West Liberty University Foundation, Inc.



WEST LIBERTY UNIVERSITY
FOUNDATION

Audited Financial Statements
Year Ended June 30, 2026



KOZICKI HUGHES TICKERHOOF PLLC
CERTIFIED PUBLIC ACCOUNTANTS

West Liberty University Foundation, Inc.
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Independent Auditor's Report

To the Board of Trustees of West Liberty University Foundation, Inc.:

Opinion

We have audited the financial statements of West Liberty University Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2026, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of West Liberty University Foundation, Inc. as of June 30, 2026 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Liberty University Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of West Liberty University Foundation, Inc. for the year ended June 30, 2025 were audited by another auditor who expressed an unmodified opinion on those statements on September 9, 2025.

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 West Liberty University Foundation, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's 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 auditor's report that includes our opinion. 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 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, 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 West Liberty University Foundation, Inc.'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 West Liberty University Foundation, Inc.'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 audit.



Wheeling, West Virginia,
September 16, 2026.

West Liberty University Foundation, Inc.
Statement of Financial Position
June 30, 2026

Assets

	2026
Cash in checking and on hand	$ 195,206
Unconditional promises to give, net of allowance of $0	271,875
Endowment funds:	
Managed investments, including charitable gift annuities	33,241,628
Beneficial interest in perpetual trust	3,030,597
Cash surrender value of life insurance	76,273
Prepaid expenses	15,918
Total assets	$ 36,831,497

Liabilities and Net Assets

Liabilities:	
Accrued liabilties	$ 16,500
Liability for charitable gift annuties	4,974
Total liabilities	21,474
Net Assets:	
Without donor restrictions	1,406,600
With donor restrictions	35,403,423
Total net assets	36,810,023
Total liabilities and net assets	$ 36,831,497

The accompanying notes are an integral part of these financial statements.

West Libert University Foundation, Inc.
Statement of Activities
For the Year Ended June 30, 2026

	Without Donor Restrictions					
	PROGRAM ACTIVITIES	SUPPORTING ACTIVITIES	FUNDRAISING ACTIVITIES	Total	With Donor Restrictions	Total
Support and Revenue						
Contributions	$ 161,833	$ -	$ -	$ 161,833	$ 2,124,247	$ 2,286,080
Contributions - In Kind	10,367	-	-	10,367	-	10,367
Fundraising events revenue	-	-	-	-	25,435	25,435
Other fundraising programs	-	-	29,030	29,030	138,892	167,922
Rent reimbursement	-	14,610	-	14,610	-	14,610
Donors share costs	-	-	-	-	4,393	4,393
Net assets released from restriction	-	2,690,626	-	2,690,626	(2,690,626)	-
Total support and revenue	$ 172,200	$ 2,705,236	$ 29,030	$ 2,906,466	$ (397,659)	$ 2,508,807
Expenses						
Salaries, taxes, and benefits	-	296,924	-	296,924	-	296,924
Scholarships	727,915	-	-	727,915	-	727,915
Athletic programs	358,982	-	-	358,982	-	358,982
Academic programs	232,276	-	-	232,276	-	232,276
Capital improvements	1,262,832	-	-	1,262,832	-	1,262,832
Other program expenditures	88,959	-	-	88,959	-	88,959
Fundraising event expenses	-	-	35,299	35,299	-	35,299
Professional fees	-	18,639	-	18,639	-	18,639
Donor cultivation expenses	-	-	12,358	12,358	-	12,358
Occupancy	-	37,416	-	37,416	-	37,416
Office expenses	-	19,277	-	19,277	-	19,277
Travel expenses	-		6,118	6,118	-	6,118
Insurance	-	7,019	-	7,019	-	7,019
Hospitality	-	-	1,518	1,518	-	1,518
Service charges	-	-	10,132	10,132	-	10,132
Other administrative expenses	-	3,430	-	3,430	-	3,430
Total expenses	2,670,964	382,705	65,425	3,119,094	-	3,119,094
Increase (decrease) in net assets before Investment and other earnings	(2,498,764)	2,322,531	(36,395)	(212,628)	(397,659)	(610,287)
Investment income, net	-	341,814	-	341,814	4,052,016	4,393,830
Change in value of split-interest agreements	-	-	-	-	469,371	469,371
Change in value of CGA asset	-	-	-	-	(16,431)	(16,431)
Change in value of CGA liability	-	-	-	-	(4,313)	(4,313)
Change in value of cash surrender value	-	-	-	-	6,930	6,930
Increase (decrease) in net assets	$ (2,498,764)	$ 2,664,345	$ (36,395)	$ 129,186	$ 4,109,914	$ 4,239,100
Net assets at beginning of year (as restated)				1,277,414	31,293,509	32,570,923
Net assets at end of year				$ 1,406,600	$ 35,403,423	$ 36,810,023

The accompanying notes are an integral part of these financial statements.

West Liberty University Foundation, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2026

	2026
Cash flows from operating activities:	
Increase in net assets	$ 4,239,100
Adjustments to reconcile increase in net assets to net cash used in operating activities	
Non-cash contributions of investments	(39,627)
Investment return (net)	(4,393,830)
Change in value split interest agreements	(469,371)
Change in value of CGA asset	16,431
Change in value of CGA liability	4,313
Cash surrender value of life insurance	(6,930)
Adjusted decrease in net assets	(649,914)
Changes in operating assets and liabilities:	
(Increase) decrease in unconditional promises to give	(238,890)
(Increase) decrease in prepaid expenses	(15,918)
(Increase) decrease in accrued interest and dividends	7,553
(Increase) decrease in accrued liabilities	16,500
(Decrease) in liability for charitable gift annuities	(1,310)
Net cash used in operating activities	(881,979)
Cash flows from investing activities:	
Transfers to investment accounts	(500,000)
Withdrawals and disbursements from investment accounts	1,451,534
Net cash provided by investing activities	951,534
Increase in cash and cash equivalents	69,555
Cash and cash equivalents at beginning of year	125,651
Cash and cash equivalents at end of year	$ 195,206

The accompanying notes are an integral part of these financial statements.

1. Nature of the Organization

West Liberty University Foundation, Inc. (the Foundation) was formed with the purpose of receiving and administering funds for scientific, educational, athletic, and other charitable purposes for the support and benefit of West Liberty University (the University). The oversight of the Foundation is the responsibility of an independently elected Board of Directors who are not otherwise affiliated with the University. The President of the University is a non-voting member of the Board of Directors. While contributions are generally for the benefit and support of the University, the Foundation exercises discretion over the distribution of assets.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations.

Basis of Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Net Assets Without Donor Restrictions: Net assets without donor restrictions are available to support the operations of the Foundation. The only limits on the use of these net assets are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its governing documents and application for tax-exempt status, and limits resulting from contractual agreements with creditors and others entered into in the course of its operations.

Board-Designated Net Assets: Net assets without donor restrictions also include amounts designated by the Board for specific purposes because such amounts are not subject to donor-imposed restrictions. The Board may modify or remove these designations at its discretion.

Net Assets With Donor Restrictions: Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose, or in a particular future period. Some donor restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions, or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Foundation must continue to use the resources in accordance with the donor's instructions.

Unspent contributions are included in this class when donors have restricted their use. This class also includes donor-restricted endowment funds and the Foundation’s beneficial interest in a perpetual charitable trust held by a bank trustee.

2. Summary of Significant Accounting Policies (Continued)

The Foundation follows these presentation policies:

- Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions.
- Expenses are reported as decreases in net assets without donor restrictions. When donor restrictions are satisfied by the incurrence of expenses for the restricted purpose, the related amounts are released from restriction and reclassified from net assets with donor restrictions to net assets without donor restrictions.
- Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions or applicable law.
- Expirations of donor-imposed restrictions are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions in the accompanying Statement of Activities.
- Donor-restricted contributions whose restrictions are satisfied in the same reporting period in which the contributions are received are reported as contributions without donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period, as well as disclosures. Accordingly, actual results could differ from those estimates.

Cash

For purposes of the Statement of Cash Flows, cash consists solely of amounts held in the Foundation's checking accounts. Money market funds and other cash and cash equivalents held within investment accounts are classified as investments and are not included in cash on the Statement of Cash Flows.

Contributions and Unconditional Promises to Give

Contributions are recognized when received or unconditionally promised and are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Contributions restricted by donors for use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises to give that are expected to be collected in future periods are considered restricted for use in those periods and are reported as net assets with donor restrictions until the payments become due.

Contributions restricted for capital improvements to University property are reported as net assets with donor restrictions until the resources are transferred to the University for, or otherwise expended on, the donor-specified capital purpose.

Contributions of marketable securities are recognized at fair value on the date received. Donated securities are included in investments until sold.

2. Summary of Significant Accounting Policies (Continued)

Contributions and Unconditional Promises to Give (Continued)

Contributed nonfinancial assets are recorded at fair value when received and are presented separately from contributions of cash and other financial assets. Donated services are recognized at fair value when the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would otherwise need to be purchased. Donated nonfinancial assets and services are recognized as expenses when used unless the donated asset is required to be capitalized.

Unconditional promises to give are recognized as contribution revenue when the promises are received. Amounts expected to be collected within one year are recorded at estimated net realizable value. Amounts expected to be collected in future years are evaluated to determine whether the effect of discounting estimated future cash flows to present value would be material. When material, such amounts are recorded at present value using the United States bank prime rate in effect when the promise is received. Any resulting discount is amortized and recognized as additional contribution revenue over the collection period.

Management evaluates the collectability of outstanding promises to give based on the circumstances surrounding each promise and records an allowance for uncollectible amounts when necessary. Promises determined to be uncollectible are written off against the allowance. Conditional promises to give are not recognized until the applicable barriers have been overcome and the right of return or release from the donor's obligation no longer exists.

Revenue Recognition—Fundraising Events

The Foundation conducts fundraising events to support its charitable activities. Amounts received in connection with these events are evaluated to determine whether the donor receives a commensurate value in return. For the year ended June 30, 2026, no material exchange component was identified; accordingly, event receipts were accounted for as contributions. Related event expenses are recognized when incurred and reported separately from event revenue.

Investments and Investment Return

Investments are reported at fair value in the accompanying Statement of Financial Position. Investment return consists of interest and dividend income and realized and unrealized gains and losses, net of external investment expenses. Investment return is reported in the accompanying Statement of Activities as an increase or decrease in net assets without donor restrictions unless its use is limited by donor-imposed restrictions.

The Foundation maintains a pooled investment portfolio. Net investment return is allocated monthly among the participating funds based on each fund's proportionate interest in the investment pool.

Beneficial Interest in Perpetual Charitable Trust

The Foundation is the irrevocable beneficiary of a perpetual charitable trust held and administered by an independent trustee. The beneficial interest is reported at fair value in the accompanying Statement of Financial Position. Changes in the fair value of the beneficial interest are reported in the Statement of Activities as increases or decreases in net assets with donor restrictions. Distributions received from the trust reduce the carrying amount of the beneficial interest and do not constitute contribution revenue.

2. Summary of Significant Accounting Policies (Continued)

Charitable Gift Annuities

The Foundation recognizes assets received under charitable gift annuity agreements at fair value and records a liability for the estimated future payments to beneficiaries. The difference between the assets received and the liability recognized is reported as contribution revenue in the applicable class of net assets. The liability is adjusted annually for payments to beneficiaries and changes in actuarial assumptions.

Cash Surrender Value of Life Insurance Policies

The Foundation records life insurance policies for which it is the owner at cash surrender value. Cash surrender value is presented separately in the accompanying Statement of Financial Position.

Leases

The Foundation accounts for leases in accordance with FASB Accounting Standards Codification Topic 842, Leases, and determines whether an arrangement is or contains a lease at contract inception.

The Foundation recognizes right-of-use assets and corresponding lease liabilities for leases with initial terms greater than 12 months when the amounts exceed the Foundation's $5,000 capitalization threshold. Operating lease expense is recognized on a straight-line basis over the lease term.

The Foundation has elected the short-term lease recognition exemption for leases with initial terms of 12 months or less and no purchase option that the Foundation is reasonably certain to exercise. Payments associated with short-term leases are recognized as lease expense on a straight-line basis over the lease term.

Additional information regarding the Foundation's lease arrangements is disclosed in Note 10.

Expense Recognition and Functional Allocation

Expenses are recognized when incurred and are reported by both their natural and functional classifications. Expenses that are directly identifiable with a specific program or supporting activity are charged directly to that function. Costs that benefit more than one function are allocated among the applicable functions using reasonable and consistently applied allocation methods.

Personnel costs are allocated based on estimates of the time and effort devoted to the Foundation's program services, management and general activities, and fundraising activities. Other shared costs are allocated based on the nature of the expense and the relative benefit provided to each function.

Management and general expenses include costs associated with the overall administration, financial management, and governance of the Foundation. Fundraising expenses include costs incurred to solicit contributions and conduct fundraising activities. Fundraising costs are recognized as expenses when incurred, regardless of when the related contributions are received.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Foundation evaluates its tax positions and recognizes a tax liability when a position is not more likely than not to be sustained upon examination. Management believes the Foundation has no uncertain tax positions that require recognition or disclosure in the accompanying financial statements.

3. Liquidity and Availability of Resources

The Foundation regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. Financial assets are considered available for expenditure within one year when they are not subject to donor-imposed restrictions, board designations, contractual limitations, or other restrictions that would prevent their use during that period.

The following table presents the Foundation's financial assets available to meet expenditures expected to be incurred during the year following June 30, 2026:

Financial assets:		
Cash in checking	$	195,206
Promises to give receivable		271,875
Investments (including Charitable Gift Annuities)		33,241,629
Cash surrender value of life insurance		76,273
Beneficial Interest in Meagel Charitable Trust		3.030,597
Total financial assets		36,815,580
Financial assets held to meet donor-imposed restrictions:		
Purpose-restricted net assets (Note 8)		(2,075,089)
Donor-restricted endowment funds (Note 7)		(29,828,993)
Promises to give not collectible within one year		(200,000)
Beneficial interest in perpetual trust and other investments		(3,030,597)
Charitable gift annuity assets		(125,571)
Cash surrender value of life insurance		(76,273)
Estimated restricted resources available for FY27 expenditures		1,276,163
Amount available for general expenditures within one year	$	2,755,220

Amounts unavailable within one year include donor-restricted endowment principal, donor-restricted resources not expected to be used during the following year, the Foundation's beneficial interest in a perpetual charitable trust, and amounts designated by the Board for long-term investment. Amounts expected to become available within one year include appropriations from endowment funds under the Foundation's spending policy and anticipated distributions from the perpetual charitable trust.

Although the Board intends to maintain its designated endowment for the long-term support of the Foundation, the Board may remove or modify that designation and make those resources available if necessary. Additional information regarding the Foundation's endowment funds and spending policy is provided in Note 8.

4. Unconditional Promises to Give

Unconditional promises to give consist of promises to contribute to the Foundation in future periods. At June 30, 2026, amounts are expected to be collected as follows:

	2026
In one year or less	$ 71,875
Between two year and five years	200,000
Unconditional promises to give	$ 271,875

Management evaluates the collectability of unconditional promises to give based on the circumstances surrounding each promise. At June 30, 2026, management determined that all remaining outstanding promises were collectible; therefore, no allowance for uncollectible promises was recorded.

Promises expected to be collected beyond one year are presented at their undiscounted amounts because the effect of discounting is not material to the financial statements.

5. Investments and Fair Value Measurements

The Foundation maintains a pooled investment portfolio for participating funds. New funds and additions to existing funds are assigned proportionate interests in the pool based on the amount of cash or the fair value of securities contributed. Net investment return, including realized and unrealized gains and losses, is allocated monthly among the participating funds based on their respective interests in the pool.

Investment return is presented net of external investment expenses of $75,607 for the year ended June 30, 2026.

Fair Value Measurements

The Foundation measures certain financial assets at fair value on a recurring basis. Fair value measurements are classified within a hierarchy that prioritizes the inputs used in determining fair value. The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets that the Foundation can access at the measurement date.

Level 2: Observable inputs other than quoted prices included within Level 1, including quoted prices for similar assets, quoted prices in markets that are not active, and other market-corroborated inputs.

Level 3: Unobservable inputs that are significant to the fair value measurement.

A financial asset's classification within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The Foundation's valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

5. Investments and Fair Value Measurements (Continued)

The following table summarizes the Foundation's investments and beneficial interest in a perpetual charitable trust by level within the fair value hierarchy as of June 30, 2026:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents in managed accounts	$ 3,165,966	$ -	$ -	$ 3,165,966
Corporate bonds	-	5,826,243	-	5,826,243
Equities	11,891,516	-	-	11,891,516
Mutual Funds				
Fixed income	4,142,495	-	-	4,142,495
Equity	8,195,694	-	-	8,195,694
Balanced funds	14,017	-	-	14,017
Alternative investment funds	5,697	-	-	5,697
Total investments	$ 27,415,385	$ 5,826,243	$ -	$ 33,241,628
Beneficial Interest in perpetual trust	-	3,030,597	-	3,030,597
Total financial assets measured at fair value	$ 27,415,385	$ 8,856,840	$ -	$ 36,272,225

Valuation Methodologies

The following valuation methodologies are used for financial assets measured at fair value:

Money market funds: Valued at the published net asset value of $1 per share.

Equities: Valued at the closing price reported in the active market in which the security is traded.

Mutual funds: Valued at the daily closing net asset value reported by the fund. The mutual funds are registered open-end funds that publish a daily net asset value and transact at that price.

Corporate bonds: Valued using matrix pricing or other market-based valuation techniques that incorporate observable market inputs, including benchmark yields, reported trades, credit quality, and other relevant factors.

Beneficial interest in perpetual charitable trust: Valued based on the Foundation's interest in the fair value of the underlying trust assets as reported by the independent trustee. Because the beneficial interest is not directly traded and its valuation is based principally on observable information regarding the underlying assets, it is classified as a Level 2 measurement.

There were no changes in the valuation methodologies used during the year ended June 30, 2026 and no transfers between levels of the fair value hierarchy.

The valuation methods described above may produce fair value measurements that are not indicative of net realizable value or future fair values. Although management believes the valuation methods are appropriate and consistent with those used by market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date.

Investment Risks

The Foundation's investments and beneficial interest in a perpetual charitable trust are exposed to various risks, including interest rate, market, and credit risks. It is reasonably possible that changes in the values of these financial assets could occur in the near term and materially affect the amounts reported in the Statement of Financial Position.

6. Planned Giving Arrangements

Beneficial Interest in Perpetual Charitable Trust

The Foundation is the irrevocable beneficiary of a perpetual charitable trust held and administered by an independent trustee. At June 30, 2026, the fair value of the Foundation's beneficial interest was $3,030,597. The beneficial interest is restricted in perpetuity, and distributions received from the trust are restricted for scholarships in accordance with the donor's instructions. Additional information regarding the fair-value measurement of the beneficial interest is provided in Note 5.

Charitable Gift Annuities

The Foundation has entered into charitable gift annuity agreements under which it is obligated to make periodic payments to designated beneficiaries during their lifetimes. Assets held under these agreements are included in managed investments in the accompanying Statement of Financial Position and totaled $125,571 at June 30, 2026.

The Foundation has recorded a charitable gift annuity liability of $4,974 at June 30, 2026, representing the estimated remaining payments to beneficiaries. The liability is based on the beneficiaries' ages, estimated remaining payment periods, and contractual annuity payments and is adjusted annually for payments made and changes in estimates.

Cash Surrender Value of Life Insurance Policies

The Foundation owns life insurance policies for which it is the beneficiary. The aggregate cash surrender value of these policies was $76,273 at June 30, 2026 and is presented separately in the accompanying Statement of Financial Position.

7. Endowment Funds

The Foundation's endowment consists of 151 individual funds that have been established for a variety of purposes. The endowment includes donor-restricted funds. As required by generally accepted accounting principles, the net assets that are associated with endowment funds, are classified and reported based upon the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors has interpreted the West Virginia Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of each donor-restricted endowment fund, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity the original value of gifts donated to permanent endowments and any accumulations required by the applicable donor gift instruments.

Donor-restricted endowment funds are subject to a time restriction imposed by UPMIFA until amounts are appropriated for expenditure by the Foundation. In addition, the appropriated amounts generally remain subject to donor restrictions governing their use. Accordingly, donor-restricted endowment funds, including accumulated investment return not yet appropriated for expenditure, are classified as net assets with donor restrictions.

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the amount required to be retained in perpetuity by the donor or by law. The Foundation has interpreted UPMIFA to permit prudent spending from such underwater endowment funds. As of June 30, 2026, there were no underwater endowment funds.

7. Endowment Funds (Continued)

In determining whether to appropriate or accumulate donor-restricted endowment funds, the Foundation considers the following factors:

(1) the duration and preservation of the fund
(2) the purposes of the Foundation and the donor-restricted endowment fund
(3) general economic conditions
(4) the possible effect of inflation and deflation
(5) the expected total return from income and the appreciation of investments
(6) other resources of the Foundation
(7) the Foundation's investment policies.

Return Objectives, Risk Parameters and Strategies

The Foundation has adopted investment and spending policies for its endowment assets that are intended to provide a predictable stream of funding for supported programs while preserving the purchasing power of the endowment assets over the long term. Endowment assets are invested in a diversified portfolio that may include domestic equities, fixed-income investments, mutual funds, and cash equivalents. The Foundation accepts short-term market volatility in seeking long-term growth and an appropriate total return.

Spending Policy

The Foundation's spending policy permits annual distributions of up to 4% of the value of its endowment assets, including endowment funds with fair values below the amounts required to be maintained by donors or by law. The spending amount is calculated using a rolling three-year average of the market value of the funds at fiscal year-end. In determining actual amounts appropriated for expenditure, the Foundation considers the requirements of UPMIFA and applicable donor restrictions.

The changes in the endowment net assets are as follows:

	With Donor Restrictions
Endowment assets June 30, 2025	$ 24,715,508
Reclassification (See Note 14)	654,434
Endowment assets, June 30, 2025 (Restated)	$ 25,369,942
Total net investment return	4,061,515
Non-investment activity:	
Contributions	1,227,954
Other revenue	147,490
Interfund transfers	18,041
Specific expenses paid	(995,949)
Total non-investment activity	397,536
Endowment assets June 30, 2026	$ 29,828,993

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30, 2026:

- Nonendowed amounts are available for expenditure for the donor-specified purposes shown below.
- Donor-restricted endowment funds include original gifts required to be maintained in perpetuity and accumulated investment return that has not yet been appropriated for expenditure.
- Time and other restrictions include the Foundation's beneficial interest in a perpetual charitable trust, net assets associated with charitable gift annuity arrangements, the cash surrender value of life insurance policies, and promises to give collectible in future periods.

Restriction or purpose	Non-Endowed	Donor-Restricted Endowment (Note 7)	Time and Other Restrictions	TOTAL
Academic programs	$ 600,636	$ 1,203,025	$ -	$ 1,803,661
Alumni programs	13,093	-	-	13,093
Athletic programs	395,138	510,418	-	905,556
Capital Improvements	726,027	-	-	726,027
Faculty Development	-	696,025	-	696,025
Library	12,877	634,796	-	647,673
Maintenance	285	381,827	-	382,112
Scholarships	287,165	24,608,243	-	24,895,408
Speakers and lectures	-	489,933	-	489,933
Other	39,868	1,304,726	-	1,344,594
Beneficial Interest	-	-	3,030,597	3,030,597
Charitable gift annuities (net)	-	-	120,596	120,596
Cash surrender value of life insurance policies	-	-	76,273	76,273
Promises to give	-	-	271,875	271,875
Total	$ 2,075,089	$ 29,828,993	$ 3,499,341	$ 35,403,423

9. Contributed Assets

Marketable Securities

During the year ended June 30, 2026, the Foundation received contributions of marketable securities with an aggregate fair value of $39,627 on the respective gift dates. The receipt of the securities represents a noncash contribution.

9. Contributed Assets (Continued)

Nonfinancial Assets

For the year ended June 30, 2026, contributed nonfinancial assets recognized in the accompanying Statement of Activities consisted of the following:

Category		Amount
Grounds maintenance services	$	$6,000
Food and catering		2,278
Promotional and event-related materials		1,100
Athletic equipment		839
Professional services and facility use		400
Total contributed nonfinancial assets	$	$10,617

The Foundation's policy is to utilize contributed nonfinancial assets in its programs and supporting activities rather than monetize them. The contributed nonfinancial assets received during the year were not subject to donor-imposed restrictions.

Grounds maintenance and other professional services were valued using the donors' customary charges or prevailing market rates for comparable services. Donated food, catering, promotional materials, and athletic equipment were valued using donor-provided selling prices or market prices for comparable goods. Donated facility use was valued using customary rental rates for comparable space.

The Foundation utilized these contributions in support of fundraising and donor-engagement events, athletic and academic programs, alumni activities, and campus improvement initiatives. Related expenses were recognized according to the nature and functional use of the donated goods and services.

10. Lease Arrangements

The Foundation has elected the short-term lease recognition exemption permitted under ASC 842 for leases with an initial term of 12 months or less and no purchase option that the Foundation is reasonably certain to exercise. Payments associated with short-term leases are recognized as lease expense on a straight-line basis over the lease term.

The Foundation leases office space in Wheeling, West Virginia under an operating lease that, as most recently extended, expires July 31, 2026. Monthly rent under the agreement was $2,257 beginning August 1, 2025. Because the extension had an initial term of 12 months, the Foundation applied its short-term lease recognition exemption and did not recognize a right-of-use asset or lease liability related to the agreement. The Foundation recognized short-term lease expense of $27,023 for the year ended June 30, 2026, which is included in occupancy expense in the Statement of Activities.

Under a separate cost-sharing arrangement, West Liberty University reimburses the Foundation $1,129 per month for its share of the downtown office costs. Such reimbursements are reported as a reduction of occupancy expense in the Statement of Activities.

At June 30, 2026, the Foundation's remaining commitment under the office lease was $2,257.

11. Concentration of Credit Risk

The Foundation maintains cash balances at financial institutions that, at times, may exceed federally insured limits. At June 30, 2026, the Foundation's cash balances exceeded Federal Deposit Insurance Corporation insurance limits by $60,557. The Foundation has not experienced any losses on such balances and management believes it is not exposed to significant credit risk related to its cash deposits.

12. Related Party Transactions

Relationship With West Liberty University

West Liberty University Foundation, Inc. (the Foundation) was established to receive, manage, invest, and administer funds for the support and benefit of West Liberty University (the "University"). The University is the primary beneficiary of the Foundation's activities, and the Foundation is reported as a discretely presented component unit in the University's financial statements.

In carrying out its charitable mission, the Foundation provides financial support for scholarships, academic and athletic programs, capital projects, and other University programs and initiatives in accordance with donor restrictions and Foundation policies.

During the year ended June 30, 2026, the Foundation provided $2,670,964 in support of University programs and activities, including $1,699,211 paid directly to the University. The remaining support consisted of scholarships and other amounts paid directly to students and third parties in support of University programs and initiatives.

Office Cost-Sharing Arrangement

Under a cost-sharing arrangement, the University reimburses the Foundation for one-half of the monthly rent associated with the Foundation's downtown office space. The Foundation recognized $14,610 of reimbursements from the University during the year ended June 30, 2026, which is reported as a reduction of occupancy expense. Additional information concerning the office lease is provided in Note 10.

Contributions From Related Parties

During the year ended June 30, 2026, the Foundation recognized contributions and unconditional promises to give totaling $505,256 from members of its Board of Directors, officers, employees, and entities affiliated with those individuals. This amount includes a $250,000 unconditional promise to give from a board member that remained receivable at June 30, 2026.

Investment Management and Custodial Services

A member of the Foundation's Board of Directors is a key employee of WesBanco, which provides investment management and custodial services to the Foundation. At June 30, 2026, the Foundation maintained cash and investments totaling $33,436,835 in accounts managed by or held in custody at WesBanco. This amount included checking-account cash of $195,206 and investment-account assets of $33,241,629.

12. Related Party Transactions (Continued)

At June 30, 2026, the Foundation held $326,955 in WesBanco deposit products and $1,381,100 in investment funds managed or sponsored by WesBanco or its affiliates, for total WesBanco-affiliated products of $1,708,055. Fees paid or incurred for investment management and custodial services provided by WesBanco and its affiliates totaled $75,607 for the year ended June 30, 2026.

The Foundation's investment arrangements are subject to its established investment approval and oversight processes.

13. Retirement Benefits

The Foundation maintains a defined contribution retirement plan through individual retirement accounts held at Charles Schwab. Eligible employees may make elective contributions to the plan, subject to limitations imposed by the Internal Revenue Code. The Foundation matches participating employees' contributions up to 3% of eligible compensation.

Employer contributions to the plan were approximately $6,444 for the year ended June 30, 2026 and are included in salaries and benefits in the accompanying Statement of Activities.

14. Prior Period Restatement

During the current-year audit, the Foundation identified errors affecting its previously issued financial statements as of and for the year ended June 30, 2025. The Foundation had recorded accrued interest and dividend income of $7,553 that was not supported as an asset. Because that amount originated before July 1, 2024, the correction was recorded as a reduction of beginning net assets for the year ended June 30, 2025.

The Foundation also had not accrued $23,615 of audit fees applicable to the year ended June 30, 2025. The correction increased professional fees and accrued liabilities by $23,615 and reduced the change in net assets for the year then ended by the same amount.

Accordingly, the Foundation has restated its previously issued 2025 financial statements as follows:

	Originally Stated	Prior Period Restatement	Restated
Statements of Financial Position – June 30, 2025			
Accrued interest and dividends	$ 7,553	($7,553)	$ -
Accrued liabilities	$ -	$ 23,615	$ 23,615
Total assets	$ 32,608,376	$ (7,553)	$ 32,600,823
Total liabilities	$ 6,285	$ 23,615	$ 29,900
Total net assets	$ 32,602,091	$ (31,168)	$ 32,570,923
Total liabilities and net assets	$ 32,608,376	$ (7,553)	$ 32,600,823
Statement of Activities- Year Ended June 30, 2025			
General and administrative expenses	$ 407,733	$ 23,615	$ 431,348
Change in net assets	$ 4,656,837	$ (23,615)	$ 4,633,222
Net assets at beginning of year	$ 27,945,254	$ (7,553)	$ 27,937,701
Net assets at end of year	$ 32,602,091	$ (31,168)	$ 32,570,923

14. Prior Period Restatement (Continued)

Prior Period Reclassification

In addition, during the year ended June 30, 2026, the Foundation completed a detailed reconciliation of its individual fund records and supporting donor documentation to the net-asset classifications reported in the June 30, 2025 financial statements. As a result, approximately $994,000 previously reported as net assets without donor restrictions was reclassified as net assets with donor restrictions. This reclassification had no effect on total net assets.

The effects of this reclassification on beginning net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
As restated above	$ 2,271,856	$ 30,299,067	$ 32,570,923
Net Asset Classification Correction	$ (994,442)	$ 994,442	$ -
As reclassified	$ 1,277,414	$ 31,293,509	$ 32,570,923

The reclassification includes $654,434 of endowed funds presented in Note 7 and approximately $340,008 of other non-endowed, donor-restricted funds.

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were issued, September 16, 2026, and determined that no events have occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in the financial statements.