	Quarterly	30 Days
Mudrick Distressed Opportunity Fund	1,889	None	Quarterly	90 Days
Coatue Offshore II LTD	1,250	None	Quarterly	45 Days
Third Point LTD, Series B	1,250	None	Quarterly	60 Days
KKR Dislocation Fund	1,108	249	n/a	n/a
Limited Partnership Equity:				
TI Platform Fund I	4,107	None	n/a	n/a
TI Platform Fund II	2,401	None	n/a	n/a
TI Platform Fund III	1,997	None	n/a	n/a
747 Stuyvesant VI LP	1,520	None	n/a	n/a
747 Stuyvesant VII LP	1,543	None	n/a	n/a
747 Stuyvesant VIII LP	1,162	None	n/a	n/a
CC&L Q Emerging Markets	6,931	None	n/a	n/a
Hedge Funds:				
Capstone Convex PF	1,295	None	n/a	n/a
Penso Neg Cor Alpha	2,039	None	n/a	n/a
Total Investments Measured at the NAV	$ 32,455			

NOTE 4 INVESTMENTS (CONTINUED)

	2025			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Morgan Stanley Private:				
Renaissance Institutional Equities	$ 3,798	None	Monthly	60 Days
HP Millennium International	809	None	Quarterly	30 Days
Mudrick Distressed Opportunity Fund	6,897	None	Quarterly	90 Days
Owl Rock Tech FC II	2,058	$ 1,075	n/a	n/a
KKR Dislocation Fund	1,278	325	n/a	n/a
Limited Partnership Equity:				
TI Platform Fund I	3,766	None	n/a	n/a
TI Platform Fund II	2,107	None	n/a	n/a
TI Platform Fund III	1,235	None	n/a	n/a
747 Stuyvesant VI LP	1,421	None	n/a	n/a
747 Stuyvesant VII LP	1,385	None	n/a	n/a
747 Stuyvesant VIII LP	778	None	n/a	n/a
CC&L Q Emerging Markets	4,645	None	n/a	n/a
Hedge Funds:				
Capstone Convex PF	2,033	None	n/a	n/a
Penso Neg Cor Alpha	2,782	None	n/a	n/a
Total Investments Measured at the NAV	$ 34,992			

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

WVU and WVSOM investment policies generally adhere to fiduciary responsibilities in accordance with the provisions of the Uniform Prudent Investor Act (WV State Code 44-6C-1 Prudent Investor Rule). Oversight will occur with care, skill, prudence, and diligence.

NOTE 4 INVESTMENTS (CONTINUED)

Credit Risk (Continued)

At June 30, S&P credit ratings were as follows:

Investment Type	2026	2025
Air Lease Corp	-	BBB
Ally Financial Inc	BBB-	-
ARES Capital Corp	-	BBB
Bank of America Corp	A-	A-
CitiGroup Inc.	BBB+	BBB+
Charles Schwab Corp	A-	A-
Cheniere Energy Inc.	BBB	BBB-
Energy Transfer	BBB	BBB
Goldman Sachs Group	BBB+	BBB+
HF Sinclair Corp	BBB-	-
Meta Platforms Inc	AA-	AA-
Morgan Stanley	A-	-
M&T Bank Corp	BBB+	BBB+
RTX Corp	-	BBB+
Sumisho Air Lease Corp	BBB	-
Utah Acquisition Corp.	-	BB+
Wells Fargo & Co	BBB+	BBB+
IR&M Core Bond	Aa3	Aa2
Guggenheim TR Bond	AA	A1
IR&M Short US Treasury Funds	Aa1	AAA
WVU Cash Con Inv	AAA-mf	AAA-mf
Muzinich Credit Opportunities Fund	-	Baa

Remaining investments have not been rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The following tables show the maturities for other investments for WVU at June 30 (dollars in thousands):

	2026				
	Investment Maturities				
Investment Type	Fair Value	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years
Fixed Income Commingled	$ 18,181	$ 1,236	$ 7,987	$ 5,882	$ 3,076
US Treasury Securities	36,386	20,267	16,119	-	-
Mutual Bond Funds	17,088	2,050	7,605	5,417	2,016
Total	$ 71,655	$ 23,553	$ 31,711	$ 11,299	$ 5,092

NOTE 4 INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

	2025				
	Investment Maturities				
Investment Type	Fair Value	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years
Fixed Income Commingled	$ 16,694	$ 1,242	$ 7,063	$ 5,526	$ 2,863
Fixed Income ETF	32,949	16,847	16,102	-	-
Mutual Bond Funds	16,430	854	9,234	4,568	1,774
Total	$ 66,073	$ 18,943	$ 32,399	$ 10,094	$ 4,637

For WVU, interest rate risk is managed by limiting the time period or duration of the specific investment. The following tables show the maturities for WVSOM at June 30 (dollars in thousands):

	2026		2025	
Bond Maturity	Market Value	% of Bond Market Value	Market Value	% of Bond Market Value
Less than 1 Year	$ 1,089	7.5 %	$ 1,755	12.4 %
1 to 5 Years	13,465	92.5	12,453	87.6
6 to 10 Years	-	-	-	-
Total	$ 14,554	100.0 %	$ 14,208	100.0 %

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. Since this risk is minimized by the commingled funds structure, concentration risk disclosure is not required for external pooled funds.

At June 30, 2026 and 2025, WVU's investments were not subject to concentration of credit risk.

Marshall's investment portfolio strategy includes three investment pools, the Long-Term Investment Pool, the Mid Term Investment Pool, and the Operating Investment Pool. The objective of Marshall's portfolio strategy is to enhance the Investment Pool's long-term viability by maximizing the value with a prudent, balanced level of risk.

To minimize risk, WVSOM's investment policy allows for no more than 5% of available assets to be invested with any one issuer, except U.S. government securities.

Custodial Credit Risk

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

For Fund investments at June 30, 2026 and 2025, there was no custodial credit risk.

NOTE 4 INVESTMENTS (CONTINUED)

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.

WVU's exposure to foreign currency risk is as follows at June 30 (dollars in thousands):

Currency	2026	2025
Australian Dollar	$ 566	$ 637
Brazilian Real	478	351
British Pence	-	3,279
British Pound	4,176	-
Canadian Dollar	1,334	1,468
Cayman Island Dollar	4	2
Czech Koruna	5	7
Chilean Peso	41	35
China Renminbi	540	344
Columbian Peso	23	6
Danish Krone	226	430
Egyptian Pound	5	3
Euro	7,414	6,393
Hong Kong Dollar	2,407	1,872
Hungarian Forint	10	10
Indian Rupee	1,215	1,169
Indonesian Rupiah	128	94
Iceland Krona	1	1
Israeli Arorot	-	87
Israeli New Shekel	83	-
Japanese Yen	3,795	3,180
Korean Won	1,241	-
Kuwaiti Dinar	11	-
Kuwaiti Fil	-	12
Malaysian Ringgit	119	79
Mexican Peso	265	205
New Zealand Dollar	16	13
Norwegian Krone	128	157
Philippine Peso	81	26
Polish Zloty	129	73
Qatari Riyal	22	20
Romanian Leu	2	2
Russian Ruble	-	11

NOTE 4 INVESTMENTS (CONTINUED)

Foreign Currency Risk (Continued)

Currency (Continued)	2026	2025
Saudi Arabia Riyal	$ 278	$ 217
Singapore Dollar	145	122
South African Rand	242	148
South African Cent	-	44
South Korean Won	778	1,024
Swedish Krona	271	512
Swiss Franc	1,484	1,297
Taiwanese Dollar	2,348	1,334
Thai Baht	207	74
Turkish Lira	62	57
UAE Dirham	108	82
U.S. Dollar	177,442	164,353
Total	$ 207,830	$ 189,230

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable at June 30 were as follows (dollars in thousands):

	2026	2025
Students, Net of Allowance of $40,069 and $37,074 in 2026 and 2025, Respectively	$ 27,744	$ 26,618
Grants and Contracts, Net of Allowance of $3,745 and $4,439 in 2026 and 2025, Respectively	83,446	110,388
Auxiliary Services, Net of Allowance of $1,194 and $680 in 2026 and 2025, Respectively	6,658	3,405
Due from State and State Agencies	25,105	33,527
Other, Net of Allowance of $59 and $110 in 2026 and 2025, Respectively	39,329	53,796
Total	$ 182,282	$ 227,734

NOTE 6 CAPITAL ASSETS

The following, for the years ended June 30, is a summary of capital assets transactions for the Fund (dollars in thousands):

	2026			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not Being Depreciated or Amortized:				
Land	$ 180,658	$ 4,928	$ 2,131	$ 183,455
Construction in Progress	118,134	173,532	125,276	166,390
Public Private Partnerships:				
Land	29	-	-	29
Other	67	-	-	67
Total Capital Assets Not Being Depreciated or Amortized	298,888	178,460	127,407	349,941
Other Capital Assets:				
Land Improvements	112,253	4,207	574	115,886
Infrastructure	516,042	24,445	2,601	537,886
Buildings	3,850,299	99,251	14,619	3,934,931
Equipment	543,917	39,333	19,487	563,763
Software	70,763	6,400	-	77,163
Library Books	222,623	3,063	278	225,408
Intangibles and Others	356,717	27,681	-	384,398
Right-to-Use Asset Building	106,277	6,477	3,551	109,203
Right-to-Use Asset Equipment	5,821	2,611	321	8,111
Subscription Assets	85,439	17,819	11,263	91,995
Public Private Partnerships:				
Equipment	838	-	-	838
Buildings	270,020	-	-	270,020
Land Improvements	3,955	-	-	3,955
Infrastructure	746	-	-	746
Total Other Capital Assets	6,145,710	231,287	52,694	6,324,303
Less: Accumulated Depreciation and Amortization for:				
Land Improvements	88,054	3,676	449	91,281
Infrastructure	372,198	11,904	392	383,710
Buildings	1,474,795	80,622	8,826	1,546,591
Equipment	385,478	34,469	19,321	400,626
Software	66,983	1,880	-	68,863
Library Books	209,571	3,623	235	212,959
Intangibles and Others	289,074	40,452	-	329,526
Right-to-Use Asset Building	25,239	9,478	1,444	33,273
Right-to-Use Asset Equipment	1,079	1,134	365	1,848
Subscription Assets	46,452	23,358	16,652	53,158
Public Private Partnerships:				
Equipment	615	53	-	668
Buildings	46,273	4,605	-	50,878
Land Improvements	1,771	181	-	1,952
Infrastructure	502	50	-	552
Total Accumulated Depreciation and Amortization	3,008,084	215,485	47,684	3,175,885
Other Capital Assets, Net	3,137,626	15,802	5,010	3,148,418
Capital Assets, Net	$ 3,436,514	$ 194,262	$ 132,417	$ 3,498,359

NOTE 6 CAPITAL ASSETS (CONTINUED)

	2025			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not Being Depreciated or Amortized:				
Land	$ 176,503	$ 5,386	$ 1,231	$ 180,658
Construction in Progress	55,892	121,749	59,507	118,134
Public Private Partnerships:				
Land	29	-	-	29
Other	67	-	-	67
Total Capital Assets Not Being Depreciated or Amortized	232,491	127,135	60,738	298,888
Other Capital Assets:				
Land Improvements	109,850	2,447	44	112,253
Infrastructure	500,486	16,031	475	516,042
Buildings	3,805,874	44,661	236	3,850,299
Equipment	514,494	46,549	17,126	543,917
Software	65,958	4,941	136	70,763
Library Books	221,087	2,819	1,283	222,623
Intangibles and Others	288,762	68,089	134	356,717
Right-to-Use Asset Building	95,722	11,393	838	106,277
Right-to-Use Asset Equipment	5,591	892	662	5,821
Right-to-Use Asset Software	-	-	-	-
Subscription Assets	73,846	34,372	22,779	85,439
Public Private Partnerships:				
Equipment	819	19	-	838
Buildings	270,020	-	-	270,020
Land Improvements	3,955	-	-	3,955
Infrastructure	746	-	-	746
Total Other Capital Assets	5,957,210	232,213	43,713	6,145,710
Less: Accumulated Depreciation and Amortization for:				
Land Improvements	84,322	3,770	38	88,054
Infrastructure	362,704	9,948	454	372,198
Buildings	1,400,391	78,833	4,429	1,474,795
Equipment	366,237	32,721	13,480	385,478
Software	65,528	1,591	136	66,983
Library Books	206,783	4,028	1,240	209,571
Intangibles and Others	258,733	30,438	97	289,074
Right-to-Use Asset Building	17,008	9,470	1,239	25,239
Right-to-Use Asset Equipment	633	663	217	1,079
Right-to-Use Asset Software	-	-	-	-
Subscription Assets	35,812	20,903	10,263	46,452
Public Private Partnerships:				
Equipment	565	50	-	615
Buildings	41,668	4,605	-	46,273
Land Improvements	1,590	181	-	1,771
Infrastructure	452	50	-	502
Total Accumulated Depreciation and Amortization	2,842,426	197,251	31,593	3,008,084
Other Capital Assets, Net	3,114,784	34,962	12,120	3,137,626
Capital Assets, Net	$ 3,347,275	$ 162,097	$ 72,858	$ 3,436,514

NOTE 6 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was $215,485 and $197,237 for the years ended June 30, 2026 and 2025, respectively.

The Fund maintains certain 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.

Included in capital assets are land and buildings that are being held for sale. The land has an estimated historical cost of $212 and the buildings have a total estimated historical cost of $4,600, accumulated depreciation of $1,700 and a net book value of $2,900. This property is located in Montgomery, the former site of WVUIT. This property is expected to be sold by June 30, 2027.

The Fund has construction commitments at June 30, 2026 of approximately the following (dollars in thousands):

Fairmont	$	2,636
Marshall		43,593
West Liberty		185
Shepherd		9,600
Policy Commission		76
WVSOM		1,100
WVSU		5,200
WVU		6,000
Total	$	68,390

NOTE 7 LONG-TERM LIABILITIES

The following is a summary of long-term obligation transactions for the Fund for the years ended June 30 (dollars in thousands):

	2026				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds, Leases, and Notes Payable:					
Notes Payable - Direct Placement	$ 109,811	$ 2,500	$ (6,494)	$ 105,817	$ 6,746
Lease Liabilities	105,984	12,183	(13,825)	104,342	7,271
SBITA Liabilities	34,244	22,077	(22,325)	33,996	18,314
Financed Purchases Payable	59,452	3,212	(1,358)	61,306	1,975
Bonds Payable	1,179,669	30,000	(72,116)	1,137,553	66,271
Total Bonds, Leases, and Notes Payable	1,489,160	69,972	(116,118)	1,443,014	
Advances from Federal Sponsors	10,236	-	(3,236)	7,000	-
Real Estate Purchase Agreements Payable	9,989	-	(736)	9,253	822
Accrued Compensated Absences**	67,503	4,498	-	72,001	66,350
Future Interest Payable	25,930	-	(3,317)	22,613	5,489 *
Other Noncurrent Liabilities	58,768	15,210	(9,921)	64,057	508
Total Long-Term Liabilities	$ 1,661,586	$ 89,680	$ (133,328)	$ 1,617,938	

* The current portion of future interest payable is included in interest payable on the statement of net position.

** The change in the compensated absences liability is presented as a net change.

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

	2025				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds, Leases, and Notes Payable:					
Notes Payable - Direct Placement	$ 110,688	$ 5,259	$ (6,136)	$ 109,811	$ 6,484
Lease Liabilities	102,536	12,105	(8,657)	105,984	6,897
SBITA Liabilities	33,668	26,296	(25,720)	34,244	15,902
Financed Purchases Payable	57,925	2,848	(1,321)	59,452	1,131
Bonds Payable	1,240,863	-	(61,194)	1,179,669	60,578
Total Bonds, Leases, and Notes Payable	1,545,680	46,508	(103,028)	1,489,160	
Advances from Federal Sponsors	14,509	143	(4,416)	10,236	-
Real Estate Purchase Agreements Payable	10,639	-	(650)	9,989	667
Accrued Compensated Absences**	63,134	4,369	-	67,503	62,316
Future Interest Payable	28,880	-	(2,950)	25,930	5,403 *
Other Noncurrent Liabilities	57,392	13,452	(12,076)	58,768	67
Total Long-Term Liabilities	$ 1,720,234	$ 64,472	$ (123,120)	$ 1,661,586	

* The current portion of future interest payable is included in interest payable on the statement of net position.

** The change in the compensated absences liability is presented as a net change.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS

Following is the Fund's other postemployment benefits (asset) 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 ended June 30 (dollars in thousands):

	2026	2025
Net OPEB Liability (Asset)	$ 8,785	$ (2,442)
Deferred Outflows of Resources	32,537	16,420
Deferred Inflows of Resources	16,645	11,263
Revenues	9,740	3,745
OPEB Expense	12,673	1,239
Contributions Made by the Fund	3,695	6,005

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description

The OPEB plan is a cost-sharing, multiple employer, 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.

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 non-State 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. 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.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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 healthcare contributions with no sponsor provided implicit or explicit subsidy.

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

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

Employees hired on or after July 1, 2001 no longer receive sick and/or vacation leave credit toward the required retiree healthcare 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 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Basis of Allocation

OPEB amounts have been allocated to each contributing employer based on their proportionate share of employer contributions to the RHBT for the fiscal year ended June 30, 2025. Effective July 1, 2017, certain employers that met the plan's opt out criteria and chose not to participate in the plan coverage were no longer required to make contributions to the plan. The amounts previously allocated to such employers for the net OPEB liability and related deferred inflows and deferred outflows are reallocated to the remaining employers participating in the cost sharing plan. The plan reallocates these balances to the remaining active employers based on their proportionate share of contributions made in the period of reallocation.

Assumptions

The net OPEB liability as of June 30, 2026 and 2025 for financial reporting purposes was determined by an actuarial valuation as of June 30, 2024 and 2023, rolled forward to June 30, 2025 and 2024, respectively. The following actuarial assumptions were used and applied in the measurement:

- Actuarial cost method: Entry age normal cost method.
- Amortization method and period: Level percentage of payroll over 20 years.
- Investment rate of return: 7.40%, net of OPEB Plan investment expense, including inflation.
- Rates based on 2015-2020 OPEB experience study and dependent on plan participation and attained age, and range from 2.75% to 5.18%, including inflation.
- Trend rate for pre-Medicare per capita costs of 5.0% medical and 8% drug. The trends increase over four years to 7.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.5% is reached in plan year end 2033.
- Inflation rate: 2.75%.
- Discount Rate: 7.40%
- Mortality rates: Postretirement, Pub-2010 general Healthy Retiree Mortality Tables (100% males, 108% females) projected with MP-2021. Pre-retirement, Pub-2010 general Healthy Retiree Mortality Tables (100% males, 100% females) projected with MP-2021.

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 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

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 actuarial assumptions used in the June 30, 2025 and 2024, valuations were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2020.

	2026	
Asset Class	Long- Term Expected Real Rate of Return	Target Target Allocation
Equity	7.4 %	45.0 %
Fixed Income	3.9	15.0
Real Estate	7.7	12.0
Hedge Fund	4.5	10.0
Private Credit and Income	7.4	6.0
Private Equity	10.0	12.0

	2025	
Asset Class	Long- Term Expected Real Rate of Return	Target Target Allocation
Equity	7.4 %	45.0 %
Fixed Income	3.9	15.0
Real Estate	7.7	12.0
Hedge Fund	4.5	10.0
Private Credit and Income	7.4	6.0
Private Equity	10.0	12.0

Discount rate. The single discount rate of 7.40% was used to measure the OPEB (asset) liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.40% The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Based on these 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 (asset) liability.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

Sensitivity of the net OPEB (asset) liability to changes in the discount rate. The following presents the Fund's proportionate share of the net OPEB (asset) liability as of June 30, 2026 and 2025, calculated using the discount rate of 7.40%, as of June 30, 2026 and June 30, 2025, respectively, as well as what the Fund's net OPEB (asset) liability would be if it were calculated using a discount rate that is one percentage point lower (6.40%) or one percentage point higher (8.40%) than the current rate (dollars in thousands).

	2026		
	1% Decrease in Discount Rate 6.40%	Current Discount Rate 7.40%	1% Increase in Discount Rate 8.40%
Net OPEB Liability (Asset)	$ 26,666	$ 8,785	$ (9,823)

	2025		
	1% Decrease in Discount Rate 6.40%	Current Discount Rate 7.40%	1% Increase in Discount Rate 8.40%
Net OPEB Liability (Asset)	$ 10,728	$ (2,442)	$ (13,433)

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

	2026		
	1% Decrease Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase Healthcare Cost Trend Rate
Net OPEB Liability (Asset)	$ (16,400)	$ 8,785	$ 32,970

	2025		
	1% Decrease Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase Healthcare Cost Trend Rate
Net OPEB Liability (Asset)	$ (19,298)	$ (2,442)	$ 17,979

OPEB (Asset) Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. The net OPEB (assets) liabilities at June 30, 2026 and 2025 were measured as of June 30, 2025 and 2024, respectively. The total OPEB (assets) liabilities at June 30, 2026 and 2025 were determined by actuarial valuations as of June 30, 2024 and 2023, respectively, rolled forward to the measurement dates.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

OPEB (Asset) Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. (Continued) At June 30, 2026 and 2025, the amount recognized as the Fund's proportionate share of the net OPEB (asset) liability was $8,785 and ($2,442), respectively. At June 30, 2026 and 2025, the nonemployer contributing entity's (State of West Virginia) portion of the collective net OPEB (asset) liability was $6,807 and $($7,567), respectively. At June 30, 2026 and 2025, the total net OPEB (asset) liability attributable to the Fund is $15,592 and $($10,009), respectively.

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 Fund's proportion was 9.319773%, an increase of 3.418878% from its proportion of 5.900895% calculated as of June 30, 2024. At June 30, 2024, the Fund's proportion 5.900895%, a decrease of 5.1102390% from its proportion of 11.0111339% calculated as of June 30, 2023.

For the years ended June 30, 2026 and 2025, the Fund recognized OPEB expense of $12,500 and $1,200, respectively. Of this amount, $2,700 and $(2,800) was recognized as the Fund's proportionate share of the OPEB expense, and $9,800 and $3,900 as the amount of OPEB expense attributed to special funding. The Fund also recognized revenue of $9,800 and $3,900, respectively, for support provided by the State.

At June 30, 2026 and 2025, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in Expected and Actual Experience	$ 7,651	$ 6,554	$ 8,118	$ 2,492
Changes in Proportion and Difference Between Employer Contributions an Proportionate Share of Contributions	424	1,947	987	3,141
Net Difference Between Projected and Actual Investment Earnings	344	6,333	387	2,744
Changes in Assumptions	20,526	1,811	933	2,886
Contributions After Measurement Date	3,592	-	5,995	-
Total	$ 32,537	$ 16,645	$ 16,420	$ 11,263

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Assumptions (Continued)

The Fund will recognize the $3,592 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 ended June 30, 2026. 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):

Year Ending June 30,	Amount
2027	$ 8,950
2028	5,738
2029	(740)
2030	(1,648)
Total	$ 12,300

NOTE 9 LEASES

Lease Obligations

The Fund leases certain property and equipment for various terms under long-term, noncancelable lease agreements. Total future minimum lease payments under lease agreements are as follows (dollars in thousands):

Year Ending June 30,	Principal	Interest	Total
2027	$ 7,186	$ 3,597	$ 10,783
2028	7,203	3,288	10,491
2029	6,565	2,984	9,549
2030	6,216	2,720	8,936
2031	5,564	2,463	8,027
2032-2036	14,325	9,799	24,124
2037-2041	5,538	8,034	13,572
2042-2046	6,121	7,151	13,272
2047-2051	6,672	6,252	12,924
2052-2056	6,117	5,323	11,440
2057-2061	6,746	4,381	11,127
2062-2066	7,821	3,306	11,127
2067-2071	9,066	2,061	11,127
2072- 2076	9,202	626	9,828
Total	$ 104,342	$ 61,985	$ 166,327

Marshall University has a building lease with the Marshall University Foundation, Inc. with an outstanding lease liability of $648 and a corresponding asset and accumulated amortization of $22,056 and $648, respectively, as of June 30, 2026. The asset includes amounts paid for the construction of the building prior to start of the lease agreement.

NOTE 9 LEASES (CONTINUED)

Lease Receivables

The Fund leases various facilities as a lessor. Rental rates, terms, cancellations, and other provisions vary based on the agreement, but generally lease payments are at a monthly fixed rate operating lease agreement. As of June 30, 2026 and 2025, lease receivables are included in other assets on the statements of net position. The following is a schedule by year of minimum future rental payments (dollars in thousands):

Year Ending June 30,	Principal	Interest	Total
2027	$ 1,524	$ 244	$ 1,768
2028	955	193	1,148
2029	842	161	1,003
2030	645	137	782
2031	512	118	630
2032-2036	2,906	314	3,220
2037-2041	368	20	388
Total	$ 7,752	$ 1,187	$ 8,939

WVU leases an office building from the West Virginia University Foundation, Incorporated. Rental expense under the lease is $1,975 per year through 2031. West Virginia University retains the right to cancel the lease upon giving 30 days' written notice.

WVU leases certain real estate to external parties. During the years ended June 30, 2026 and 2025, the University recognized revenue related to these lease arrangements of $1,589 and $1,449, respectively. This includes amortization of deferred inflows and interest income. The general terms of these lease agreements are as follows:

Lease Type	Description	Rate	Lease Term	Payment Frequency	Payment Amount	Other Terms
Real Estate	Land - Research Park	2.96 %	3/4/2016 to 3/3/2056	Annually	$ 42,500	
Real Estate	Ground Lease	3.23	1/1/2024 to 12/31/2056	Annually	21,000	Escalating every 5 years
Real Estate	LG Sublease at University Place Garage	3.27	9/15/2024 to 12/31/2026	Monthly	17,225	
Real Estate	Boreman RFL House	3.27	7/1/2022 to 5/15/2035	Annually	8,250	Escalating to $47,000
Real Estate	Huntington Bank Office in Mountainlair	3.27	2/20/2026 to 6/30/2031	Monthly	5,333	Escalating 3% annually
Real Estate	Cell Tower - Arnold Apartments	3.23	7/25/2012 to 4/30/2027	Monthly	4,346	Escalating 3% annually
Real Estate	Cell Tower - Summit Hall	3.27	5/1/2024 to 4/30/2031	Monthly	3,700	
Real Estate	Cell Tower - Engineering PRT	3.03	5/1/2022 to 4/30/2027 with 5 year assumed renewal	Monthly	3,579	Escalating 3% annually
Real Estate	Cell Tower - Wise Library	3.27	5/1/2024 to 4/30/2031 with 5 years assumed renewal	Monthly	3,300	Escalating 10%
Real Estate	Cell Tower - Arnold Hall	3.03	5/1/2022 to 4/30/2027 with 5 years assumed renewal	Monthly	3,165	Escalating 3% annually
Real Estate	Cell Tower - Knapp Hall	3.23	Rolling 24 Month Notice Period	Monthly	2,985	Escalating 3% Annually
Real Estate	Cell Tower - Chestnut Ridge Research Building	3.23	Rolling 24 Month Notice Period	Monthly	2,813	Escalating 3% annually
Real Estate	Cell Tower - Braxton Tower	3.23	Rolling 24 Month Notice Period	Monthly	2,550	Escalating 10%
Real Estate	Cell Tower - Dadisman Hall	3.23	Rolling 24 Month Notice Period	Monthly	2,550	Escalating 10%
Real Estate	Cell Tower - Brooke Tower	3.23	5/1/2023 to 4/30/2028	Monthly	2,530	Escalating 10%
Real Estate	Cell Tower - Carter Hall/Beckley, WV	3.27	5/1/2025 to 4/30/2030	Monthly	2,200	
Real Estate	Building - Beckley, WV		7/1/2025 to 6/30/2027 with assumed renewal through 6/30/2030	Monthly	1,400	Escalating 3% annually
Real Estate	Office Space - Morgantown, WV	3.03	10/1/2022 to 9/30/2031	Monthly	750	
Real Estate	Fish Hatchery - Wardensville, WV	3.27	2/1/2025 to 1/31/2030	Monthly	700	
Real Estate	Land - Montgomery, WV	3.03	3/23/2023 to 3/27/2028 with 5 year assumed renewal	Monthly	214	
Real Estate	Equipment and Facilities at HSC	3.27	rolling 15 month notice period	Monthly	41,223	
Real Estate	NASA IV & V Facility Fairmont	3.27	4/1/2025 to 4/20/2027	Monthly	20,833	

NOTE 10 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

The Fund has operating and higher education consortium SBITA arrangements purchased from external vendors. The subscription terms of these contracts vary and range from FY2025 through FY2030. Most payments are annual. The Fund determined the net present value of the SBITAs based on an estimated incremental borrowing rate of ranging from 4.75% to 9.15% for years ended June 30, 2026 and 2025.

See Note 6 for balances and changes in subscription assets at June 30, 2026 and 2025.

Future annual minimum subscription payments for years subsequent to June 30, 2026 are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 18,314	$ 1,384	$ 19,698
2028	10,407	644	11,051
2029	3,710	220	3,930
2030	1,281	24	1,305
2031	284	5	289
Total	$ 33,996	$ 2,277	$ 36,273

NOTE 11 NOTES PAYABLE – DIRECT PLACEMENTS

During February 2014, WV State signed a promissory note with Capital One Equipment Finance Corp borrowing $2,700 at an interest rate of 6.65% to be used to partially finance the construction of a new athletic complex. The note matures in 2033, with principal payments due annually on October 1 starting in 2014. Interest payments are due annually on April 1 and October 1 starting in April 2014. The note balance at June 30, 2026 and 2025 was $1,458 and $1,598, respectively.

In June 2019, Shepherd University entered into a financing arrangement for the renovation of the stadium turf. The financing arrangement holds an interest rate of 4.89% and will mature in June 2026. In July 2019, Shepherd University received an interest free capital loan from HEPC in the amount of $1,200,000 for energy efficient capital improvements. This loan is to be paid back in annual payments of $175,000 for the next six years with a final payment of $150,000 in year seven. In December 2021, Shepherd University entered into a financing arrangement to cover the costs of energy efficient capital projects in the amount of $5,640,000. This financing arrangement holds an interest rate of 2.5% and will mature in December 2036. In January 2022, Shepherd University received another interest free capital loan from HEPC in the amount of $1,000,000 for HVAC system upgrades. This loan is to be paid back in annual payments of $143,000 for the next six years with a final payment of $142,000 in year seven. In February 2025, Shepherd University entered into a financing arrangement for the renovation of the soccer field turf. The financing arrangement holds an interest rate of 7.53% and will mature in April 2030.

NOTE 11 NOTES PAYABLE – DIRECT PLACEMENTS (CONTINUED)

In May 2021, the West Virginia State University Board of Governors entered into a Capital Project Loan Agreement with Rice Capital Access Program, LLC for up to $40,500 for the purpose of financing or refinancing the costs of capital projects. The proceeds from the direct placement were used to repay the outstanding balances of the 2012 Bonds, the 2013 Bonds, and the capital lease. The direct placement matures on August 1, 2045 with debt service payments due starting February 1, 2022. Interest on the direct placement will be equal to and payable at the same time as interest due on the Series A 2021-1 Bonds. The University will need to make monthly deposits for principal and interest as well as pro rate fees starting July 2021. The full amount of the principal and interest due on for each payment must be on hand with the Trustee two months before the payment is due. The direct placement requires the University to expend not less than the annual Replacement Fund Reserve Requirement on capital improvements. The initial Replacement Fund Reserve Requirement is $550 and will increase on July 1st each year by 3%. The University has a rate covenant that pledged revenues (auxiliary capital fees and gross operating revenues) will be equal to 120% of the maximum annual debt services on the 2021 loan and any additional long-term debt. Failure to meet this rate covenant during any fiscal year, will cause the University to immediately fund a separate and dedicated West Virginia State University Liquidity Reserve Account maintained and held by the Trustee. As of June 30, 2026, the University was in compliance with the rate covenants.

A loss on refinancing was recorded as a deferred outflow in the amount of $5,202 and $5,662 at June 30, 2026 and 2025, respectively. The principal on the direct placement that was outstanding at June 30, 2026 and 2025 was $31,165 and $32,476, respectively.

During February 2014, West Virginia State University signed a promissory note with Capital One Equipment Finance Corp borrowing $2,700,000 at an interest rate of 6.65% to be used to partially finance the construction of a new athletic complex. The note matures in 2033, with principal payments due annually on October 1 starting in 2014. Interest payments are due annually on April 1 and October 1 starting April 2014.

In December 2012, WVU refinanced various Health Sciences Center (HSC) construction loans with United Bank, Inc. in the principal amount of $22,100 at an interest rate, initially of 1.90%, resetting every five years. Beginning August 2014, the loan agreement allows the Corporation to prepay the loan with 60 days-notice and without any penalty or premium, and it allows the bank to “put” all or part of the loan to the Corporation with 60 days’ notice and without any penalty. The loan is pledged by facilities and administrative revenue received by the University under any grants, contracts, and other agreements on behalf of the HSC. Total principal to be paid at June 30, 2026 and 2025 was approximately $12,600 and $13,400, respectively.

NOTE 11 NOTES PAYABLE – DIRECT PLACEMENTS (CONTINUED)

On December 15, 2016, WVU closed on a note with United Bank for $36,090. The proceeds of the loan were used to pay the 90 day note in full and to reimburse WVU for the purchase of the Beckley campus as well as for capital improvements to the campus. The proceeds include capital interest of $3,000 as the loan will have capitalized interest period of three years. The amortization term was 30 years. The interest rate is set for five year increments beginning with a rate of 3.11% fixed for the first five years and a spread to the five year constant U.S. Treasury Maturity rate thereafter. The spread is based on the University's rating with Moody's.

On December 22, 2017, WVU closed on a new note with Wells Fargo for $42,000. The proceeds of the loan were used to pay the United Bank loan and provide additional funds for the Beckley campus projects. The amortization term for the loan is 40 years with a fixed interest rate of 4.45%.

During fiscal year 2008, Marshall University Research Corporation (MURC), (a blended component unit of Marshall), borrowed the proceeds of a bond issuance by the Cabell County Commission for the construction of an addition to the Marshall University Forensic Science Center. MURC's repayment terms are the same as the bond repayment term.

MURC is obligated to make interest payments commencing on October 10, 2008, for the interest due on the loan semiannually and to make annual principal payments starting on April 1, 2009, based on a hypothetical amortization of the then-remaining principal balance at the then-applicable interest rate for the then-remaining years of the original 20-year amortization period ending April 10, 2028. However, any unspent mortgage proceeds would go to pay the first amounts due for interest and principal. The interest rate for the period of April 10, 2018 through April 1, 2022 is 2.854%. The interest rate is subject to change each subsequent five-year period to the rate per annum equal to 67% of the five-year Treasury Constant Maturity in effect on that date, plus 1.67% per annum.

On April 10, 2020, MURC was granted a loan from JPMorgan Chase Bank, N.A. in the aggregate amount of $3,115, pursuant to the Paycheck Protection Program (the PPP) under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The Loan, which was in the form of a Note dated April 9, 2020 issued by the Borrower, matures on April 9, 2022 and bears interest at a rate of 0.98% per annum, payable monthly, commencing on November 6, 2020. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. The Corporation repaid $560 of the Loan on May 13, 2020.

Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rents, utilities, and interest on other debt obligations incurred before February 15, 2020. MURC intends to use the entire Loan balance for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. In September 2021, MURC received forgiveness for the entire amount outstanding on the PPP Loan from the Small business Administration.

NOTE 11 NOTES PAYABLE – DIRECT PLACEMENTS (CONTINUED)

During fiscal year 2013, Glenville entered into a $3,145 note collateralized by a first lien on equipment installed in various buildings on campus. Interest is 3.10% with semiannual principal payments of $132. The note matures June 2028. The note balance at June 30, 2026 and 2025 was approximately $508 and $750, respectively.

During fiscal year 2020, Glenville entered into a $1,000 line of credit with the Glenville State University Foundation, bearing interest at 4%. The balance was paid in full October 2020 and no amounts were borrowed in 2026 or 2025.

On October 20, 2020, the Commission executed a note payable to the West Virginia Infrastructure and Jobs Development Council in the amount of $2,217. The loan was to finance construction and building improvements related to Building 2000 that the Corporation had paid for using operational funds in prior years. The note payable bears interest at 0% per annum and is collateralized by lease rental revenues. Payments are due monthly beginning November 1, 2023 in installments of $19. The note matures in October 2033.

On May 7, 2021, the Commission executed a construction loan agreement to Summit Community Bank to fund construction and permanent financing in the amount of $7,500. The note payable bears a variable interest rate at 3.25% per annum and is subject to repricing May 27, 2027, and every five years thereafter. The note payable is collateralized by lease rental revenues. Interest only payments are due for 12 consecutive payments beginning June 27, 2021. Payments of principal and interest are due monthly beginning June 27, 2022, in installments of $53. As of June 30, 2026 and 2025, the balance on the note was $5,203 and $5,658, respectively. The note matures in May 2037.

On May 7, 2025, the Commission executed a loan agreement with Bank of America to fund Nutanix AHV Hypervisor virtual machine environment in the amount of $565. The note payable bears a variable interest rate at 3.5217% per annum and was entered into via the State of West Virginia’s Financing Program. The note payable is collateralized by the physical equipment obtained. Payments of principal and interest are due monthly in installments of $17. As of June 30, 2026, and 2025 the balance on the note was $354, and $535, respectively. The note matures in June 2027.

On March 15, 2020, West Liberty University borrowed $1,000 from the West Virginia Higher Education Policy Commission to fund energy and water savings projects on campus. The loan is interest free and matures on March 31, 2025. In September 2020, West Liberty University borrowed an additional $1,000. The loan is interest free and matures on March 31, 2031. On January 31, 2023, West Liberty University borrowed an additional $1,000. This loan is interest free and matures on July 1, 2033.

NOTE 11 NOTES PAYABLE – DIRECT PLACEMENTS (CONTINUED)

Annual minimum payments for the years ending after June 30, 2026 are as follows (dollars in thousands):

Year Ending June 30,	Principal	Interest	Total
2027	$ 6,747	$ 3,556	$ 10,303
2028	6,168	3,475	9,643
2029	5,804	3,260	9,064
2030	5,665	3,045	8,710
2031	5,080	2,858	7,938
2032-2036	25,247	11,583	36,830
2037-2041	16,101	7,868	23,969
2042-2046	14,401	5,705	20,106
2047-2051	7,689	3,776	11,465
2052-2056	9,601	1,864	11,465
2057-2061	3,314	118	3,432
Total	$ 105,817	$ 47,108	$ 152,925

NOTE 12 INSTITUTION BONDS PAYABLE

The Institutions within the Fund, at June 30, 2026 and 2025 have the following outstanding bonds payable (dollars in thousands):

	Maximum Interest Rate	Annual Installments	Principal Outstanding 2026	Principal Outstanding 2025
Concord University - Revenue Bonds 2014 Series, due through 2044	2.25-5%	$320-$950	$ 12,451	$ 12,931
Fairmont State University - Revenue Refunding Bonds, 2015, Series A, due through 2045	1.75-5.00	580-1,665	23,275	24,115
Fairmont State University - Revenue Refunding Bonds, 2021, Series A, due through 2032	5.00	1,930-2,995	15,950	18,185
Glenville State University - Improvement and Refunding Revenue Bonds, Series 2017, due in 2047	3.25-5.25	735-850	30,930	31,780
Marshall University - University Bonds 2020A, due through 2050	3.00-5.00	2,660-5,330	56,035	56,035
Marshall University - University Bonds 2020B, due through 2039	2.26-3.67	1,935-3,595	32,825	35,180
Shepherd University - 2013 Refunding Revenue Bonds, due through 2033	3.00-4.375	435-460	2,010	2,255
Shepherd University - 2017 Refunding Revenue Bonds, due through 2037	3.65	1,427-1,649	21,446	23,096

NOTE 12 INSTITUTION BONDS PAYABLE (CONTINUED)

	Maximum Interest Rate	Annual Installments	Principal Outstanding 2026	Principal Outstanding 2025
West Liberty University - Revenue Refunding Bonds 2013, due through 2028	1.30-2.68	$580-$765	$ 1,325	$ 2,070
West Liberty University - Revenue Bonds 2012, due through 2027	2.0-3.25	565-785	1,350	2,110
West Liberty University - Revenue Bonds 2018, due through 2038	3.65	192-366	3,407	3,646
West Liberty University - Revenue Bonds 2021, due through 2036	2.174	180-365	2,770	2,950
West Virginia University - Revenue Improvement Bonds 2011, Series A, due through 2026	3.87	35-62	4,318	5,047
West Virginia University - Revenue Bonds (Taxable) 2012 Series A, due though 2042	4.50	147-394	-	9,608
West Virginia University - Revenue Bonds (Taxable) 2012 Series B, due though 2032	Variable	0-284	1,892	2,151
West Virginia University - Revenue Refunding and Improvement Bonds (Taxable) 2013, Series B, due through 2043	3.24	890-995	10,520	10,980
West Virginia University - Improvement Revenue Bonds (Taxable) 2014, Series B, due through 2043	4.50	10,075-24,105	79,050	79,050
West Virginia University - Improvement Revenue Bonds 2016, Series A, due through 2046	5.63	0-678	13,503	14,181

NOTE 12 INSTITUTION BONDS PAYABLE (CONTINUED)

	Maximum Interest Rate	Annual Installments	Principal Outstanding 2026	Principal Outstanding 2025
West Virginia University - Revenue Bonds, 2019 Series A, due through 2050	3.11	$0-$5,095	$ 77,995	$ 79,725
West Virginia University - Revenue Bonds, 2019 Series B, due through 2042	1.89	0-8,345	39,125	39,125
West Virginia University - Revenue Bonds, 2020 Series A, due through 2045	2.46	0-30,565	314,995	336,104
West Virginia University - Revenue Bonds, 2020 Series B, due through 2036	2.20	595-163	8,053	8,845
West Virginia University - Revenue Bonds, 2021 Series A, due through 2045	3.11	0-7,430	25,670	25,670
West Virginia University - Revenue Bonds, 2021 Series B, due through 2042	3.06	0-7,125	45,005	45,005
West Virginia University - Revenue Bonds, 2022 Series A, due through 2036	2.6	575-1,630	15,825	17,053
West Virginia University - Revenue Bonds, 2023 Series A, due through 2036	4.95	43-445	48,425	51,311
West Virginia University - Revenue Bonds, 2025 Series A, due through 2038	4.77	337-4689	29,662	-
Total			917,812	938,208
Add: Unamortized Bond Premium			26,195	29,024
Less: Unamortized Bond Discount			(64)	(73)
Total			$ 943,943	$ 967,159

NOTE 12 INSTITUTION BONDS PAYABLE (CONTINUED)

In April 2020, the Marshall University Board sold $56,035 of 2020A series bonds. The proceeds of the 2020A Bonds will be used to (1) finance a portion of the costs of the construction, equipping and furnishing of a new building for the University's Lewis College of Business along with other capital improvements approved by the issuer and (2) refunding and redeeming all or a portion of the 2010 and 2011 Bonds and (3) paying bond insurance premiums or other credit enhancement and (4) to pay the costs of issuance of the 2020A Bonds.

In April 2020, the Marshall University Board sold $45,960 of 2020B series bonds. The 2020B Bonds are secured by and payable from certain revenues as defined in the Trust Indenture. The proceeds of the 2020B Bonds will be used to (1) refund and redeem all or a portion of the 2011 Bonds, (2) paying bond insurance premiums or other credit enhancement and (3) to pay the costs of issuance of the 2020B Bonds.

The net proceeds of the 2020A and 2020B Bonds of $77,480 (after payment of $1,109 of costs of issuance and $27,950 deposited with Marshall University for use for construction of a new building) plus an additional $3,470 equity contribution from the University were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments of the 2010 and 2011 Bonds. As a result, the 2010 and 2011 Bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net position.

In May 2021, the West Virginia State University Board entered into a Capital Loan Agreement with Rice Capital Access Program, LLC for a direct placement for up to $40,500. As described in Note 11, the proceeds were used to repay outstanding balances of the 2012 Bonds, 2013 Bonds and a capital lease.

On September 25, 2019, the West Virginia University Board issued $124,695 in revenue bonds. The 2019 Series A bonds (tax exempt) were issued in the amount of $85,840. The actual proceeds equaled $101,315 of which $95,000 was designated for projects for Athletics, Hodges Hall, and Reynolds Hall. The remaining proceeds of $5,826 were for capitalized interest; $489 was for cost of issuance.

The 2019 Series B bonds (tax exempt) were issued in the amount of $39,125. The actual proceeds received equaled $50,534. These bonds were issued to refund the 2014 Series C Bonds in the amount of $50,190. The refunding and redemption of the 2014 Series C Bonds was deemed more advantageous to the West Virginia University Board, West Virginia University and the State, considering the financial effect, the implementation and other relevant factors, than remarketing them.

On March 10, 2020, the WVU Board issued $377,785 in revenue bonds. The 2020 Series A bonds (taxable) in the amount of $376,443 refinanced the 2011 Series B bonds in the amount of $154,744, the 2013 Series A bonds in the amount of $150,694, and the 2014 Series A bonds in the amount of $71,005. The remaining funds were used for the cost of issuance and other fees.

NOTE 12 INSTITUTION BONDS PAYABLE (CONTINUED)

On August 6, 2020, the WVU Board issued the 2020 Series B revenue bonds (taxable) in the amount of $12,500. These bonds were used to finance costs of improvements to Milan Puskar Stadium and the Coliseum.

On May 27, 2021, the WVU Board issued the 2021 Series A bonds (tax exempt) in the amount of $25,670. The actual proceeds received was $33,616 of which $32,297 was designated for Hodges Hall and the HSC Infrastructure Phase II projects, $1,084 was for capitalized interest and $234 was for cost of issuance and underwriter's discount. The Board also issued the 2021 Series B bonds (taxable) in the amount of $45,005. The actual proceeds equaled $45,005 of which $43,530 was designated for projects related to Athletics and Reynolds Hall, $1,144 was for capitalized interest, and $330 was for cost of issuance and underwriter's discount.

On May 23, 2023, the WVU Board issued the 2023 Series A bonds (taxable) in the amount of $56,500 to (a) finance the design, acquisition, construction, and equipping of certain capital improvements as part of the University annual capital improvements program, $25,000 (b) finance Phase I of the ERP Modernization Plan consisting primarily of the preliminary planning, design, development and implementation of the modernized enterprise resource planning platform, including related applications and software, $31,000 and (c) pay the costs of issuance, $500.

On July 2, 2025, the WVU Board issued the 2025 Series A bonds (taxable) in the amount of $30,000 to (a) finance Phase II of the ERP Modernization Plan consisting primarily of the planning, design, development and implementation of the modernized enterprise resource planning platform, including related applications and software, $30,000 and (b) pay the costs of issuance, $70.

For the years ended June 30, 2026 and 2025, WVU recorded a deferred loss on refunding of $11,093 and $11,776, respectively, on the statement of net position.

A summary of the annual aggregate principal payments for years subsequent to June 30, 2026 is as follows (dollars in thousands):

Year Ending June 30,	Principal	Interest	Total
2027	$ 45,538	$ 32,043	$ 77,581
2028	42,081	30,890	72,971
2029	42,161	29,632	71,793
2030	42,851	28,344	71,195
2031	43,691	26,953	70,644
2032-2036	227,078	113,104	340,182
2037-2041	226,136	72,147	298,283
2042-2046	206,806	26,376	233,182
2047-2051	41,470	4,037	45,507
2052-2054	-	-	-
Total	$ 917,812	$ 363,526	$ 1,281,338

NOTE 13 SYSTEM BONDS PAYABLE

The Fund receives State appropriations to finance its operations. In addition, it is subject to the legislative and administrative mandates of State government. Those mandates affect various aspects of the Fund's operations, its tuition and fee structure, its personnel policies, and its administrative practices.

The State has chartered the Fund 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 within the Fund. Financing for these facilities was provided through revenue bonds issued by various former governing boards which are now administered by the Policy Commission.

The Policy Commission has the authority to assess each institution of the Fund for payment of debt service on these system bonds. The tuition and registration fees of the Institutions are generally pledged as collateral for the Fund's bond indebtedness. Student fees collected by an institution in excess of the debt service allocation are retained by the institution for internal funding of capital projects and maintenance. The bonds remain a capital obligation of the Fund.

NOTE 13 SYSTEM BONDS PAYABLE (CONTINUED)

The Commission, at June 30, 2026 and 2025 has the following outstanding bonds payable (dollars in thousands):

	Maximum Interest Rate	Original Range of Annual Installments	Principal Outstanding 2026	Principal Outstanding 2025
Series 2017 - Community and Technical College Capital Improvement Revenue Refunding Bonds	5.00%	$3-$4,760	$ 49,450	$ 51,850
Series 2017 - Revenue Refunding Bonds Higher Education Facilities	5.00	1,205-3,885	1,205	4,610
Series 2012A - Revenue Refunding Bonds, due through 2034	5.00	1,425-42,100	64,415	70,575
Series 2012B - Revenue Bonds, due through 2034	5.00	200-2,400	2,485	3,105
Series 2010B - Revenue Bonds, due through 2040	7.65	10,800-39,465	50,265	50,265
Series 2000A - University System Bonds, due through 2031	6.26	0-3,264	5,795	7,192
Series 1998 - University System Bonds, due through 2028	5.25	1,065-3,625	7,070	10,345
Total			180,685	197,942
Add: Bond Premium			12,925	14,568
Total			$ 193,610	$ 212,510

A summary of the annual aggregate principal and interest payments for years subsequent to June 30, 2026 is as follows (dollars in thousands):

Year Ending June 30,	Principal	Interest	Total
2027	$ 18,106	$ 15,038	$ 33,144
2028	17,594	14,212	31,806
2029	14,523	13,398	27,921
2030	15,114	12,733	27,847
2031	15,664	12,104	27,768
2032-2036	63,130	20,363	83,493
2037-2041	36,554	5,663	42,217
2042-2043	-	-	-
Total	$ 180,685	$ 93,511	$ 274,196

NOTE 13 SYSTEM BONDS PAYABLE (CONTINUED)

The higher education institutions' tuition, registration, and other specified fees generally are pledged as collateral for the Commission's bond indebtedness, as well as any monies held by the trustees.

The 2017 advance refundings created irrevocable trust funds, the securities and earnings therein are considered sufficient to fully service the bonds until they are called or mature. For financial reporting purposes the bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. At June 30, 2026, the amount of defeased bonds outstanding was $46,925 related to the 2009 Series A Bonds.

NOTE 14 UNRESTRICTED NET POSITION

The Fund's unrestricted net position at June 30, includes certain designated net position as follows (dollars in thousands):

	2026	2025
Designated for Auxiliaries	$ 11,091	$ 17,151
Designated for Repair, Replacement, and New Property	9,614	6,184
Other	3,864	7,040
Undesignated	323,814	271,133
Total Unrestricted Net Assets	$ 348,383	$ 301,508

NOTE 15 RETIREMENT PLANS

Substantially all full-time employees of the Fund participate in either the TRS or the Teachers' Insurance and Annuities Association — College Retirement Equities Fund (TIAA-CREF). Previously, upon full-time employment, all employees were required to make an irrevocable selection between the TRS and TIAA-CREF. Effective July 1, 1991, the TRS was closed to new participants. Current participants in the TRS are permitted to make a one-time election to cease their participation in that plan and commence contributions to the West Virginia Teachers' Defined Contribution Plan (TDC). Contributions to and participation in the TDC by Fund employees have not been significant to date. 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 New Educators Money 401(a) basic retirement plan (Educators Money). New hires have the choice of either plan. Educators Money was a brand utilized by Great West Financial; this has since transitioned to Empower Retirement.

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Contribution Benefit Plans

The TIAA-CREF and Empower Retirement are defined contribution plans in which benefits are based solely upon amounts contributed plus investment earnings. Employees who elect to participate in these plan are required to make a contribution equal to 3% (for employees of the Corporation enrolled in TIAA-CREF) or 6% (for employees of the State enrolled in TIAA-CREF or Empower Retirement) of total annual compensation. The Fund matches the employees' 3% or 6% contribution. Contributions are immediately and fully vested.

Total contributions to Empower Retirement for the years ended June 30, 2026, 2025 and 2024 were approximately $-0-, $32, and $143, respectively, which consisted of approximately $-0-, $16, and $71, respectively, from the covered employees in 2026, 2025 and 2024, respectively.

Total contributions to the TIAA-CREF for the years ended June 30, 2026, 2025 and 2024, were approximately $116,000, $113,600, and $112,100, respectively, which consisted of approximately $57,900, $56,700, and $56,000, from the Fund in 2026, 2025 and 2024, respectively, and approximately $58,100, $57,000, and $56,100, from the covered employees in 2026, 2025 and 2024, respectively.

The Fund's total payroll for the years ended June 30, 2026, 2025 and 2024 was approximately $1,028,000, $1,023,000, and $1,015,300, respectively, and total covered employees' salaries in the TIAA-CREF and Empower Retirement were approximately $940,900 and $-0-, respectively, for the year ended June 30, 2026; $905,700 and $269, respectively, for the year ended June 30, 2025; $897,000 and $1,200, respectively, for the year ended June 30, 2024.

Defined Benefit Plan

Some employees of the Fund are enrolled in a defined benefit pension plan, the TRS, which is administered by the CPRB.

Following is the Fund'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 (dollars in thousands):

	2026	2025
Net Pension Liability	$ 1,738	$ 3,086
Deferred Outflows of Resources	846	1,070
Deferred Inflows of Resources	1,974	2,450
Revenues	52	461
Pension Expense	(956)	(781)
Contributions Made by the Fund	440	518

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

Plan Description

TRS is a multiple employer 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 of West Virginia 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 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 of West Virginia 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.

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 5 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 payrolls for members and employers are established by State law and are not actuarially determined.

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

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 June 30, 2026 and 2025, respectively, the Fund's proportionate share attributable to this special funding subsidy was $20 and $382.

The Fund's contributions to TRS for the years ended June 30, 2026, 2025, and 2024 were approximately $440, $500, and $500, respectively.

Assumptions

The total pension liabilities for financial reporting purposes were determined by actuarial valuations as of July 1, 2024 and 2023, respectively, and rolled forward to the measurement dates of 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: Level dollar, fixed period through fiscal year 2034
- Investment rate of return of 7.25%, net of investment expenses
- Projected salary increases: Teachers 2.75% - 6.41%, and nonteachers 2.75% - 6.50%
- Inflation rate of 2.75%
- Discount rate of 7.25%
- Mortality rates based on MP-2021 Mortality Tables
- Withdrawal rates: Teachers 2.40% - 31.50% and nonteachers 2.70% - 18.00%
- Disability rates: 0.004% - 0.507%
- Retirement age: An age-related assumption is used for participants not yet receiving payments

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

Assumptions (Continued)

- Retirement rates: 15% - 100%
- 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.

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 arithmetic real rates of return for each major asset class included in TRS' target asset allocation as of June 30 are summarized below.

	2026	
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
Hedge Funds	5.0	10.0
Private Credit	8.2	6.0

	2025	
Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic Equity	5.9 %	27.5 %
International Equity	8.1	27.5
Core Fixed Income	4.9	15.0
Real Estate	6.8	10.0
Private Equity	8.0	10.0
Hedge Funds	4.3	10.0

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

Discount Rate

The discount rate used to measure the total TRS pension liability was 7.25% as of June 30, 2025 and 2024. 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. Therefore, the long-term expected rate of return on TRS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Fund's proportionate share of the TRS net pension liability as of June 30, 2026 and 2025 calculated using the discount rate of 7.25%, as well as what the Fund's TRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate (dollars in thousands).

	2026		
	1% Decrease in Discount Rate 6.25%	Current Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
Net Pension Liability	$ 3,903	$ 1,738	$ 300

	2025		
	1% Decrease in Discount Rate 6.25%	Current Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
Net Pension Liability	$ 5,179	$ 3,086	$ 1,315

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

The TRS net pension liability was measured as of June 30, 2025 and 2024, respectively. The total pension liability was determined by an actuarial valuation as of July 1, 2024 and 2023, respectively, and rolled forward to the measurement dates.

At June 30, 2026 and 2025, the Fund's proportionate share of the TRS net pension liability was $4,641 and $8,225, respectively. Of this amount, the Fund recognized approximately $1,800 and $3,100, respectively, as its proportionate share on the statements of net position. The remainder of $2,900 and $5,100, respectively, denotes the Fund's proportionate share of net pension liability attributable to the special funding.

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

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

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, 2025 and 2024. Employer contributions are recognized when due. At June 30, 2025, the Fund's proportion was 0.1337860%, a decrease of 0.0297780% from its proportion of 0.1635640% calculated as of June 30, 2024. At June 30, 2024, the Fund's proportion was 0.1635640%, a decrease of 0.0191340% from its proportion of 0.1826980% calculated as of June 30, 2023.

For the years ended June 30, 2026 and 2025, the Fund recognized TRS pension expense of ($1,000) and $(700), respectively. Of this amount, $20 and $400, respectively, was recognized as the Fund's proportionate share of the TRS expense, $(1,000) and $(1,100), respectively, as the amount of pension expense attributable to special funding from a nonemployer contributing entity and $48 and $448, respectively as the amount of pension expense from a nonemployer contributing entity not attributable to a special funding situation. The Fund also recognized revenue of $48 and $430, respectively, for support provided by the State.

At June 30 deferred outflows of resources and deferred inflows of resources related to the TRS pension are as follows (dollars in thousands).

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions	$ 104	$ 1,500	$ 160	$ 2,131
Net Difference Between Projected and Actual Experience	286	28	319	21
Net Difference Between Projected and Actual Investment Earnings	15	350	-	298
Change in Assumptions	4	96	79	-
Contributions after the Measurement Date	437	-	512	-
Total	$ 846	$ 1,974	$ 1,070	$ 2,450

NOTE 15 RETIREMENT PLANS (CONTINUED)

Defined Benefit Plan (Continued)

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

The Fund will recognize the $437 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 ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in TRS pension expense as follows (dollars in thousands).

Fiscal Year Ending June 30,	Amount
2027	$ (252)
2028	(725)
2029	(421)
2030	(167)
2031	-
Total	$ (1,565)

Payables to the Pension Plan

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

NOTE 16 FOUNDATIONS

Various foundations have been established as separate nonprofit organizations incorporated in the state of West Virginia having as their purpose "…to aid, strengthen, and further in every proper and useful way, the work and services of the (individual institutions within the Fund), and their affiliated nonprofit organizations..." Oversight of each of the foundations is the responsibility of separate and independently elected boards of directors, not otherwise affiliated with the Fund. In carrying out its responsibilities, the boards of directors of the foundations employ management, form policy, and maintain fiscal accountability over funds administered by the foundations. Although the individual institutions within the Fund do not control the timing or amount of receipts from the foundations, the majority of resources, or income thereon, that the foundations hold and invest are restricted to the activities of the individual institutions within the Fund by donors. Because these restricted resources held by the foundations as detailed in the financial statements can only be used by, or for the benefit of, the individual institutions within the Fund, the foundations are considered component units of the individual Institutions and are, therefore, discretely presented with the Institution's financial statements and the Fund's financial statements in accordance with GASB discretely presented component unit requirements.

NOTE 16 FOUNDATIONS (CONTINUED)

The West Virginia University Foundation, Inc. is appropriately not included as a discretely presented component unit of West Virginia University as the economic resources held do not entirely or almost entirely benefit the West Virginia University, and its net assets (including unrealized gains) totaled $1.5 billion and $1.4 billion at June 30, 2026 and 2025, respectively. The Eastern West Virginia Community and Technical College Foundation, Inc., The Kanawha Valley Community and Technical College Foundation, Inc., Mountwest Foundation, Inc., and Tech Foundation, Inc. are not included for the years ended June 30, 2026 and 2025 within the individual Institution's financial statements, because they were not significant to their Institutions. The Higher Education Foundation is not included for the years ended June 30, 2026 and 2025, because it was not significant to the Fund.

Complete financial statements for any discretely presented component unit foundation can be obtained by contacting the Business Office of the West Virginia Higher Education Policy Commission, 1018 Kanawha Boulevard East, Suite 700, Charleston, West Virginia 25301.

NOTE 17 OTHER DISCRETE COMPONENT UNITS

In addition to the Foundations included as discretely presented component units, the Fund has two other component units, Provident Group-Marshall Properties, LLC and Big Green Scholarship Foundation, Inc., which are material to their institutions and entirely or almost entirely for the benefit of the Fund's individual institutions as of each year-end. Oversight of the other entities is the responsibility of separate and independently elected boards of directors, not otherwise affiliated with the Fund.

NOTE 18 AFFILIATED ORGANIZATIONS

The Institutions have various separately incorporated affiliated organizations, including alumni and other associations. Oversight responsibility for these organizations rests with independent boards and management not otherwise affiliated with the Fund. Accordingly, the financial statements of these organizations are not included in the Fund's accompanying financial statements under the blended component unit requirements. They are not included in the Fund's accompanying financial statements as discretely presented component units as they are (1) not significant or (2) have dual purpose (i.e., not entirely or almost entirely for the benefit of the Fund).

NOTE 19 SERVICE CONCESSION ARRANGEMENTS

West Virginia University (WVU) has identified one contract for services that meets the four criteria of a service concession arrangement (SCA) per GASB Statement No. 94, *Public-Private and Public- Public Partnerships and Availability Payment Arrangements*. SCAs are defined as a contract between a government and an operator, another government or a private entity, in which the operator provides services, the operator collects and is compensated by fees from third parties, the government still has control over the services provided, and the government retains ownership of the assets at the end of the contract.

This contract is with ACC OP (College Park, WV) LLC. Per the contract, ACC OP finance, designed, constructed, furnished, and equipped a student housing facility. This facility was completed at the start of the fall semester 2014. The agreement will be in place for 40 years with the option to extend the agreement for two additional 10-year terms, at which time the facility will be returned to the University in substantially the same condition as it was when transferred to them at the start of the agreement. The agreement stipulates that the ACC OP will retain all rents collected at the facility and will provide a percentage of net revenue annually to WVU. Per the operating agreement, WVU will provide certain services including marketing, lease management, billing, collections, security, parking enforcement and other services, and will receive a management fee for providing such services.

During fiscal year 2015, WVU recorded a capital asset with a fair market value of $34,952 and a deferred inflow of resources. This deferred inflow is being amortized to auxiliary revenue over the term of the agreement (40 years). WVU has recorded an accounts receivable of $94 and $152 at June 30, 2026 and 2025, respectively. At June 30, 2026, WVU recognized management fee revenue and its share of the net revenue of $17 and $434, respectively. At June 30, 2025, WVU recognized management fee revenue and its share of the net revenue of $33 and $-0-, respectively. This revenue is included in revenue from auxiliary enterprises on the statement of revenues, expense and changes in net position.

NOTE 20 CONTINGENCIES AND COMMITMENTS

Contingencies

The nature of the educational industry is such that, from time to time, claims will be presented against colleges and universities 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 Fund would not impact seriously on the financial status of the Fund.

Under the terms of federal grants, 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. Management believes disallowances, if any, would not have a significant financial impact on the Fund’s financial position.

NOTE 20 CONTINGENCIES AND COMMITMENTS (CONTINUED)

Contingencies (Continued)

The IRC of 1986 establishes rules and regulations for arbitrage rebates. There are no arbitrage rebate liabilities that have been recorded in the financial statements at June 30, 2026 and 2025.

The Fund and Institutions within the Fund own various buildings that are known to contain asbestos. The Fund is not required by federal, state, or local law to remove the asbestos from the buildings. The Fund is required by federal environmental, health, and safety regulations to manage the presence of asbestos in the buildings in a safe condition. Significant problems of dangerous asbestos conditions are abated as the condition becomes known. The Fund 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 condition.

Commitments

WVU has signed an agreement providing for the purchase of steam through the year 2027 from a nearby facility that commenced operations in late 1992. In 2023, this agreement was extended through August 1, 2029. Under the agreement, WVU has an annual minimum steam purchase requirement, purchased at an operating rate calculated in accordance with the agreement. This operating rate is adjusted quarterly based on actual production costs and other cost indices. Management believes that the rate is comparable to market rates. At June 30, 2026, WVU was committed to an additional purchase of $631 to meet the minimum steam purchase requirement for the contract year ended September 30, 2026. WVU anticipates substantially meeting the minimum steam purchase requirement for the remaining term of its commitment; however, payment in future years will be dependent on actual operating costs and other cost indices in those years.

NOTE 21 COMPONENT UNITS' DISCLOSURES

The following is an aggregation of the significant notes for the financial statements of the discretely presented component units:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations

The foundations are nonprofit organizations incorporated in the State of West Virginia. The primary purpose of the foundations is to provide assistance and support for the students, facilities, and programs of their respective institution. The other two component units are also nonprofit organizations – incorporated in the State of West Virginia. Their primary purpose is also to support their respective institutions.

Basis of Presentation

The financial statements of the component units are presented on the accrual basis of accounting, in accordance with GAAP. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Revenues are reported as increases in unrestricted net position unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net position. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net position unless their use is restricted by explicit donor stipulation. Expirations of restrictions on net position (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Custodial accounts representing funds held by the component units on behalf of an Institution and/or departments of the Institution are reported as custodial liabilities. The component units are responsible for the management and administration of these funds.

Investments

Investments are valued at their fair values in the statement of net position. Unrealized gains and losses are included in the change in net assets. See separately issued component units financial statements for fair value disclosures.

Property and Equipment

Purchased assets are recorded at cost. Donated assets are recorded at their fair value at the date they are donated. Expenditures for replaced items are capitalized and the replaced items are retired. Maintenance and repairs are expensed as incurred. Depreciation is calculated primarily by the straight-line method over the estimated useful lives of the assets.

Gift Annuities

The assets received are recognized at fair value when received, and the gift annuity liabilities are recorded using the present value of future cash flows expected to be paid to the donors and are being amortized over the expected lives of the donors.

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received. All contributions are available for unrestricted use unless specifically restricted by the donor. Bequests are recorded as revenue at the time an unassailable right to the gift has been established and the proceeds are measurable.

Endowments

See separately issued component unit financial statements for endowment related disclosures. For the years ended June 30, 2026 and 2025, there were no material reclasses among net asset classes no were there material changes in the endowments.

Pledges Receivable

Pledges receivable represent amounts due to the foundations at their present value less allowance for uncollectible amounts.

Funds Held in Custody for Others

The Marshall University Foundation, Inc. holds and invests funds for Marshall under an agency agreement. The investments and other funds are reported as assets, while the corresponding liability is reported as funds held in custody for others.

Student Housing Facility Project and Construction in Progress

Shepherd University Foundation Supporting Organization designed and constructed Potomac Place, a 298 bed student housing facility on the Shepherd University campus. As disclosed in Note 9, the Supporting Organization permanently financed the construction costs of Potomac Place with a 40-year rural development loan from the United States Department of Agriculture. The Supporting Organization owns the building and associated equipment and furnishings and has entered into a ground lease with Shepherd University. The ground lease will expire upon repayment of all associated outstanding debt borrowed by the Supporting Organization. Upon the expiration of the lease, the buildings and associated equipment and furnishings will be transferred to Shepherd University. The ground lease agreement requires annual rental payments due 30 days after the receipt of the Supporting Organization's audited financial statements. Due to the variable nature of the ground lease payments, a right-of-use asset and lease obligation is not recognized under Topic 842, *Leases*.

Lease payments are equal to the net available cash flow generated from the operations of Potomac Place. Variable lease expense due to Shepherd University for the ground lease amounted to $328 and $237 for the years ended June 30, 2026 and 2025, respectively.

The Supporting Organization has entered into a management agreement with Shepherd University. The management agreement appointed Shepherd University as the Supporting Organization's exclusive agent for construction, operation, management and maintenance of Potomac Place. No additional fees, outside of the ground lease payments, are payable to Shepherd University for these series.

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Investments

The components units' investment securities at June 30 are composed of the following:

	2026							
	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation, Inc.	Fairmont State Foundation Inc.	The Glenville State University Foundation, Inc.	The Marshall University Foundation, Inc.	New River Community and Technical College Foundation, Inc.	The Shepherd University Foundation, Inc.
Cash and Temporary Investments	$ 257	$ -	$ -	$ 1,961	$ 853	$ -	$ 54	$ 756
U.S. Government Securities	-	-	21,400	-	-	-	-	2,614
Corporate and Municipal Bonds and Notes	-	653	4	10,956	4,182	-	992	1,740
Mutual Funds	15,517	4,529	38,607	26,474	7,632	88,312	-	40,675
Equity Investments	-	2,387	1,581	109	13,810	165,614	2,104	4,494
Other	-	77	10,314	5,434	1,772	93,414	-	3,845
Total	$ 15,774	$ 7,646	$ 71,906	$ 44,934	$ 28,249	$ 347,340	$ 3,150	$ 54,124

* December 31 Year-End

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Investments (Continued)

	2026								
	Southern West Virginia Community College Foundation, Inc. *	West Liberty University Foundation, Inc.	West Virginia Northern Community College Foundation, Inc.	West Virginia School of Osteopathic Medicine Foundation, Inc.	West Virginia State University Foundation, Inc.	WVU at Parkersburg Foundation, Inc.	Blue Ridge Community and Technical College Foundation, Inc.	Bridge Valley Community and Technical College Foundation, Inc.	Total
Cash and Temporary Investments	$ 62	$ 3,166	$ 803	$ 1,754	$ 22	$ 530	$ -	$ 98	$ 10,316
U.S. Government Securities	-	-	-	9,070	-	-	-	274	33,358
Corporate and Municipal Bonds and Notes	-	5,826	493	11,368	-	-	95	799	37,108
Mutual Funds	-	4,143	4,939	-	20,975	5,064	1,228	456	258,551
Equity Investments	5,254	20,087	3,164	37,350	-	12,142	-	1,700	269,796
Other	-	20	3	11,366	1,289	-	-	-	127,534
Total	$ 5,316	$ 33,242	$ 9,402	$ 70,908	$ 22,286	$ 17,736	$ 1,323	$ 3,327	$ 736,663

* December 31 Year-End

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Investments (Continued)

	2025							
	Big Green Scholarship Foundation Inc.	Bluefield State University Foundation Inc.	Concord University Foundation, Inc.	Fairmont State Foundation Inc.	The Glenville State University Foundation, Inc.	The Marshall University Foundation, Inc.	New River Community and Technical College Foundation, Inc.	The Shepherd University Foundation, Inc.
Cash and Temporary Investments	$ 579	$ -	$ -	$ 3,169	$ 705	$ -	$ 89	$ 735
U.S. Government Securities	-	-	17,778	-	-	-	-	3,157
Corporate and Municipal Bonds and Notes	-	1,085	3	44	3,545	-	832	2,388
Mutual Funds	12,487	3,837	38,869	23,286	6,182	46,099	-	31,630
Equity Investments	1,101	1,915	3,903	5,424	13,093	148,640	1,555	3,581
Other	-	76	3,801	8,743	1,624	100,255	-	3,548
Total	$ 14,167	$ 6,913	$ 64,354	$ 40,666	$ 25,149	$ 294,994	$ 2,476	$ 45,039

* December 31 Year-End

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Investments (Continued)

	2025								
	Southern West Virginia Community College Foundation, Inc. *	West Liberty University Foundation, Inc.	West Virginia Northern Community College Foundation, Inc.	West Virginia School of Osteopathic Medicine Foundation, Inc.	West Virginia State University Foundation, Inc.	WVU at Parkersburg Foundation, Inc.	Blue Ridge Community and Technical College Foundation, Inc.	Bridge Valley Community and Technical College Foundation, Inc.	Total
Cash and Temporary Investments	$ 60	$ 2,884	$ 698	$ 2,009	$ 18	$ -	$ -	$ 108	$ 11,054
U.S. Government Securities	-	2	48	9,368	-	-	-	451	30,804
Corporate and Municipal Bonds and Notes	-	5,547	430	10,156	-	2,212	76	707	27,025
Mutual Funds	-	3,213	3,871	-	16,798	7,691	1,089	220	195,272
Equity Investments	4,599	18,012	2,576	30,503	-	6,096	-	1,406	242,404
Other	-	9	5	14,300	1,533	84	-	-	133,978
Total	$ 4,659	$ 29,667	$ 7,628	$ 66,336	$ 18,349	$ 16,083	$ 1,165	$ 2,892	$ 640,537

* December 31 Year-End

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement

The following is a summary of the inputs used in determining fair values of financials assets and liabilities measured at fair value on a recurring basis as of June 30:

	2026			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U.S. Government Investments:				
Cash	$ 10,317	$ 9,954	$ 363	$ -
Mortgage Pools	329	-	329	-
Bonds	273	(1)	274	-
Agency Obligations	9,070	-	9,070	-
Treasury Obligations	2,285	2,285	-	-
Other	21,400	21,400	-	-
Mutual Money Market Funds	-	-	-	-
Certificates of Deposit	-	-	-	-
Corporate Equities	-	-	-	-
Corporate Bonds	25,698	3,253	22,445	-
Real Estate Securities	95	95	-	-
Debt Securities	497	-	497	-
Equity Securities	21,128	21,128	-	-
Bonds:				
Communication Services	-	-	-	-
Consumer Cyclical	-	-	-	-
Consumer Defensive	-	-	-	-
Consumer Discretionary	-	-	-	-
Energy	-	-	-	-
Financials	-	-	-	-
Healthcare	-	-	-	-
Industrials	-	-	-	-
Miscellaneous	-	-	-	-
Mutual Bond Funds:				
Diversifying Asset	-	-	-	-
Other	15,343	4,432	10,911	-

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2026			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level (Continued):				
Mutual Funds:				
US large Cap	$ -	$ -	$ -	$ -
US Small and Mid Cap	-	-	-	-
US Short Term Bond Fund	-	-	-	-
International Equity	-	-	-	-
Inflations Protected Bond	-	-	-	-
Relative Value Arbitrage	-	-	-	-
International Large Growth	-	-	-	-
Large Blend	12,558	12,558	-	-
Large Growth	4,983	4,983	-	-
Large Value	4,118	4,118	-	-
International Fixed Income	-	-	-	-
Multi Sector Bond	-	-	-	-
High Yield Bond	-	-	-	-
Long-Short Equity	-	-	-	-
Balanced	-	-	-	-
Energy Limited Partnership	-	-	-	-
Foreign Large Blend	4,088	4,088	-	-
Option Based Equity	1,257	1,257	-	-
S&P 500 index	-	-	-	-
S&P midcap 400 index	-	-	-	-
S&P smallcap 600 index	-	-	-	-
Intermediate Term Bond	-	-	-	-
Diversified Alternatives	-	-	-	-
Other	125,605	125,605	-	-
Mutual Stock Funds:				
Publicly Traded	4,939	4,939	-	-
Domestic Mutual Fund	-	-	-	-
International Mutual Fund	-	-	-	-
Other	11,085	11,085	-	-

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2026			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level (Continued):				
Stocks:				
Consumer Goods	$ 469	$ 469	$ -	$ -
Consumer Discretionary	241	241	-	-
Consumer Staples	212	212	-	-
Energy	70	70	-	-
Financials	1,309	1,309	-	-
Healthcare	536	536	-	-
Industrial goods	901	901	-	-
IT	-	-	-	-
Materials	56	56	-	-
Real estate	72	72	-	-
Services	-	-	-	-
Technology	512	512	-	-
Utilities	116	116	-	-
US Small and Mid Cap	-	-	-	-
US large Cap	-	-	-	-
International Equity	178	178	-	-
Domestic Large Cap	468	468	-	-
Domestic Mid Cap	50	50	-	-
Domestic Small Cap	40	40	-	-
Index Funds	215	215	-	-
Other	77,005	76,822	183	-
Fixed Income:				
Domestic Mutual Funds	20,991	20,991	-	-
International Mutual Fund	19,668	19,668	-	-
US Gov Bonds	-	-	-	-
Other	-	-	-	-
Public Real Asset	11	11	-	-
Other	18,167	1,386	16,781	-
Total	416,355	$ 355,502	$ 60,853	$ -

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2026			
	Fair Value Measurements Using			
	Fair Value	Unfunded Commitments	Redemption/ Withdrawal Frequency	Redemption/ Withdrawal Notice Period
Investments Measured at Net Asset Value (NAV):				
Marshall University Foundation				
Comingled Domestic Fixed Income	$ 34,809	$ -	Daily	1 Day
Comingled Global Fixed Income	17,269	-	Daily, Quarterly	Daily, 90 Day
Commingled Global Equity	158,977	-	Daily, Monthly	1 Day, 5 Day
Commingled Hedge Fund	17,250	-	Daily, Monthly, Quarterly	1 Day, 5 Day, 30 Day
Commingled Real Asset Fund	7,395	1,808,714	Illiquid	Illiquid
Commingled Private Capital Fund	14,258	2,331,858	Illiquid	Illiquid
Private Equity	19,176	11,909,515	Illiquid	Illiquid
Private Infrastructure	7,117	-	Illiquid	Illiquid
Private Real Estate	16,277	6,293,910	Illiquid	Illiquid
Natural Resources	10,954	2,965,842	Illiquid	Illiquid
Commodities	-	-	N/A	N/A
Distressed Debt	-	-	N/A	N/A
Venture	977	36,500	Illiquid	Illiquid
Concord University Foundation				
Weatherlow Offshore Fund I Ltd	4,633	-	Quarterly	65 Days
Mondrian Global All Countries World Equity Fund, LP.	2,545	-	Monthly	15 Days
Ninety One Global Franchise LLC	3,132	-	Daily	N/A
Glenville State University Foundation				
Hedge Funds	1,772	-	Various	Various
Shepherd University Foundation				
Ironwood Fund	2,182	-	Semi-Annually	95 Days
Golub Fund	882	100,000	Not Eligible	N/A
Nuveen Global Cities REIT	703	-	Monthly	15 Days
Total Investments	$ 736,663			

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2025			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U.S. Government Investments:				
Cash	$ 11,054	$ 10,964	$ 89	$ 1
Mortgage Pools	392	-	392	-
Bonds	706	-	706	-
Agency Obligations	9,446	-	9,446	-
Treasury Obligations	2,433	2,433	-	-
Other	17,777	17,777	-	-
Mutual Money Market Funds	-	-	-	-
Certificates of Deposit	-	-	-	-
Corporate Equities	-	-	-	-
Corporate Bonds	18,684	2,862	15,822	-
Real Estate Securities	166	166	-	-
Debt Securities	6,181	-	6,181	-
Equity Securities	22,728	22,728	-	-
Bonds:				
Communication Services	140	-	140	-
Consumer Cyclical	147	-	147	-
Consumer Defensive	138	-	138	-
Consumer Discretionary	297	-	297	-
Energy	49	-	49	-
Financials	415	-	415	-
Healthcare	183	-	183	-
Industrials	297	-	297	-
Miscellaneous	545	-	545	-
Mutual Bond Funds:				
Diversifying Asset	-	-	-	-
Other	11,692	3,884	7,808	-

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2025			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level (Continued):				
Mutual Funds:				
US large Cap	$ -	$ -	$ -	$ -
US Small and Mid Cap	-	-	-	-
US Short Term Bond Fund	-	-	-	-
International Equity	533	533	-	-
Inflations Protected Bond	-	-	-	-
Relative Value Arbitrage	796	796	-	-
International Large Growth	-	-	-	-
Large Blend	7,836	7,836	-	-
Large Growth	3,403	3,403	-	-
Large Value	3,613	3,613	-	-
International Fixed Income	-	-	-	-
Multi Sector Bond	359	359	-	-
High Yield Bond	2,621	2,621	-	-
Long-Short Equity	-	-	-	-
Balanced	-	-	-	-
Energy Limited Partnership	1,277	1,277	-	-
Foreign Large Blend	2,945	2,945	-	-
Option Based Equity	1,616	1,616	-	-
S&P 500 index	-	-	-	-
S&P midcap 400 index	-	-	-	-
S&P smallcap 600 index	-	-	-	-
Intermediate Term Bond	-	-	-	-
Diversified Alternatives	-	-	-	-
Other	106,014	106,014	-	-
Mutual Stock Funds:				
Publicly Traded	3,871	3,871	-	-
Domestic Mutual Fund	-	-	-	-
International Mutual Fund	-	-	-	-
Other	8,603	8,603	-	-

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2025			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level (Continued):				
Stocks:				
Consumer Goods	$ 641	$ 641	$ -	$ -
Consumer Discretionary	549	549	-	-
Consumer Staples	328	328	-	-
Energy	301	301	-	-
Financials	982	815	167	-
Healthcare	614	614	-	-
Industrial goods	467	467	-	-
IT	1,856	1,856	-	-
Materials	114	114	-	-
Real estate	56	56	-	-
Services	-	-	-	-
Technology	-	-	-	-
Utilities	188	188	-	-
US Small and Mid Cap	848	848	-	-
US large Cap	400	400	-	-
International Equity	2,482	2,482	-	-
Domestic Large Cap	408	408	-	-
Domestic Mid Cap	48	48	-	-
Domestic Small Cap	31	31	-	-
Index Funds	198	198	-	-
Other	55,227	55,227	-	-
Fixed Income:				
Domestic Mutual Funds	15,153	11,623	3,530	-
International Mutual Fund	15,669	15,669	-	-
US Gov Bonds	-	-	-	-
Other	-	-	-	-
Public Real Asset	25	25	-	-
Other	21,341	1,619	19,722	-
Total	364,883	$ 298,808	$ 66,074	$ 1

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Fair Value Measurement (Continued)

	2025			
	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments Measured at Net Asset Value (NAV):				
Marshall University Foundation				
Comingled Domestic Fixed Income	$ 15,595	$ -	Daily	1 Day
Comingled Global Fixed Income	6,988	-	Daily, Quarterly	Daily, 90 Day
Commingled Global Equity	143,952	-	Daily, Monthly	1 Day, 5 Day
Commingled Hedge Fund	20,325	-	Daily, Monthly	1 Day, 5 Day, 30 Day
Commingled Real Asset Fund	7,408	1,917,803	Illiquid	Illiquid
Commingled Private Capital Fund	15,289	2,560,227	Illiquid	Illiquid
Private Equity	11,708	17,253,984	Illiquid	Illiquid
Private Infrastructure	6,645	-	Illiquid	Illiquid
Private Real Estate	12,389	6,609,800	Illiquid	Illiquid
Natural Resources	16,871	1,920,012	Illiquid	Illiquid
Commodities	8,348	-	Twice a month	5 Day
Distressed Debt	10	-	Illiquid	Illiquid
Venture	1,236	38,500	Illiquid	Illiquid
Concord University Foundation				
Weatherlow Offshore Fund I Ltd	3,799	-	Quarterly	65 Days
Mondrian Global All Countries World Equity Fund, LP.	-	-	N/A	N/A
Ninety One Global Franchise LLC	-	-	N/A	N/A
Glenville State University Foundation				
Hedge Funds	1,624	-	Various	Various
Shepherd University Foundation				
Ironwood Fund	1,875	-	Semi-Annually	95 Days
Golub Fund	914	100,000	Not Eligible	N/A
Nuveen Global Cities REIT	678	-	Monthly	15 Days
Nonrecurring FMV	-			
Total Investments	$ 640,537			

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Property and Equipment

The components units' property and equipment at June 30 are composed of the following:

	2026								
	Big Green Scholarship Foundation, Inc.	Fairmont State Foundation, Inc.	The Glenville State University Foundation, Inc.	The Marshall University Foundation, Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation, Inc.	West Virginia State University Foundation, Inc.	WVU at Parkersburg Foundation, Inc.	Total
Land and Land Improvements	$ -	$ 68,000	$ 580,553	$ 1,642,000	$ -	$ -	$ -	$ 5,624,829	$ 7,915,382
Buildings	-	272,000	5,095,222	10,912,847	78,609,832	20,464,677	2,877,149	26,889,163	145,120,890
Equipment	-	89,329	38,790	1,300,227	8,474,603	12,749	17,015	563,495	10,496,208
Furniture	-	-	-	-	-	995,282	-	495,489	1,490,771
Other	414,060	-	323,606	-	-	-	-	1,332,085	2,069,751
Accumulated Depreciation	(377,813)	(84,203)	(1,647,545)	(5,704,611)	(50,696,923)	(5,538,806)	(1,330,057)	(1,545,393)	(66,925,351)
Property and Equipment, Net	$ 36,247	$ 345,126	$ 4,390,626	$ 8,150,463	$ 36,387,512	$ 15,933,902	$ 1,564,107	$ 33,359,668	$ 100,167,651

	2025								
	Big Green Scholarship Foundation, Inc.	Fairmont State Foundation, Inc.	The Glenville State University Foundation, Inc.	The Marshall University Foundation, Inc.	Provident Group-Marshall Properties, LLC	The Shepherd University Foundation, Inc.	West Virginia State University Foundation, Inc.	WVU at Parkersburg Foundation, Inc.	Total
Land and Land Improvements	$ -	$ 68,000	$ 580,553	$ 1,642,000	$ -	$ -	$ -	$ 1,340,539	$ 3,631,092
Buildings	-	272,000	5,095,222	10,901,884	78,152,446	20,362,692	2,877,149	3,968,619	121,630,012
Equipment	-	89,329	38,790	1,220,527	8,242,442	12,749	17,015	19,781	9,649,264
Furniture	-	-	-	-	-	997,887	-	96,565	1,094,452
Other	414,060	-	270,007	-	-	-	-	15,506,617	16,190,684
Accumulated Depreciation	(276,677)	(72,666)	(1,514,473)	(5,383,910)	(47,652,601)	(4,990,186)	(1,202,345)	(562,891)	(61,664,380)
Property and Equipment, Net	$ 137,383	$ 356,663	$ 4,470,099	$ 8,380,501	$ 38,742,287	$ 16,383,142	$ 1,691,819	$ 20,369,230	$ 90,531,124

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Related Party Transactions

Concord University

The amount held at the Concord University Foundation represents funds transferred from the Eminent Scholars and Marsh Permanent Endowment funds to the Concord University Foundation for the purpose of investing these funds. The Eminent Scholar funds may be used to fund the academic division chair positions as decided by Concord University. The Marsh Endowment was a gift of a permanent endowment in the amount of $2.7 thousand from Dr. Joseph Marsh to completely restore to its original specifications and conditions the Casavant Freres pipe organ and the practice organ, as well as maintain the organs and carillon donated by Dr. Marsh in 1979. The endowment earnings will also be used to hire instructors for the pipe organ and the Carillion bells. The principal of the endowment may be used to fund the cost of the repairs.

During the years ended June 30, 2026 and 2025, the Concord University Foundation contributed approximately $3,204 and $1,004, respectively, to Concord University for scholarships and other student support.

Marshall University

Total funds expended by the Marshall University Foundation in support of Marshall University activities totaled $19,175 and $14,276 during the years 2026 and 2025, respectively.

Total funds expended by Big Green Scholarship Foundation, Inc. in support of Marshall University activities totaled $9,104 and $5,362 during the years 2026 and 2025, respectively.

West Virginia School of Osteopathic Medicine (WVSOM)

Gifts, grants, pledges, bequests, and other revenue contributed to the WVSOM Foundation totaled $619 and $1,624 for the years ended June 30, 2026 and 2025, respectively.

WVSOM provided direct financial support to the WVSOM Foundation of $435 and $503 for the years ended June 30, 2026 and 2025, respectively.

Fairmont State University

Total funds expended by the Fairmont State Foundation in support of Fairmont State University activities totaled $4,460 and $3,258 during 2026 and 2025, respectively.

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Related Party Transactions

West Virginia University (WVU)
WVU Foundation is a separate non-profit organization incorporated in the State of West Virginia that has as its purpose "to aid, strengthen and further in every proper and useful way the work and services of WVU . . . and its affiliated non-profit organizations . . ." Oversight of the WVU Foundation is the responsibility of an independently elected Board of Directors. In carrying out its responsibilities, the Board of Directors of the WVU Foundation employs management, forms policy and maintains fiscal accountability over funds administered by the WVU Foundation. The WVU Foundation does not meet the criteria for determination as a component unit of West Virginia University as described by GASB. The economic resources held by the WVU Foundation do not entirely or almost entirely benefit WVU.

Most of WVU's endowments are under the control and management of the WVU Foundation.

Gifts, grants, pledges and bequests to the WVU Foundation totaled $190,600 and $88,900 in fiscal years 2026 and 2025, respectively.

Total funds expended by the WVU Foundation in support of WVU activities totaled $128,800 and $106,800 in fiscal years 2026 and 2025, respectively. This support is primarily recorded as gifts and capital grants and gifts and the related expenditures are primarily recorded as salaries and wages, benefits and capital assets in WVU's financial statements.

West Virginia State University (WVSU)
During the years ended June 30, 2026 and 2025, the WVSU Foundation contributed $1,180 and $1,041, respectively, to WVSU for scholarships. Program expenses of the WVSU Foundation are used to provide support to students of WVSU, for projects that benefit the WVSU and for other activities that support WVSU Foundation's mission.

Bluefield State University (BSU)
The BSU Foundation receives reimbursements from BSU for the Service Fee and Total Reimbursable Costs (which includes the General and Administrative Expense Allowance) incurred under the dining services contract. For the years ended June 30, 2026 and 2025, the BSU Foundation received $1,633 and $1,420, respectively, of reimbursements from BSU related to expenses incurred during the fiscal year. At June 30, 2026 and 2025, the receivables from BSU were $915 and $297, respectively.

During 2026, the BSU Foundation advanced $24 and $27 to pay BSU expenses for a water service upgrade and van purchases. The combined receivable was $52 at June 30, 2026.

Amounts due from BSU to the BSU Foundation included in the statement of financial position at June 30, 2026 consist of dining services contract receivable, note receivable, and water service upgrade and van purchases receivables in the amounts of $915, $329, and $52, respectively, totaling $1,295.

NOTE 21 COMPONENT UNITS' DISCLOSURES (CONTINUED)

Related Party Transactions

Shepherd University

During the years ended June 30, 2026 and 2025, the Shepherd University Foundation contributed $2,026 and $1,427, respectively, to Shepherd University for scholarships and awards.

Glenville State University

As of June 30, 2026 and 2025, Glenville State University owed the Glenville State University Foundation $39 and $336, respectively, for reimbursements on general operating expenses. As of June 30, 2026 and 2025, the Glenville State University Foundation owed Glenville State University $-0- and $1,026, respectively, for contributions made prior to year-end.

NOTE 22 SEGMENT INFORMATION

Under the auspices of the state of West Virginia and former governing boards, the Fund issued revenue bonds to finance certain of its auxiliary enterprise activities. Investors in those bonds rely solely on the revenues generated by the activities of the auxiliaries for repayment.

Descriptive information for each of the Fund's segments is shown below:

West Virginia University Board of Governors Revenue Bonds 2025 Series A (Taxable) (2025 Bonds)

On July 2, 2025, the WVU Board issued the 2025 Series A bonds (taxable) in the amount of $30,000 to (a) finance Phase II of the ERP Modernization Plan consisting primarily of the planning, design, development and implementation of the modernized enterprise resource planning platform, including related applications and software, $30,000 and (b) pay the costs of issuance, $70.

West Virginia University Board of Governors Revenue Bonds 2023 Series A (Taxable) (2023 Bonds)

On May 23, 2023, the WVU Board issued the 2023 Series A bonds (taxable) in the amount of $56,500 to (a) finance the design, acquisition, construction, and equipping of certain capital improvements as part of the University annual capital improvements program, $25,000 (b) finance Phase I of the ERP Modernization Plan consisting primarily of the preliminary planning, design, development and implementation of the modernized enterprise resource planning platform, including related applications and software, $31,000 and (c) pay the costs of issuance, $500.

West Virginia University Board of Governors Revenue Bonds 2022 Series A (Taxable) (2022 Bonds)

On April 14, 2022, the West Virginia Board issued $20,000 in revenue bonds to finance the design, acquisition, construction, and equipping of certain capital improvements as part of the University's annual capital improvements program and to pay the costs of issuance.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

West Virginia University Board of Governors Revenue Bonds 2021 Series A (Tax Exempt); 2021 Series B (Taxable) (Collectively the 2021 Bonds)

On May 27, 2021, the West Virginia Board issued $70,675 in revenue bonds. The 2021 Series A (tax exempt) were issued in the amount of $25,670. The actual proceeds received was $33,616 of which $32,297 was designated for Hodges Hall and the HSC Infrastructure Phase II projects, $1,084 was for capitalized interest, and $234 was for cost of issuance and underwriter's discount.

The 2021 Series B bonds (taxable) were issued in the amount of $45,005. The actual proceeds equaled $45,005 of which $43,530 was designated for projects related to Athletics and Reynold Hall, $1,144 was for capitalized interest, and $330 was for cost of issuance and underwriter's discount.

West Virginia University Board of Governors Revenue Bonds 2020 Series A (Taxable) (2020 Bonds)

On March 10, 2020, the West Virginia University Board issued $377,785 in revenue bonds. The 2020 Series A bonds (taxable) in the amount of $376,443 refinanced the 2011 Series B bonds in the amount of $154,744, the 2013 Series A bonds in the amount of $150,694, and the 2014 Series A bonds in the amount of $71,005. The remaining funds were used for the cost of issuance and other fees.

West Virginia University Board of Governors Revenue Bonds 2020 Series B (Tax Exempt) (2020 Bonds)

On August 6, 2020, The West Virginia Board issued $12,500 in revenue bonds. These were used to finance costs of improvements to Milan Puskar Stadium and Coliseum.

West Virginia University Board of Governors Revenue Bonds 2019 Series A; 2019 Series B (Tax Exempt) (2019 Bonds)

On September 25, 2019, the West Virginia University Board issued $124,695 in revenue bonds. The 2019 Series A bonds (tax exempt) were issued in the amount of $85,840. The actual proceeds equaled $101,315 of which $95,000 was designated for projects for Athletics, Hodges Hall, and Reynolds Hall. The remaining proceeds of $5,826 were for capitalized interest; $489 was for cost of issuance.

The 2019 Series B bonds (tax exempt) were issued in the amount of $39,125. The actual proceeds received equaled $50,534. These bonds were issued to refund the 2014 Series C Bonds in the amount of $50,190. The refunding and redemption of the 2014 Series C Bonds was deemed more advantageous to the WVU Board, WVU and the State, considering the financial effect, the implementation and other relevant factors, than remarketing them. The remaining proceeds of $5,826 were for capitalized interest; $489 was for cost of issuance.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

West Virginia University Board of Governors Revenue Bonds 2016 Series A (Tax Exempt) (2016 Bonds)

The 2016 Bonds were issued in the amount of $20,000 to finance Phase 1 of the Health Science Center infrastructure plan and to pay costs of issuance.

West Virginia University Board of Governors Improvement Revenue Bonds 2014 Series A; 2014 Series B (Taxable); Series C (Collectively the 2014 Bonds)

On October 1, 2014, the West Virginia University Board of Governors (the Board) issued the 2014 Series A bonds in the amount of $60,000, the 2014 Series B bonds in the amount of $79,050, and the 2014 Series C bonds in the amount of $50,190.

The 2014 Series A bonds were issued to (a) finance the modernization of the University's Personal Rapid Transit system (the PRT) including reimbursement for prior capital expenditures related to this project and (b) pay the costs of issuance of the 2014 Series A bonds.

West Virginia University Board of Governors Improvement Revenue Bonds 2014 Series A; 2014 Series B (Taxable); Series C (Collectively the 2014 Bonds) (Continued)

The 2014 Series B bonds (taxable) were issued to (a) finance certain Athletics capital projects including reimbursement for prior capital expenditures related to these projects and (b) pay the costs of issuance of the 2014 B bonds.

The 2014 Series C bonds (tax exempt) were issued to (a) refund the 2011 Series C bonds, dated October 5, 2011 and (b) pay the costs of issuance of the 2014 C bonds.

West Virginia University Board of Governors Refunding and Improvement Revenue Bonds 2013 Series A; 2013 Series B (Taxable) (Collectively the 2013 Bonds)

On February 13, 2013, the West Virginia University Board of Governors (the Board) issued the 2013 Series A bonds in the amount of $138,325 and the 2013 Series B bonds in the amount of $72,180. The bonds were issued pursuant to a Resolution adopted by the Board on December 13, 2012, and pursuant to a resolution of the Commission adopted on December 7, 2012, approving the issuance of such bonds. The bonds were issued under a Bond Trust Indenture dated as of November 1, 2004, as supplemental and amended by a First Supplemental Indenture dated August 1, 2011, a Second Supplemental Indenture dated as of October 1, 2011, a Third Supplemental Indenture dated as of June 1, 2012, a Fourth Supplemental Indenture dated as of December 1, 2012, and a Fifth Supplemental Indenture dated as of February 1, 2013.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

The 2013 Series A bonds were issued to (a) advance refund a portion of the University Revenue Improvement Bonds 2004 Series C, dated December 2, 2004, and issued in the original principal amount of $138,710, (b) advance refund a portion of the University Revenue Refunding Bonds 2004 Series B, dated December 2, 2004 maturing on and after October 1, 2015 and issued in the original principal amount of $55,430, (c) finance a portion of the costs of the 2013 A project at the University including reimbursement to the University for certain capital expenditures made on the 2013 Series A projects prior to the issuance of the 2013 Series A bonds, and (d) pay for costs of issuance of the 2013 Series A bonds.

The 2013 Series B bonds were issued to (a) advance refund that portion of the 2004 Series C bonds not refunded with the proceeds of the 2013 Series A bonds, (b) finance a portion of the costs of the 2013 Series B projects including reimbursement to the West Virginia University for certain capital expenditures made on the 2013 Series B projects prior to the issuance of the 2013 Series B bonds, and (c) pay the costs of issuance of the 2013 Series B bonds.

The 2013 bonds are secured by and payable from pledged revenues which have been pledged to the payment of such bonds and certain funds held by the bond trustee under the indenture. The 2013 bond are also payable from (but not secured by) other monies legally available to be used for such purposes.

West Virginia University Board of Governors Revenue Bonds 2012, Series A and B (Taxable) (Collectively the 2012 Bonds)

During fiscal year 2013, the Board issued revenue bonds to finance the acquisition of the Suncrest Plaza and the Loop. The 2012 Series A (taxable) bonds were issued on July 26, 2012 in the amount of $13,271 to finance the acquisition of the Suncrest Plaza. These bonds were a private placement bond issue with the Huntington Investment Company. The 2012 Series B (taxable) bonds were issued on December 13, 2012 in the amount of $4,800 to finance the acquisition of the Loop. These bonds were a private placement bond issue with First United Bank & Trust. The bonds were issued pursuant to a Resolution adopted by the Board on June 7, 2012 and September 28, 2012. The bonds were issued under a Bond Trust Indenture dated as of November 1, 2004, as supplemented and amended by a First Supplemental Indenture dated as of August 1, 2011, a Second Supplemental Indenture dated as of October 1, 2011, a Third Supplemental Indenture dated as of June 1, 2012, and a Fourth Supplemental Indenture dated as of December 1, 2012.

The 2012 bonds are secured by and payable from pledged revenues which have been pledged to the payment of such bonds and certain funds held by the bond trustee under the indenture. The 2012 bonds are also payable from (but not by) secured other monies legally available to be used for such purposes.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

West Virginia University Board of Governors University Improvement Revenue Bonds 2011 Series A; University Improvement Revenue Bonds 2011 Series B (Collectively the 2011 Bonds)

During fiscal year 2012, the Board issued revenue improvement bonds to finance the acquisition of multi-story apartment complex known as "The Augusta on the Square" and other lots, buildings, houses and structures which were subject to liens thereupon. The 2011 Series A bonds were issued on August 1, 2011 in the amount of $12,710. The bonds were issued as the First Supplemental Indenture, supplementing and amending the Bond Trust Indenture, dated November 1, 2004.

Also during fiscal year 2012, the Board issued revenue improvement bonds (a) University Improvement Revenue Bonds (West Virginia University Projects) 2011 Series B, in the aggregate principal amount of $187,605 (the 2011 B Bonds). The 2011 Bonds were issued pursuant to a Resolution adopted by the Board on June 3, 2011, and pursuant to a resolution of the Commission adopted on August 5, 2011, approving the issuance of such Bonds. The 2011 Bonds were issued under and secured by a Bond Trust Indenture dated as of November 1, 2004 between the Issuer and United Bank, Inc., as Bond Trustee (the Bond Trustee), as supplemented by a First Supplemental Bond Indenture dated as of August 1, 2011 and Second Supplemental Bond Indenture dated as of October 1, 2011. The proceeds of the 2011 Bonds were used to (a) finance a portion of the costs of certain capital projects at the University, including reimbursement to the University for certain capital expenditures related thereto made prior to the issuance of the 2011 Bonds (the 2011 Projects), (b) refinance certain tax-exempt lease-purchase agreements entered into by the University (the Refinancing) and (c) pay the costs of issuance of the 2011 Bonds.

West Virginia University Board of Governors University Improvement Revenue Bonds 2011 Series A; University Improvement Revenue Bonds 2011 Series B (Collectively the 2011 Bonds) (Continued)

The 2011 Series A and B are limited obligations of the Board, payable from and secured by a pledge of Fees and Gross Operating Revenues received by the Board, any interest earnings thereon and on the funds and accounts held by the Bond Trustee, and funds representing capitalized interest. Fees include Institutional Capital Fees, Auxiliary Fees, and Auxiliary Capital Fees. Gross Operating Revenues include all rents fees, charges and other income received by or accrued to the University from the operation and use of the Auxiliary Facilities. The 2011 Series A, and B Bonds are also payable from (but not secured by) other monies legally available to be used for such purposes.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

Marshall University Board of Governors, Improvement and Refunding Revenue Bonds, Series 2020A

In April 2020, the Marshall University Board sold $ 56,035 of 2020A series bonds. The 2020 Bonds were issued under the authority contained in Chapter 18, Article 18B of the Code of West Virginia, 1931, as amended, and the 2020 Bonds are secured pursuant to a Trust Indenture dated as of April 1, 2020, between the University and United Bank, Inc., Charleston, West Virginia, as the Trustee. The 2020A Bonds are secured by and payable from certain revenues as defined in the Trust Indenture. The proceeds of the 2020A Bonds will be used to (1) finance a portion of the costs of the construction, equipping and furnishing of a new building for the University's Lewis College of Business along with other capital improvements approved by the issuer and (2) refund and redeem all or a portion of the 2010 and 2011 Bonds and (3) paying bond insurance premiums or other credit enhancement and (4) to pay the costs of issuance of the 2020A Bonds.

Marshall University Board of Governors, Refunding Revenue Bonds, Series 2020B

In April 2020, the Marshall University Board sold $45,960 of 2020B series bonds. The 2020B Bonds were issued under the authority contained in Chapter 18, Article 18B of the Code of West Virginia, 1931, as amended, and the 2020 Bonds are secured pursuant to a Trust Indenture dated as of April 1, 2020, between the University and United Bank, Inc., Charleston, West Virginia, as the Trustee. The 2020B Bonds are secured by and payable from certain revenues as defined in the Trust Indenture. The proceeds of the 2020B Bonds will be used to (1) refund and redeem all or a portion of the 2011 Bonds, (2) pay bond insurance premiums or other credit enhancement and (3) to pay the costs of issuance of the 2020B Bonds.

Fairmont State University Facilities Construction Bonds 2015, Series A

On April 7, 2015, Fairmont State issued Revenue Bonds Series A amounting to $30,200. The 2015A bonds were issued to (1) finance the costs of planning, designing, constructing, acquiring and equipping new student housing facilities, (2) provide payment of capitalized interest on the Series 2015A bonds, (3) reimburse certain previously incurred expenditures related to the 2015 project, and (4) pay the costs of issuance of the Series 2015 bonds and related costs.

Fairmont State Refunding Bonds, 2021 Series A

On July 27, 2021, Fairmont State issued revenue bonds Series A (the 2021 Bonds) amounting to $26,305. The 2021 Series A Bonds were issued to (1) currently refund in full the outstanding 2012A and 2012B Bonds and (2) pay the costs of issuance of the 2021 Series A Bonds and related costs.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

Shepherd University, Refunding Revenue Bonds 2013

On December 2, 2013, Shepherd University issued $6,700 in General Obligation Bonds with an average interest rate of 3.69% to advance refund $7,100 of outstanding 2003 and 2004 series bonds with an average interest rate of 4.27%. As a result, both 2003 series bonds and 2004 series bonds are considered to be defeased and the liability for both of those bonds has been removed from the statement of net position.

Shepherd University, General Obligation Bond, Series 2017

On March 8, 2017, the University issued $35,300 in General Obligation Bonds with a fixed interest rate of 3.65% to advance refund $35,300 of outstanding 2005 and 2007 revenue bonds with an average interest rate of 4.5% and to pay the cost of issuance. As a result both 2005 and 2007 revenue bonds are considered to be defeased and the liability for both of those bonds has been removed from the statement of net position. As a result, a gain between the reacquisition price and the net carrying amount of old debt is $82. The difference, reported in the accompanying financial statement as a deduction of bonds payable, is being charged to operations during 2017. The University completed the refunding to reduce its total debt service payments over the next 20 years by $4,200 and to obtain an economic gain of $3,300.

Board of Governors of West Liberty University, Capital Improvement Revenue Bonds 2018 Series

On September 20, 2018, West Liberty University issued Capital Improvement Revenue Bonds, Series 2018 for $5,132. The proceeds of the bonds were issued to finance certain capital improvements to the University. The bond proceeds are being expensed from the trustee as funds are requested for payment on capital projects that were preapproved by the Board of Governors of the University.

Board of Governors of West Liberty University, Revenue Refunding Bonds 2013 Series

On March 6, 2013, West Liberty University issued University Revenue Refunding Bonds, Series 2013, amounting to $9,810. The Series 2013 Bonds were issued to (1) currently refund in full the outstanding Series 2003A, 2003B, and 2003C Bonds, and (2) pay the costs of issuance of the Series 2013 Bonds and related costs.

Board of Governors of West Liberty University, Capital Improvement Revenue Bonds, 2012 Series

On May 1, 2012, West Liberty University (formerly West Liberty State College) issued Capital Improvement Revenue Bonds 2012, amounting to $10,000 to finance certain capital improvements and pay costs of issuance.

Board of Governors of West Liberty University, Capital Improvement Revenue Bonds, 2021 Series

On May 20, 2021, West Liberty University issued Revenue Bonds, Series 2021, amounting to $3,020 to finance certain capital improvements and pay costs of issuance.

NOTE 22 SEGMENT INFORMATION (CONTINUED)

	2026								
CONDENSED STATEMENT OF NET POSITION	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
ASSETS									
Current Assets	$ 67,832	$ 29,624	$ 24,850	$ 6,734	$ -	$ 244	$ 365	$ 3,535	$ 1,523
Noncurrent Assets	1,208,273	155,085	63,009	10,090	32,412	3,206	4,421	7,684	6,820
Total Assets	1,276,105	184,709	87,859	16,824	32,412	3,450	4,786	11,219	8,343
DEFERRED OUTFLOWS OF RESOURCES	12,386	2,345	-	-	-	-	-	13	-
Total	$ 1,288,491	$ 187,054	$ 87,859	$ 16,824	$ 32,412	$ 3,450	$ 4,786	$ 11,232	$ 8,343
LIABILITIES									
Current Liabilities	$ 89,434	$ 9,846	$ 4,436	$ 330	$ 2,944	$ 212	$ 252	$ 771	$ 675
Noncurrent Liabilities	793,681	131,166	38,778	1,771	19,736	2,565	3,160	560	785
Total Liabilities	883,115	141,012	43,214	2,101	22,680	2,777	3,412	1,331	1,460
DEFERRED INFLOWS OF RESOURCES	35,182	-	67	-	-	-	-	-	-
Total	918,297	141,012	43,281	2,101	22,680	2,777	3,412	1,331	1,460
NET POSITION									
Net Investment in Capital Assets	421,092	25,772	20,195	8,064	10,960	680	(295)	6,753	6,598
Restricted/Designated	46,540	1	24,383	-	(1,228)	-	-	-	-
Unrestricted	(97,438)	20,269	-	6,659	-	(7)	1,669	3,148	285
Total Net Position	370,194	46,042	44,578	14,723	9,732	673	1,374	9,901	6,883
Total	$ 1,288,491	$ 187,054	$ 87,859	$ 16,824	$ 32,412	$ 3,450	$ 4,786	$ 11,232	$ 8,343

NOTE 22 SEGMENT INFORMATION (CONTINUED)

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	2026								
	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
OPERATING									
Operating Revenues	$ 142,648	$ 26,807	$ 9,805	$ 1,035	$ 12,535	$ -	$ -	$ 1,794	$ 892
Operating Expenses	(209,667)	(21,247)	(7,023)	(348)	(10,286)	-	-	-	-
Other	27,729	-	-	-	-	-	-	-	-
Net Operating Income (Loss)	(39,290)	5,560	2,782	687	2,249	-	-	1,794	892
NONCAPITAL SUBSIDIES									
State Appropriations	517	-	-	-	-	-	-	-	-
Payments on Behalf	481	-	-	-	-	-	-	-	-
Noncapital Gifts	34,823	-	-	-	-	-	-	-	-
Total Noncapital Subsidies	35,821	-	-	-	-	-	-	-	-
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	(3,469)	5,560	2,782	687	2,249	-	-	1,794	892
NONOPERATING REVENUES (EXPENSES)									
Transfers from Institution	53,712	2,092	-	-	-	-	-	-	-
Nonoperating Revenues	12,880	216	-	924	381	-	-	-	-
Nonoperating Expenses	(37,520)	(4,000)	(2,466)	(236)	(838)	47	(77)	(1,914)	(333)
Net Nonoperating Revenues/Expenses	29,072	(1,692)	(2,466)	688	(457)	47	(77)	(1,914)	(333)
INCREASE (DECREASE) IN NET POSITION	25,603	3,868	316	1,375	1,792	47	(77)	(120)	559
Net Position - Beginning of Year	344,591	42,174	44,262	13,348	7,940	626	1,451	10,021	6,324
NET POSITION - END OF YEAR	$ 370,194	$ 46,042	$ 44,578	$ 14,723	$ 9,732	$ 673	$ 1,374	$ 9,901	$ 6,883

NOTE 22 SEGMENT INFORMATION (CONTINUED)

	2026								
CONDENSED STATEMENT OF CASH FLOWS	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
NET CASH PROVIDED (USED) BY									
Operating Activities	$ (43,050)	$ 18,366	$ 1,645	$ 1,302	$ 3,316	$ 136	$ 360	$ 1,794	$ 892
Noncapital Financing Activities	-	-	-	-	-	-	-	-	-
Capital Financing Activities	43,090	(10,877)	(5,550)	(596)	(2,383)	244	365	(3,059)	(816)
Investing Activities	1,984	-	447	-	-	-	-	-	-
INCREASE (DECREASE) IN CASH	2,024	7,489	(3,458)	706	933	380	725	(1,265)	76
Cash - Beginning of Year	94,469	21,926	375	5,770	(1,575)	136	386	4,800	1,448
CASH - END OF YEAR	$ 96,493	$ 29,415	$ (3,083)	$ 6,476	$ (642)	$ 516	$ 1,111	$ 3,535	$ 1,524

NOTE 22 SEGMENT INFORMATION (CONTINUED)

	2025								
CONDENSED STATEMENT OF NET POSITION	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
ASSETS									
Current Assets	$ 73,412	$ 156,667	$ 26,085	$ 6,036	$ -	$ 136	$ 360	$ 4,143	$ 1,447
Noncurrent Assets	1,200,020	22,072	64,992	9,781	33,232	3,446	4,742	7,940	7,090
Total Assets	1,273,432	178,739	91,077	15,817	33,232	3,582	5,102	12,083	8,537
DEFERRED OUTFLOWS OF RESOURCES	12,357	2,473	-	-	-	-	-	19	-
Total	$ 1,285,789	$ 181,212	$ 91,077	$ 15,817	$ 33,232	$ 3,582	$ 5,102	$ 12,102	$ 8,537
LIABILITIES									
Current Liabilities	$ 94,095	$ 9,930	$ 4,102	$ 440	$ 3,846	$ 186	$ 245	$ 757	$ 863
Noncurrent Liabilities	811,261	129,108	42,633	2,029	21,446	2,770	3,407	1,325	1,350
Total Liabilities	905,356	139,038	46,735	2,469	25,292	2,956	3,652	2,082	2,213
DEFERRED INFLOWS OF RESOURCES	35,842	-	80	-	-	-	-	-	-
Total	941,198	139,038	46,815	2,469	25,292	2,956	3,652	2,082	2,213
NET POSITION									
Net Investment in Capital Assets	401,813	27,866	19,617	7,507	10,131	632	(88)	6,269	7,089
Restricted/Designated	38,728	1	24,645	-	-	-	-	-	-
Unrestricted	(95,950)	14,307	-	5,841	(2,191)	(6)	1,538	3,751	(764)
Total Net Position	344,591	42,174	44,262	13,348	7,940	626	1,450	10,020	6,325
Total	$ 1,285,789	$ 181,212	$ 91,077	$ 15,817	$ 33,232	$ 3,582	$ 5,102	$ 12,102	$ 8,538

NOTE 22 SEGMENT INFORMATION (CONTINUED)

	2025								
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
OPERATING									
Operating Revenues	$ 119,709	$ 26,227	$ 9,045	$ 1,790	$ 12,164	$ -	$ -	$ 1,825	$ 911
Operating Expenses	(189,853)	(21,376)	(5,327)	(382)	(10,402)	-	-	-	-
Other	27,097	-		-	-	-	-	-	-
Net Operating Income (Loss)	(43,047)	4,851	3,718	1,408	1,762	-	-	1,825	911
NONOPERATING									
Transfers from Institution	15,945	1,952	-	-	-	-	-	-	-
Nonoperating Revenues	33,189	256	(679)	671	353	-	-	-	-
Nonoperating Expenses	(26,783)	(4,720)	(1,990)	(249)	(887)	(67)	(88)	(1,858)	(371)
INCREASE (DECREASE) IN NET POSITION	(20,696)	2,339	1,049	1,830	1,228	(67)	(88)	(33)	540
Net Position - Beginning of Year	365,287	39,835	43,213	11,518	6,712	693	1,538	10,053	5,785
NET POSITION - END OF YEAR	$ 344,591	$ 42,174	$ 44,262	$ 13,348	$ 7,940	$ 626	$ 1,450	$ 10,020	$ 6,325

NOTE 22 SEGMENT INFORMATION (CONTINUED)

	2025								
CONDENSED STATEMENT OF CASH FLOWS	WVU Auxiliaries	Marshall Revenue Series 2020A and 2020B	Fairmont Revenue Refunding Bonds 2021 and Housing Construction Series 2015	Shepherd Revenue Refunding 2013	Shepherd Revenue Refunding 2017	West Liberty Revenue Refunding 2021	West Liberty Revenue Refunding 2018	West Liberty Revenue Refunding 2013	West Liberty Capital Improvement 2012
NET CASH PROVIDED (USED) BY									
Operating Activities	$ (23,015)	$ 19,839	$ 4,189	$ 2,037	$ 2,731	$ 66	$ 373	$ 1,825	$ 911
Noncapital Financing Activities	26,659	-	-	-	-	-	-	-	-
Capital Financing Activities	(25,882)	(13,440)	(4,445)	(756)	(2,737)	(136)	(360)	(2,158)	(815)
Investing Activities	2,024	-	631	-	-	-	-	-	-
INCREASE (DECREASE) IN CASH	(20,214)	6,399	375	1,281	(6)	(70)	13	(333)	96
Cash - Beginning of Year	114,683	15,527	-	4,489	(1,569)	66	373	5,133	1,352
CASH - END OF YEAR	$ 94,469	$ 21,926	$ 375	$ 5,770	$ (1,575)	$ (4)	$ 386	$ 4,800	$ 1,448

NOTE 23 NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATIONS

The following tables represent operating expenses within both natural and functional classifications for the years ended June 30 (dollars in thousands):

	2026							
	Salaries and Wages	Benefits	Supplies and Other Services	Utilities	Scholarships and Fellowships	Depreciation/ Amortization	Other	Total
Instruction	$ 458,443	$ 139,629	$ 73,304	$ 854	$ 391	$ -	$ 2	$ 672,623
Research	110,558	41,443	81,055	417	17	-	253	233,743
Public Service	59,046	15,119	40,923	230	356	-	12	115,686
Academic Support	65,585	19,580	21,101	310	217	-	4,015	110,808
Student Services	60,644	19,860	22,748	71	3	-	-	103,326
Operations and Maintenance of Plant	39,201	14,082	49,622	53,884	-	-	852	157,641
General Institutions Support	154,565	38,895	108,578	1,651	1	-	1,288	304,978
Total Education and General	948,042	288,608	397,331	57,417	985	-	6,422	1,698,805
Student Financial Aid	602	1,197	65	-	99,161	-	-	101,025
Auxiliary Enterprises	87,189	18,945	129,939	17,856	-	-	16,903	270,832
Depreciation and Amortization	-	-	-	-	-	215,485	-	215,485
Administration of Leasing Activities	1,434	518	1,831	3,592	-	-	177	7,552
Other	-	-	156	-	-	-	3,293	3,449
Total	$ 1,037,267	$ 309,268	$ 529,322	$ 78,865	$ 100,146	$ 215,485	$ 26,795	$ 2,297,148

NOTE 23 NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATIONS (CONTINUED)

	2025							
	Salaries and Wages	Benefits	Supplies and Other Services	Utilities	Scholarships and Fellowships	Depreciation/ Amortization	Other	Total
Instruction	$ 454,800	$ 123,789	$ 79,831	$ 846	$ 214	$ -	$ -	$ 659,480
Research	106,753	42,934	75,491	521	20	-	17	225,736
Public Service	63,328	15,504	49,630	339	476	-	14	129,291
Academic Support	67,583	15,500	26,735	309	122	-	115	110,364
Student Services	58,143	17,860	28,354	62	22	-	55	104,496
Operations and Maintenance of Plant	36,825	11,705	34,584	50,851	-	-	300	134,265
General Institutions Support	152,993	39,462	101,877	1,366	7,088	-	259	303,045
Total Education and General	940,425	266,754	396,502	54,294	7,942	-	760	1,666,677
Student Financial Aid	554	1,072	68	-	122,992	-	-	124,686
Auxiliary Enterprises	82,772	18,145	133,299	17,672	-	-	13,247	265,135
Depreciation and Amortization	-	-	-	-	-	197,237	-	197,237
Administration of Leasing Activities	1,470	481	2,100	3,747	-	-	259	8,057
Other	-	-	404	-	-	-	35,249	35,653
Total	$ 1,025,221	$ 286,452	$ 532,373	$ 75,713	$ 130,934	$ 197,237	$ 49,515	$ 2,297,445

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION

Condensed combining information for the Fund's blended component units for the years ended June 30 is as follows:

Condensed Combining Statements of Net Position

	2026						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
ASSETS							
Inter-Entity Receivables	$ 34	$ 361	$ -	$ -	$ -	$ -	$ -
Other Current Assets	6,022	12,472	10,616	33,331	3,056	45,387	21,520
Capital Assets, Net	55,402	72,913	84,822	130,265	90,631	129,366	84,157
Other Noncurrent Assets	819	2,479	106	58	3,121	7,638	49,308
Total Assets	62,277	88,225	95,544	163,654	96,808	182,391	154,985
DEFERRED OUTFLOWS OF RESOURCES	519	816	649	775	645	1,295	6,007
Total Assets and Deferred Outflows of Resources	$ 62,796	$ 89,041	$ 96,193	$ 164,429	$ 97,453	$ 183,686	$ 160,992
LIABILITIES							
Inter-Entity Payables	$ 5	$ -	$ -	$ 3	$ -	$ -	$ -
Other Current Liabilities	7,644	9,658	6,679	12,230	10,903	18,498	14,037
Other Long-Term Liabilities	1,180	13,476	9,347	29,342	31,794	41,151	32,184
Total Liabilities	8,829	23,134	16,026	41,575	42,697	59,649	46,221
DEFERRED INFLOWS OF RESOURCES	263	416	425	433	545	737	507
Total Liabilities and Deferred Inflows of Resources	9,092	23,550	16,451	42,008	43,242	60,386	46,728
NET POSITION							
Net Investment in Capital Assets	54,300	59,120	74,007	94,899	54,930	83,131	50,414
Nonexpendable	578	2,424	-	-	-	-	-
Expendable	26	2,944	214	15,580	3,147	25,404	48,941
Unrestricted	(1,200)	1,003	5,521	11,942	(3,866)	14,765	14,909
Total Net Position	53,704	65,491	79,742	122,421	54,211	123,300	114,264
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 62,796	$ 89,041	$ 96,193	$ 164,429	$ 97,453	$ 183,686	$ 160,992

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Net Position (Continued)

	2026						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
ASSETS							
Inter-Entity Receivables	$ 503	$ -	$ 89	$ -	$ 1,056	$ (2,043)	$ -
Other Current Assets	516,259	113,135	136,017	150,632	157,901	(24,856)	1,181,492
Capital Assets, Net	1,915,423	544,391	82,269	59,939	248,752	-	3,498,330
Other Noncurrent Assets	183,856	86,394	4,705	38,182	7,661	(17,404)	366,923
Total Assets	2,616,041	743,920	223,080	248,753	415,370	(44,303)	5,046,745
DEFERRED OUTFLOWS OF RESOURCES	30,278	7,155	670	8,533	3,006	-	60,348
Total Assets and Deferred Outflows of Resources	$ 2,646,319	$ 751,075	$ 223,750	$ 257,286	$ 418,376	$ (44,303)	$ 5,107,093
LIABILITIES							
Inter-Entity Payables	$ -	$ -	$ -	$ -	$ 107	$ (115)	$ -
Other Current Liabilities	294,428	78,220	25,744	49,681	39,996	(27,046)	540,672
Other Long-Term Liabilities	907,269	183,907	2,036	201,437	18,957	(17,142)	1,454,938
Total Liabilities	1,201,697	262,127	27,780	251,118	59,060	(44,303)	1,995,610
DEFERRED INFLOWS OF RESOURCES	49,094	3,677	372	8,669	1,730	-	66,868
Total Liabilities and Deferred Inflows of Resources	1,250,791	265,804	28,152	259,787	60,790	(44,303)	2,062,478
NET POSITION							
Net Investment in Capital Assets	1,037,925	366,781	81,158	49,827	236,704	-	2,243,196
Nonexpendable	19,877	15,176	-	-	50	-	38,105
Expendable	69,071	86,322	15,036	113,172	35,072	-	414,929
Unrestricted	268,655	16,992	99,404	(165,500)	85,760	-	348,385
Total Net Position	1,395,528	485,271	195,598	(2,501)	357,586	-	3,044,615
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 2,646,319	$ 751,075	$ 223,750	$ 257,286	$ 418,376	$ (44,303)	$ 5,107,093

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Revenues, Expenses, and Changes in Net Position

	2026						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
OPERATING REVENUES							
Student Tuition and Fees, Net	$ 8,414	$ 6,705	$ 13,332	$ 12,801	$ 5,902	$ 12,345	$ 9,628
Federal, State, Local Contracts and Grants	8,073	13,268	9,443	12,252	26,438	16,047	21,651
Federal Pell Grants	3,655	5,258	-	5,428	3,143	7,043	3,763
Sales and Services of Educational Activity	-	1	-	31	25	-	-
Fees from higher education institutions	-	-	-	-	-	-	-
Auxiliary Enterprise Revenue	2,407	8,157	10,030	12,765	3,860	9,348	1,689
Operating Gifts	-	-	-	-	-	-	-
Other Operating Revenues	69	939	1,255	325	4,657	1,078	773
Total Operating Revenues	22,618	34,328	34,060	43,602	44,025	45,861	37,504
OPERATING EXPENSES							
Operations	29,201	46,016	39,122	46,746	32,914	72,133	51,991
Depreciation and Amortization	2,809	3,941	3,824	7,900	4,950	6,325	4,440
Total Operating Expenses	32,010	49,957	42,946	54,646	37,864	78,458	56,431
OPERATING INCOME (LOSS)	(9,392)	(15,629)	(8,886)	(11,044)	6,161	(32,597)	(18,927)
NONCAPITAL SUBSIDIES							
State Appropriations	7,095	11,495	10,416	13,704	7,592	20,635	18,027
Payments Made on Behalf Of the Fund	140	238	197	235	-	571	245
Gifts, Grants and Contributions	-	-	-	-	-	427	-
Contributions for Scholarships	-	898	23	1,743	-	1,065	-
Other Noncapital Subsidies	-	-	-	-	-	-	-
Total Noncapital Subsidies	7,235	12,631	10,636	15,682	7,592	22,698	18,272
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	(2,157)	(2,998)	1,750	4,638	13,753	(9,899)	(655)
OTHER NONOPERATING REVENUES (EXPENSES)							
Investment Income	174	991	285	1,113	246	1,612	1,699
Institutional Debt Service Payments from Institutions	-	-	-	-	-	-	-
Interest on Indebtedness	-	(597)	(342)	(1,248)	(1,593)	(1,277)	(1,233)
Capital Grants, Appropriations and Gifts	-	6,790	7,476	-	363	1,424	3,251
Capital Payments Made on Behalf of the Fund	-	-	-	-	-	-	-
Interest on student loans receivable	-	-	-	2	-	-	-
Federal Appropriations - Capital	3,335	-	-	-	-	-	-
State Appropriations - Capital	4,576	-	-	-	-	-	-
Financing Related Revenues	-	-	-	-	-	-	-
Fees assessed by the Commission	(11)	(14)	(17)	(15)	(98)	-	-
Other Nonoperating Revenues (Expenses)	-	(12)	162	72	-	(45)	(6)
Total Other Nonoperating Revenues (Expenses)	8,074	7,158	7,564	(76)	(1,082)	1,714	3,711
INCOME BEFORE UNUSUAL OR INFREQUENT	5,917	4,160	9,314	4,562	12,671	(8,185)	3,056
UNUSUAL OR INFREQUENT - SETTLEMENT REVENUE	-	-	-	-	-	-	6,681
INCREASE (DECREASE) IN FUND NET POSITION	5,917	4,160	9,314	4,562	12,671	(8,185)	9,737
Fund Net Position - Beginning of Year	47,787	61,331	70,428	117,859	41,540	131,485	104,527
FUND NET POSITION - END OF YEAR	$ 53,704	$ 65,491	$ 79,742	$ 122,421	$ 54,211	$ 123,300	$ 114,264

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Revenues, Expenses, and Changes in Net Position (Continued)

	2026						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
OPERATING REVENUES							
Student Tuition and Fees, Net	$ 414,148	$ 73,525	$ 40,198	$ -	$ 30,294	$ -	$ 627,292
Federal, State, Local Contracts and Grants	348,257	134,590	1,862	184,773	36,679	(166,088)	647,245
Federal Pell Grants	31,083	23,016	-	-	34,894	-	117,283
Sales and Services of Educational Activity	15,079	331	-	7,699	1,578	(7,699)	17,045
Fees from higher education institutions	250	-	-	-	-	(250)	-
Auxiliary Enterprise Revenue	154,494	32,297	640	6,690	1,777	-	244,154
Operating Gifts	8,002	-	-	-	-	-	8,002
Other Operating Revenues	15,730	9,231	1,031	176	2,359	-	37,623
Total Operating Revenues	987,043	272,990	43,731	199,338	107,581	(174,037)	1,698,644
OPERATING EXPENSES							
Operations	1,173,531	331,305	57,264	201,656	173,592	(173,808)	2,081,663
Depreciation and Amortization	130,050	27,413	4,830	4,550	14,453	-	215,485
Total Operating Expenses	1,303,581	358,718	62,094	206,206	188,045	(173,808)	2,297,148
OPERATING INCOME (LOSS)	(316,538)	(85,728)	(18,363)	(6,868)	(80,464)	(229)	(598,504)
NONCAPITAL SUBSIDIES							
State Appropriations	234,238	77,336	10,347	8,321	88,142	-	507,348
Payments Made on Behalf Of the Fund	5,917	1,461	204	-	892	-	10,100
Gifts, Grants and Contributions	114,407	3,578	-	-	-	-	118,412
Contributions for Scholarships	-	-	-	-	-	-	3,729
Other Noncapital Subsidies	-	-	-	147	360	-	507
Total Noncapital Subsidies	354,562	82,375	10,551	8,468	89,394	-	640,096
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	38,024	(3,353)	(7,812)	1,600	8,930	(229)	41,592
OTHER NONOPERATING REVENUES (EXPENSES)							
Investment Income	32,508	10,924	4,474	2,597	4,005	-	60,628
Institutional Debt Service Payments from Institutions	-	-	-	6,542	-	(6,542)	-
Interest on Indebtedness	(30,461)	(7,307)	(58)	(11,207)	-	-	(55,323)
Capital Grants, Appropriations and Gifts	59,491	11,633	5,232	93,091	4,952	(53,112)	140,591
Capital Payments Made on Behalf of the Fund	-	-	-	(53,657)	-	53,112	(545)
Interest on student loans receivable	318	-	98	-	-	-	418
Federal Appropriations - Capital	-	-	-	-	-	-	3,335
State Appropriations - Capital	-	-	-	-	-	-	4,576
Financing Related Revenues	-	-	-	19,998	-	-	19,998
Fees assessed by the Commission	(6,270)	(157)	-	-	(45)	6,629	2
Other Nonoperating Revenues (Expenses)	3,164	85	-	(1,940)	(7,130)	142	(5,508)
Total Other Nonoperating Revenues (Expenses)	58,750	15,178	9,746	55,424	1,782	229	168,172
INCOME BEFORE UNUSUAL OR INFREQUENT	96,774	11,825	1,934	57,024	10,712	-	209,764
UNUSUAL OR INFREQUENT - SETTLEMENT REVENUE	-	-	-	-	-	-	6,681
INCREASE (DECREASE) IN FUND NET POSITION	96,774	11,825	1,934	57,024	10,712	-	216,445
Fund Net Position - Beginning of Year	1,298,754	473,446	193,664	(59,525)	346,874	-	2,828,170
FUND NET POSITION - END OF YEAR	$ 1,395,528	$ 485,271	$ 195,598	$ (2,501)	$ 357,586	$ -	$ 3,044,615

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Cash Flows

	2026						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
NET CASH PROVIDED (USED) BY							
Operating Activities	$ (10,655)	$ (16,456)	$ (9,426)	$ (13,732)	$ 9,261	$ (34,332)	$ (18,616)
Noncapital Financing Activities	11,078	16,280	13,994	24,944	10,735	30,669	28,466
Capital Financing Activities	(1,861)	(2,527)	(5,866)	(25,765)	(20,231)	(12,410)	(9,160)
Investing Activities	81	991	285	1,113	121	1,564	1,699
INCREASE (DECREASE) IN CURRENT CASH AND CASH EQUIVALENTS	(1,357)	(1,712)	(1,013)	(13,440)	(114)	(14,509)	2,389
Cash - Beginning of Year	3,466	7,473	9,287	42,252	1,593	56,190	61,137
CASH - END OF YEAR	$ 2,109	$ 5,761	$ 8,274	$ 28,812	$ 1,479	$ 41,681	$ 63,526

	2026						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
NET CASH PROVIDED (USED) BY							
Operating Activities	$ (189,370)	$ (71,398)	$ (11,320)	$ (98,306)	$ (110,437)	$ 86,710	$ (488,077)
Noncapital Financing Activities	381,654	111,425	11,437	86,990	122,436	(87,161)	762,947
Capital Financing Activities	(115,615)	(30,745)	(1,017)	15,978	(24,063)	452	(232,830)
Investing Activities	13,812	10,285	2,679	2,212	4,064	(7,024)	31,882
INCREASE (DECREASE) IN CURRENT CASH AND CASH EQUIVALENTS	90,481	19,567	1,779	6,874	(8,000)	(7,023)	73,922
Cash - Beginning of Year	216,458	29,838	36,184	66,595	137,276	(95,720)	572,029
CASH - END OF YEAR	$ 306,939	$ 49,405	$ 37,963	$ 73,469	$ 129,276	$ (102,743)	$ 645,951

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements Net Position

	2025						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
ASSETS							
Inter-Entity Receivables	$ 58	$ 2,206	$ -	$ 109	$ -	$ -	$ -
Other Current Assets	4,824	14,607	11,815	46,835	4,364	59,733	16,250
Capital Assets, Net	48,851	68,707	81,818	114,213	77,364	125,787	78,354
Other Noncurrent Assets	758	2,566	210	142	3,197	9,257	50,572
Total Assets	54,491	88,086	93,843	161,299	84,925	194,777	145,176
DEFERRED OUTFLOWS OF RESOURCES	297	459	356	410	362	730	6,067
Total Assets and Deferred Outflows of Resources	$ 54,788	$ 88,545	$ 94,199	$ 161,709	$ 85,287	$ 195,507	$ 151,243
LIABILITIES							
Inter-Entity Payables	$ 1	$ -	$ -	$ 2	$ -	$ -	$ -
Other Current Liabilities	6,152	12,908	10,031	12,240	9,702	19,099	12,570
Other Long-Term Liabilities	665	14,031	13,369	31,207	33,148	44,266	33,813
Total Liabilities	6,818	26,939	23,400	43,449	42,850	63,365	46,383
DEFERRED INFLOWS OF RESOURCES	183	275	371	401	897	657	333
Total Liabilities and Deferred Inflows of Resources	7,001	27,214	23,771	43,850	43,747	64,022	46,716
NET POSITION							
Net Investment in Capital Assets	48,038	53,960	64,610	79,920	44,149	77,681	43,224
Nonexpendable	578	2,425	-	-	-	-	-
Expendable	117	2,873	96	28,371	3,056	23,347	50,530
Unrestricted	(946)	2,073	5,722	9,568	(5,665)	30,457	10,773
Total Net Position	47,787	61,331	70,428	117,859	41,540	131,485	104,527
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 54,788	$ 88,545	$ 94,199	$ 161,709	$ 85,287	$ 195,507	$ 151,243

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements Net Position (Continued)

	2025						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
ASSETS							
Inter-Entity Receivables	$ 423	$ -	$ 92	$ -	$ 826	$ (3,714)	$ -
Other Current Assets	471,997	106,953	133,764	109,636	166,737	(25,267)	1,122,248
Capital Assets, Net	1,923,515	538,972	77,804	62,750	238,379	-	3,436,514
Other Noncurrent Assets	169,110	86,113	5,525	39,860	3,481	(25,568)	345,223
Total Assets	2,565,045	732,038	217,185	212,246	409,423	(54,549)	4,903,985
DEFERRED OUTFLOWS OF RESOURCES	21,773	4,911	128	9,502	1,854	-	46,849
Total Assets and Deferred Outflows of Resources	$ 2,586,818	$ 736,949	$ 217,313	$ 221,748	$ 411,277	$ (54,549)	$ 4,950,834
LIABILITIES							
Inter-Entity Payables	$ -	$ -	$ -	$ -	$ 132	$ (135)	$ -
Other Current Liabilities	311,435	72,496	21,461	51,047	45,870	(28,945)	556,066
Other Long-Term Liabilities	928,633	188,075	2,028	224,375	17,086	(25,469)	1,505,227
Total Liabilities	1,240,068	260,571	23,489	275,422	63,088	(54,549)	2,061,293
DEFERRED INFLOWS OF RESOURCES	47,996	2,932	160	5,851	1,315	-	61,371
Total Liabilities and Deferred Inflows of Resources	1,288,064	263,503	23,649	281,273	64,403	(54,549)	2,122,664
NET POSITION							
Net Investment in Capital Assets	1,017,759	354,761	76,261	52,768	228,501	-	2,141,632
Nonexpendable	18,097	15,176			50	-	36,326
Expendable	58,165	63,899	12,367	71,773	34,109	-	348,703
Unrestricted	204,733	39,610	105,036	(184,066)	84,214	-	301,509
Total Net Position	1,298,754	473,446	193,664	(59,525)	346,874	-	2,828,170
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 2,586,818	$ 736,949	$ 217,313	$ 221,748	$ 411,277	$ (54,549)	$ 4,950,834

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Revenues, Expenses, and Changes in Net Position

	2025						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
OPERATING REVENUES							
Student Tuition and Fees, Net	$ 6,645	$ 7,046	$ 10,861	$ 11,360	$ 5,293	$ 11,470	$ 10,883
Federal, State, Local Contracts and Grants	8,017	17,070	11,225	21,058	15,835	17,822	28,754
Federal Pell Grants	3,571	5,194	4,038	5,576	3,787	7,329	4,468
Sales and Services of Educational Activity	-	2	-	34	24	-	-
Auxiliary Enterprise Revenue	2,245	6,213	9,104	12,362	4,203	6,683	4,591
Other Operating Revenues	91	845	900	547	4,094	1,132	746
Total Operating Revenues	20,569	36,370	36,128	50,937	33,236	44,436	49,442
OPERATING EXPENSES							
Operations	28,772	45,245	42,642	46,752	32,739	65,077	56,918
Depreciation and Amortization	2,610	3,721	4,008	7,223	2,977	6,148	3,763
Total Operating Expenses	31,382	48,966	46,650	53,975	35,716	71,225	60,681
OPERATING LOSS	(10,813)	(12,596)	(10,522)	(3,038)	(2,480)	(26,789)	(11,239)
NONCAPITAL SUBSIDIES							
State Appropriations	7,082	11,947	10,381	14,139	7,491	20,671	17,230
Payments Made on Behalf Of the Fund	82	123	85	103	-	392	86
Gifts, Grants and Contributions	2,640	724	26	1,473	-	1,182	-
Transfers - In	-	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-
Total Noncapital Subsidies	9,804	12,794	10,492	15,715	7,491	22,245	17,316
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	(1,009)	198	(30)	12,677	5,011	(4,544)	6,077
OTHER NONOPERATING REVENUES (EXPENSES)							
Investment Income	240	987	395	937	365	1,999	1,612
Capital Grants, Appropriations and Gifts	-	8,909	-	30,000	-	116	51,547
Capital Payments Made on Behalf of the Fund	-	-	-	-	311	-	-
Other Nonoperating Revenues (Expenses)	2,672	(625)	23	(1,125)	(1,724)	(1,381)	(1,262)
Total Other Nonoperating Revenues (Expenses)	2,912	9,271	418	29,812	(1,048)	734	51,897
INCREASE (DECREASE) IN FUND NET POSITION	1,903	9,469	388	42,489	3,963	(3,810)	57,974
Fund Net Position - Beginning of Year	45,884	51,862	70,040	75,370	37,577	135,295	46,553
Adjustment for Change in Accounting Principle	-	-	-	-	-	-	-
Fund Net Position - Beginning of Year as Restated	45,884	51,862	70,040	75,370	37,577	135,295	46,553
FUND NET POSITION - END OF YEAR	$ 47,787	$ 61,331	$ 70,428	$ 117,859	$ 41,540	$ 131,485	$ 104,527

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Revenues, Expenses, and Changes in Net Position (Continued)

	2025						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
OPERATING REVENUES							
Student Tuition and Fees, Net	$ 391,996	$ 65,616	$ 39,452	$ -	$ 29,473	$ -	$ 590,095
Federal, State, Local Contracts and Grants	352,837	122,881	1,960	177,685	49,078	(175,361)	648,861
Federal Pell Grants	33,461	22,872	-	-	36,691	-	126,987
Sales and Services of Educational Activity	14,009	310	-	4,042	1,477	-	19,898
Auxiliary Enterprise Revenue	137,873	30,242	628	6,533	1,195	-	221,872
Other Operating Revenues	24,175	12,430	694	3,590	2,640	(3,648)	48,236
Total Operating Revenues	954,351	254,351	42,734	191,850	120,554	(179,009)	1,655,949
OPERATING EXPENSES							
Operations	1,151,246	336,632	54,467	222,077	179,311	(161,671)	2,100,207
Depreciation and Amortization	116,988	25,692	4,879	4,853	14,375		197,237
Total Operating Expenses	1,268,234	362,324	59,346	226,930	193,686	(161,671)	2,297,444
OPERATING INCOME (LOSS)	(313,883)	(107,973)	(16,612)	(35,080)	(73,132)	(17,338)	(641,495)
NONCAPITAL SUBSIDIES							
State Appropriations	201,075	76,037	10,232	8,255	87,739	-	472,279
Payments Made on Behalf Of the Fund	2,857	462	35	119	144	-	4,488
Gifts, Grants and Contributions	87,832	3,922	-	-	197	-	97,996
Transfers - In	-	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-
Total Noncapital Subsidies	291,764	80,421	10,267	8,374	88,080	-	574,763
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	(22,119)	(27,552)	(6,345)	(26,706)	14,948	(17,338)	(66,732)
OTHER NONOPERATING REVENUES (EXPENSES)							
Investment Income	25,727	6,508	7,628	3,157	4,443	-	53,998
Capital Grants, Appropriations and Gifts	89,140	11,330	430	-	7,870	-	199,342
Capital Payments Made on Behalf of the Fund	-	-	-	(23,112)	327	17,110	(5,364)
Other Nonoperating Revenues (Expenses)	(28,347)	(7,947)	60	19,204	(8,443)	228	(28,667)
Total Other Nonoperating Revenues (Expenses)	86,520	9,891	8,118	(751)	4,197	17,338	219,309
INCREASE (DECREASE) IN FUND NET POSITION	64,401	(17,661)	1,773	(27,457)	19,145	-	152,577
Fund Net Position - Beginning of Year	1,234,353	491,107	191,891	(31,266)	327,729	-	2,676,395
Adjustment for Change in Accounting Principle	-	-	-	(802)	-	-	(802)
Fund Net Position - Beginning of Year as Restated	1,234,353	491,107	191,891	(32,068)	327,729	-	2,675,593
FUND NET POSITION - END OF YEAR	$ 1,298,754	$ 473,446	$ 193,664	$ (59,525)	$ 346,874	$ -	$ 2,828,170

NOTE 24 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Combining Statements of Cash Flows

	2025						
	Bluefield State University	Concord University	West Liberty University	Shepherd University	Glenville State University	Fairmont State University	West Virginia State University
NET CASH PROVIDED (USED) BY							
Operating Activities	$ (15,365)	$ (15,730)	$ (10,186)	$ (4,893)	$ (3,371)	$ (25,955)	$ (12,848)
Noncapital Financing Activities	15,854	17,093	14,419	51,188	11,278	30,682	21,816
Capital Financing Activities	(3,827)	(4,435)	(6,724)	(17,387)	(10,502)	(8,589)	38,579
Investing Activities	175	987	396	937	1,410	1,942	1,612
INCREASE (DECREASE) IN CURRENT CASH AND CASH EQUIVALENTS	(3,163)	(2,085)	(2,095)	29,845	(1,185)	(1,920)	49,159
Cash - Beginning of Year	6,629	9,558	11,382	12,407	2,778	58,110	11,978
CASH - END OF YEAR	$ 3,466	$ 7,473	$ 9,287	$ 42,252	$ 1,593	$ 56,190	$ 61,137

	2025						
	West Virginia University	Marshall University	West Virginia School of Osteopathic Medicine	Policy Commission	Council	Eliminating/ Reclassification Entries	Total
NET CASH PROVIDED (USED) BY							
Operating Activities	$ (220,956)	$ (110,711)	$ (10,264)	$ (47,374)	$ (100,354)	$ (11,737)	$ (589,744)
Noncapital Financing Activities	308,361	113,251	11,636	24,239	117,218	(10,764)	726,271
Capital Financing Activities	(115,762)	(33,699)	(3,804)	(28,898)	(20,439)	22,733	(192,754)
Investing Activities	16,243	7,965	1,225	2,964	4,454	(34,380)	5,930
INCREASE (DECREASE) IN CURRENT CASH AND CASH EQUIVALENTS	(12,114)	(23,194)	(1,207)	(49,069)	879	(34,148)	(50,297)
Cash - Beginning of Year	228,572	53,032	37,391	115,664	136,397	(61,572)	622,326
CASH - END OF YEAR	$ 216,458	$ 29,838	$ 36,184	$ 66,595	$ 137,276	$ (95,720)	$ 572,029

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULES OF PROPORTIONATE SHARE OF TRS NET POSITION LIABILITY AND EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2026 AND 2025
(UNAUDITED)

Schedule of Proportionate Share of TRS Net Pension Liability (NPL)

Measurement Date	Fund's Proportionate Share as a Percentage of Net Pension Liability	Fund's Proportionate Share	State's Proportionate Share	Total Proportionate Share	Fund's Covered Employee Payroll	Fund's Proportionate Share as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2025	0.1337860 %	$ 1,739	$ 2,902	$ 4,641	$ 3,737	47 %	89.27 %
June 30, 2024	0.1635640	3,086	5,139	8,225	3,558	87	84.24
June 30, 2023	0.1826980	4,186	8,615	12,801	3,969	105	80.42
June 30, 2022	0.2187260	5,626	11,231	16,857	5,075	111	77.78
June 30, 2021	0.2917080	4,452	8,775	13,227	6,786	70	86.38
June 30, 2020	0.3607500	11,620	24,822	36,442	9,229	126	70.89
June 30, 2019	0.3814850	11,350	27,285	38,635	8,527	133	72.64
June 30, 2018	0.0442048	13,808	35,596	49,404	9,707	142	71.20
June 30, 2017	0.0579326	20,016	44,262	64,278	12,290	163	67.85
June 30, 2016	0.6837370	53,520	81,620	135,140	13,893	202	61.42

TRS Schedule of Employer Contributions

Measurement Date	Actuarially Determined Contributions	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2025	$ 500	$ 578	$ (78)	$ 3,737	15.48 %
June 30, 2024	653	670	(17)	3,768	17.78
June 30, 2023	739	615	124	3,969	15.50
June 30, 2022	897	761	136	5,075	15.00
June 30, 2021	1,121	942	179	6,602	14.27
June 30, 2020	1,541	1,181	360	9,229	12.80
June 30, 2019	1,790	1,485	305	8,527	17.42
June 30, 2018	2,021	1,806	215	9,707	18.61
June 30, 2017	2,513	2,092	421	12,290	17.02
June 30, 2016	2,625	2,542	83	13,893	18.30

Notes to Required Supplementary Information
For the Year Ended June 30, 2026

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

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULES OF PROPORTIONATE SHARE OF NET OTHER POSTEMPLOYMENT BENEFIT LIABILITY (ASSET) AND EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2026 AND 2025
(UNAUDITED)

Schedule of Proportionate Share of Net Other Postemployment Liability (Asset)

Measurement Date	Fund's Proportionate Share as a Percentage of OPEB Liability (Asset)	Fund's Proportionate Share	State's Proportionate Share	Total Proportionate Share	Fund's Covered Employee Payroll	Fund's Proportionate Share as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability
June 30, 2025	9.3197730%	$ 8,785	$ 6,807	$ 15,592	$ 241,606	4 %	95.76 %
June 30, 2024	5.8214480	(2,442)	(7,567)	(10,009)	281,698	(1)	93.59
June 30, 2023	11.0111340	(17,413)	(7,347)	(24,760)	287,124	(0)	109.66
June 30, 2022	11.5579860	12,862	4,413	17,275	278,095	5	93.59
June 30, 2021	12.3343980	(3,711)	(591)	(4,302)	296,072	(1)	25.10
June 30, 2020	12.2837300	54,245	12,484	66,730	298,983	18	73.49
June 30, 2019	12.2492179	204,248	41,591	245,839	310,502	31	36.69
June 30, 2018	12.2307243	262,154	54,235	316,389	312,470	83	30.98
June 30, 2017	11.5442668	283,628	58,634	342,262	310,818	91	25.10

Schedule of Employer Contributions

Measurement Date	Actuarially Determined Contributions	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2025	$ 5,204	$ 3,745	$ 1,459	$ 271,378	1 %
June 30, 2024	6,148	8,504	(2,356)	249,530	3
June 30, 2023	9,204	2,861	6,343	293,243	1
June 30, 2022	13,051	11,015	2,036	290,534	4
June 30, 2021	20,622	12,994	7,628	302,759	4
June 30, 2020	23,517	22,288	1,229	298,983	8
June 30, 2019	24,901	23,321	(1,580)	310,502	4
June 30, 2018	24,641	24,437	(204)	312,470	8
June 30, 2017	24,070	24,070	-	310,818	8

These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information
For the Year Ended June 30, 2026

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

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULE OF COMBINING NET POSITION INFORMATION
JUNE 30, 2026
(DOLLARS IN THOUSANDS)

	Higher Education Fund	Aggregate Discretely Presented Component Units	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 645,951	$ 57,358	$ 703,309
Cash and Cash Equivalents- Restricted	-	423	423
Short-Term Investments	141,849	55,775	197,624
Appropriations Due from Primary Government	185,195	-	185,195
Accounts Receivable, Net	182,282	17,150	199,432
Loans Receivable - Current Portion	3,809	657	4,466
Other Current Assets	17,885	6,597	24,482
Inventories	4,521	2	4,523
Total Current Assets	1,181,492	137,962	1,319,454
NONCURRENT ASSETS			
Cash and Cash Equivalents	123,627	10,022	133,649
Investments	190,427	680,888	871,315
Accounts Receivable, Net	-	62,157	62,157
Loans Receivable - Net of Allowance	15,421	-	15,421
Other Assets	37,447	42,518	79,965
Capital Assets, Net	3,498,330	100,168	3,598,498
Total Noncurrent Assets	3,865,252	895,753	4,761,005
Total Assets	5,046,744	1,033,715	6,080,459
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Refunding	26,966	-	26,966
Related to Pensions	846	-	846
Related to OPEB	32,537	-	32,537
Total Deferred Outflows of Resources	60,349	-	60,349
Total Assets and Deferred Outflows of Resources	$ 5,107,093	$ 1,033,715	$ 6,140,808

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULE OF COMBINING NET POSITION INFORMATION (CONTINUED)
JUNE 30, 2026
(DOLLARS IN THOUSANDS)

	Higher Education Fund	Aggregate Discretely Presented Component Units	Total
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	$ 95,359	$ 2,625	$ 97,984
Due to State of West Virginia	-	-	-
Accrued Liabilities	105,911	4,065	109,976
Unearned Revenue	156,959	854	157,813
Deposits/Custodial/Annuity Liabilities	4,189	138,600	142,789
Real Estate Purchase Agreements Payable - Current Portion	822	-	822
Retainages Payable	665		
Other Liabilities - Current Portion	508	14	522
Compensated Absences - Current Portion	66,350	-	66,350
Loans Payable, Current Portion	106	-	106
Notes Payable - Current Portion	6,746	5,543	12,289
Lease Liabilities - Current Portion	7,271	29	7,300
SBITA Liabilities - Current Portion	18,314	-	18,314
Financed Purchases Payable - Current Portion	1,975	-	1,975
Interest Payable	9,225	-	9,225
Bonds Payable - Current Portion	66,271	2,185	68,456
Total Current Liabilities	540,671	153,915	693,921
NONCURRENT LIABILITIES			
Advances from Federal Sponsors	7,000	-	7,000
Real Estate Purchase Agreement Payable	8,431	-	8,431
Compensated Absences	5,651	-	5,651
Notes Payable	99,071	45,322	144,393
Loans Payable	223	-	223
Lease Liabilities	97,071	-	97,071
SBITA Liabilities	15,682	-	15,682
Financed Purchases Payable	59,331	-	59,331
Future Interest Payable	17,124	-	17,124
Bonds Payable	1,071,282	75,677	1,146,959
Net Other Post Employment Benefit Liability	8,785	-	8,785
Net Pension Liability	1,738	-	1,738
Other Noncurrent Liabilities	63,549	6,203	69,752
Total Noncurrent Liabilities	1,454,938	127,202	1,582,140
Total Liabilities	1,995,609	281,117	2,276,061

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULE OF COMBINING NET POSITION INFORMATION (CONTINUED)
JUNE 30, 2026
(DOLLARS IN THOUSANDS)

	Higher Education Fund	Aggregate Discretely Presented Component Units	Total
DEFERRED INFLOWS OF RESOURCES			
Related to Public-Private Partnerships	$ 34,399	$ -	$ 34,399
Related to Pensions	1,974	-	1,974
Related to OPEB	16,645	-	16,645
Related to Leases	13,070	-	13,070
Other	781	-	781
Total Deferred Inflows of Resources	66,869	-	66,869
Total Liabilities and Deferred Inflows of Resources	2,062,478	281,117	2,343,595
NET POSITION			
Net Investment in Capital Assets	2,243,197	(16,608)	2,226,589
Restricted for:			
Expendable:			
Scholarships	16,809	98,344	115,153
Sponsored Projects	99,456	1,186	100,642
Loans	19,130	-	19,130
Capital Projects	72,351	3,097	75,448
Debt Service	70,608	-	70,608
OPEB	-	-	-
Other	136,576	234,557	371,133
Total Restricted Expendable	414,930	337,184	752,114
Nonexpendable	38,105	409,023	447,128
Unrestricted	348,383	22,999	371,382
Total Net Position	3,044,615	752,598	3,797,213
Total Liabilities, Deferred Inflows, of Resources, and Net Position	$ 5,107,093	$ 1,033,715	$ 6,140,808

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULE OF COMBINING REVENUES, EXPENSES, AND CHANGES IN NET POSITION INFORMATION
JUNE 30, 2026
(DOLLARS IN THOUSANDS)

	Higher Education Fund	Aggregate Discretely Presented Component Units	Total
OPERATING REVENUES			
Student Tuition and Fees, Net of Scholarship Allowance of $290,597	$ 627,293	$ -	$ 627,293
Gift and Contributions	-	59,486	59,486
Federal and Local land Grants	10,895	-	10,895
Contracts and Grants:			
Pell Grants	117,284	-	117,284
Federal	235,984	-	235,984
State	228,439	-	228,439
Local	1,295	-	1,295
Private	170,633	-	170,633
Sales and Services of Educational Activities	17,045	-	17,045
Auxiliary Enterprise Revenue Net of Scholarship Allowance of $48,226	244,154	290	244,444
Operating Gifts	8,002	-	8,002
Other Operating Revenues	37,622	56,377	93,999
Total Operating Revenues	1,698,646	116,153	1,814,799
OPERATING EXPENSES			
Salaries and Wages	1,037,267	12,018	1,049,285
Benefits	309,268	328	309,596
Supplies and Other Services	529,323	17,863	547,186
Utilities	78,865	352	79,217
Student Financial Aid - Scholarships and Fellowships	100,145	19,884	120,029
Depreciation and Amortization	215,485	5,245	220,730
Other Operating Expenses	26,795	19,191	45,986
Total Operating Expenses	2,297,148	74,881	2,372,029
OPERATING (LOSS) INCOME	(598,502)	41,272	(557,230)

WEST VIRGINIA HIGHER EDUCATION FUND
(A COMPONENT UNIT OF THE STATE OF WEST VIRGINIA)
SCHEDULE OF COMBINING REVENUES, EXPENSES, AND CHANGES IN NET POSITION INFORMATION (CONTINUED)
JUNE 30, 2026
(DOLLARS IN THOUSANDS)

	Higher Education Fund	Aggregate Discretely Presented Component Units	Total
NONCAPITAL SUBSIDIES			
State Appropriations	$ 507,348	$ -	$ 507,348
Payments Made on Behalf of the Fund	10,100	-	10,100
Contributions for Scholarships	3,729	-	3,729
Gifts	118,412	-	118,412
Transfers - Out	507	-	507
Total Noncapital Subsidies	640,096	-	640,096
OPERATING INCOME AND NONCAPITAL SUBSIDIES	41,594	41,272	82,866
OTHER NONOPERATING REVENUES (EXPENSES)			
Investment Income, Including Unrealized Gain of $11,608 in 2026 and $13,142 in 2025, Respectively	60,630	36,703	97,333
Interest on Indebtedness	(55,323)	421	(54,902)
Financing Related Revenues	19,998	-	19,998
Capital Grants, Appropriations, and Gifts	140,592	12,175	152,767
Federal Appropriations - Capital	3,335	-	3,335
State Appropriations - Capital	4,575	-	4,575
Interest on Student Loans Receivable	418	-	418
Capital Payments made on Behalf of the Fund	(545)	-	(545)
Other Nonoperating Expense, Net	(5,510)	(7,863)	(13,373)
Total Other Nonoperating Revenues (Expenses)	168,170	41,436	209,606
INCOME BEFORE UNUSUAL OR INFREQUENT	209,764	82,708	292,472
UNUSUAL OR INFREQUENT - SETTLEMENT REVENUE	6,681	-	6,681
INCREASE IN FUND NET POSITION	216,445	82,708	299,153
Fund Net Position - Beginning of Year	2,828,170	669,890	3,498,060
FUND NET POSITION - END OF YEAR	$ 3,044,615	$ 752,598	$ 3,790,532

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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*

West Virginia Higher Education Policy Commission
West Virginia Higher Education Fund
Charleston, 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 aggregate discretely presented component units of the West Virginia Higher Education Fund (the Fund), (a component unit of the State of West Virginia), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated October 29, 2026. Our report includes a reference to other auditors who audited the financial statements of Fairmont State University, West Virginia Council for Community and Technical College Education, the West Virginia School of Osteopathic Medicine, and all discretely presented component units, as described in our report on the Fund's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Fund's discretely presented component units, except for the Shepherd University Foundation, Inc. and Supporting Organization, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component units of the Fund.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund'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 Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2026-001 and 2026-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

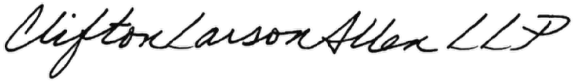
As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

West Virginia Higher Education Fund's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Fund's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Fund's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

King of Prussia, Pennsylvania
October 29, 2026

2026 – 001 Misstatements of the University's Financial Statements – Glenville State University

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: Management is unable to provide a complete trial balance from the Oasis system and has to post manual entries to capture certain financial activity not recorded in the general ledger.

Criteria or Specific Requirement: Management's responsibilities include exercising oversight responsibility for significant financial reporting processes, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record and process journal entries into the general ledger; record recurring and nonrecurring adjustments to the financial statements and safeguarding University assets. Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Effect: By not recording all transactions in one general ledger system, there is an increased likelihood that transactions could be incorrectly omitted from the general ledger.

Cause: Management should ensure all financial activity is under the control of the general ledger.

Recommendation: We recommend the University evaluate its process for capturing all financial activity in the general ledger.

Repeat Finding: This is a repeat finding (2025-001).

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will evaluate their process for capturing all financial activity in the general ledger.

2026 – 002 Improper Coding of Expenditures – Glenville State University

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: Management improperly coded construction-related expenditures to expense accounts rather than capital asset accounts.

Criteria or Specific Requirement: Management has the responsibility for review of proper coding and accounting treatment of capital asset expenditures. Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Effect: By not recording capital asset transactions correctly, and detecting and correcting them timely, the change in net position for the year ended June 30, 2026 was understated by approximately $3,183,000.

Cause: On a periodic basis, management should review expense accounts to ensure that all capital expenditures get properly coded to capital asset accounts.

Recommendation: We recommend that the University evaluate its process for reviewing capital expenditures on construction projects to ensure proper classification.

Repeat Finding: This is a repeat finding (2025-002).

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will evaluate their process for accounting for construction-related costs in accordance with U.S. GAAP.



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