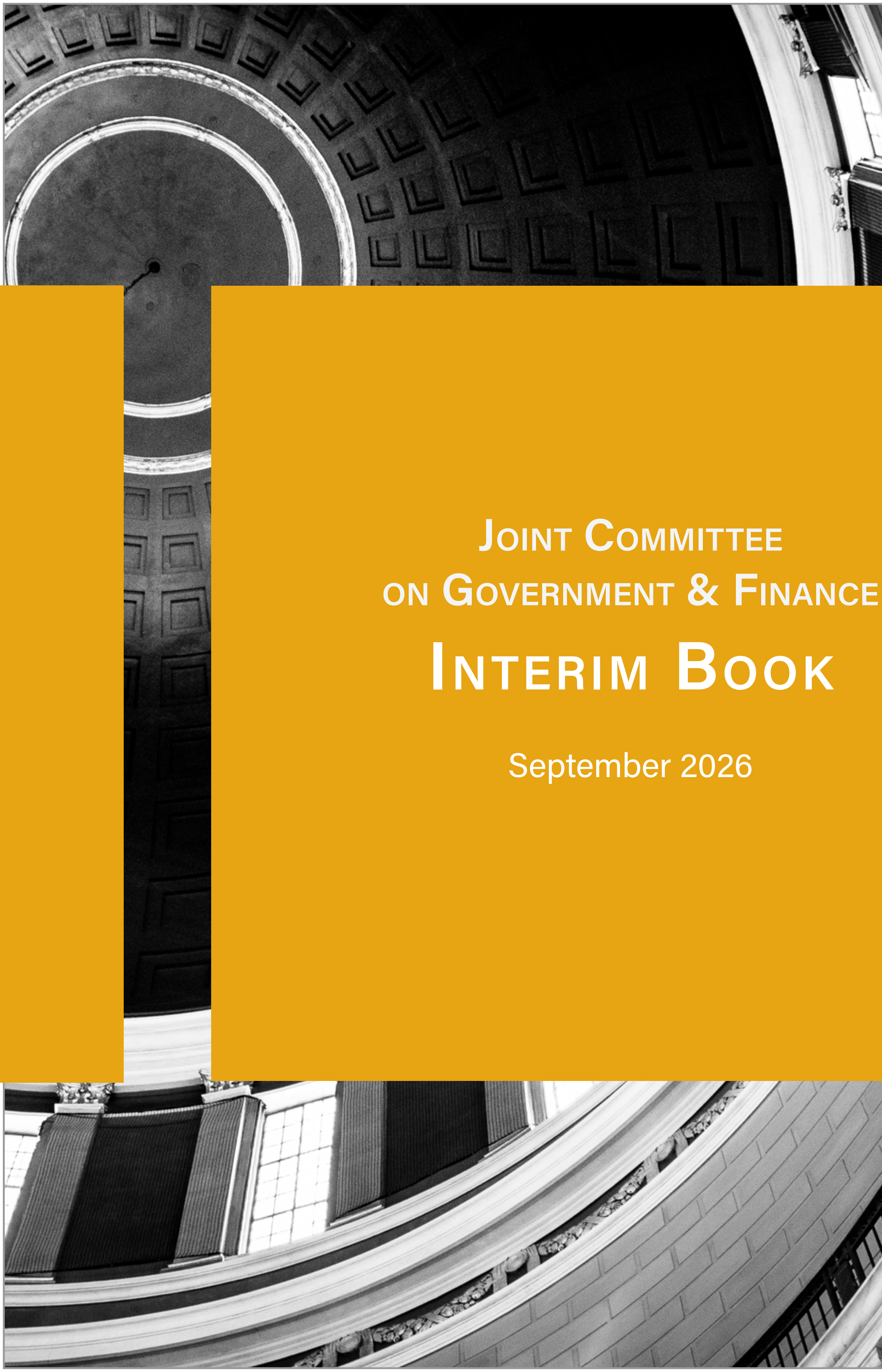

Joint Committee on Government & Finance

Interim Book

September 2026

Joint Committee on Government & Finance Interim Book

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JOINT COMMITTEE ON GOVERNMENT AND FINANCE

(Speaker Hanshaw)

August 11, 2026

12:00 p.m. – 2:00 p.m.

Senate	**House**
Smith, Chair	Hanshaw, Chair
Barrett	Akers
Jeffries	Criss
Martin	Hornbuckle (absent)
Willis (absent)	Howell, G.
Woelfel	McGeehan
	Phillips

Speaker Hanshaw: "All right all, good afternoon. Welcome to the Joint Committee's August meeting. Our first…chair will please note for the record, the clerk will please record the presence of a quorum. Our first order of business today is approval of the minutes of our January 13th meeting. Those have been provided for all the members in your packets. At this time are there questions about the draft minutes available in the packets? If not, chair will recognize the President."

President Smith: "Mr. Speaker, I move the minutes of the January 13th, 2026, meeting of the Joint Committee on Government and Finance as contained in…in the members packets be approved."

Speaker Hanshaw: "The question is on the motion that the draft minutes of the January 13th, 2026, meeting of the committee be approved as distributed. Is there debate or discussion on the motion? If not, those in favor of the motion will please say aye, those opposed will please say no. The ayes have it, that motion is adopted. Let's jump in now to our quarterly reports. Mr. Secretary."

Secretary Nelson: "Thank you, Mr. Chairman, Mr. Speaker. Just wanted to take a quick moment to introduce our new budget director. We have Aaron Snodgrass right behind me. If you don't mind, stand…Aaron joined the team on June 1, and he was formerly the CFO at the health facility. So, we're excited to have him and so, he'll…he'll be interacting much more with all of you all, but I do want to have you all welcome Aaron to the team. So, thank you.

Then Mr. Speaker if I may, two quick budgetary points. We did borrow from the rainy-day fund $82 million dollars on July 1. That's very standard for us at the beginning of the year for cash flow purposes. The second thing…and I sent a letter to leadership… the trigger calculation was performed and there will not be any trigger language enacted for fiscal year 28 that affects personal income tax. So, with that said, turn it over to Deputy Secretary Shirley if that's okay, but thanks for the time."

Deputy Secretary Shirley: "Thank you, Mr. Speaker. Good afternoon, everyone. So, I will quickly go through our FY2026 revenues and then a little bit of year to date for both the general fund and the state road fund.

So, the first item is collections overestimate for FY2026 were $370.6 million. So, that was 5…almost $5.7 billion on an official estimate of $5,323,000,000. So, 7% above estimate, pretty healthy there. Year over year growth, which I think is also important because that looks at, you know, how we compare FY2025 to FY2026. Growth there was

$174.4 million or 3.2%. The biggest, the two largest growth areas were PIT and severance tax. So, PIT was a little over $159 million above estimate and severance tax nearly $137 million. I want to single those two out because I think there are important things to note on both of them. On the PIT front, as you all know, a 5% across the board PIT rate reduction was passed during this previous Regular Session and so that is coming into effect now and moving forward. So, growth year over year there was 52 and a half million or 2.5%. I point that out because again, as people's withholdings update as they file their refunds in early 2027, some…some caution there going forward for whether we anticipate that kind of growth moving forward, and then on the severance side, I point it out because severance taxes are historically volatile. That's something that we're all aware of, that's something that we always have to think about when we're budgeting, and in particular these past couple of months for severance, if you…if you saw and I'll talk about it here in a second…severance tax came in below estimate and so…something to keep an eye on moving forward. If you look, if you take severance tax out of the equation, we were $233.7 million overestimate or about 4.7% and year over year our growth was $78.5 million or 1.5%. So, if you remove severance tax from the equation and just look at our non-revenue…our non-severance general revenue sources…we grew below the rate of inflation which was about 3% for FY2026.

Looking at the fiscal year to date, which is just July because we're only through one full month of the fiscal year, couple things that I'd like to note there. PIT and sales are up, good news, we like to see PIT and sales both because they’re our two largest sources of revenue but also because they, you know, sort of form the economic base of West Virginia. What people earn and what they're spending, seeing both of those up is…is encouraging. As I mentioned, severance tax came in well below estimate. For the year to date, if you…I…I ran the report this morning, we're 4 and a half million under estimate for the year to date. So, we bounced back a little bit in the beginning of August. These things are more volatile at the beginning of the fiscal year when we only have one…month worth of data to focus on but that's worth keeping an eye on. I don't think I mentioned this, but July was $11.3 million above estimate or 3% above estimate but year over year growth was less than a million, it was about $700,000 dollars. So, year over year growth from July of 26…July 25…which was in fiscal year 2026…to this current July was 0.2%.

Going through the rest of the packet I provided, just a…a quick graph on general revenue fund collections. Not much to mention there, just so you can sort of see where we're at. Severance tax collection…so, regular state severance tax has declined over the past few months, and total severance tax revenue has…on the right-hand side graph, breaking it out by natural gas, coal, and all other…all other is mainly natural gas liquids. So, really if you want to think about the oil and gas industry, it's really the yellow line and the red line put together for this graph. The one thing that I want to point out there that I think is important is both that you've seen these declines in both natural gas and coal over the past couple of months, but also that looking back historically going back to FY2015, the sort of first point in this graph, coal was 62, 63% of our severance tax collections and everything else was about 37%, and today in the most recent period in that graph for FY26, coal was less than 30% of our severance tax collections and the natural gas and liquids industry was more than 70%. So, we've seen…we've seen over the past…little more than a decade…a huge shift from coal being the primary driver of our…our severance tax collections, to natural gas.

Going to the state road fund, finished almost $100 million dollars or 4.9% below estimate. That was driven primarily by federal reimbursements and the motor fuel tax. The motor fuel tax of course is...is determined on a per gallon price 35.7 cents per gallon in state taxes is what we all pay at the pump when we fill up our cars and to the extent that gas prices are currently higher, we expect that to have, you know, a suppressant effect on demand and we particularly saw in the…the last several months of FY2026 that motor fuel collections were coming in consistently below estimate. One other thing that I want to note here, if you look at that year over year growth which is something I've been talking a lot about here, it says $148.1 million, $100 million of that is a surplus appropriation that occurred in the back of last year's budget that was sent out around…around this time last calendar year…but the year before that there was no surplus appropriation in FY2025 and if you all recall, the reason for that was that there was a large surplus towards the end of FY24, and there was a May Special Session where Governor Justice at the time raised the revenue estimate, and there were a lot of surplus appropriations that were done in May of 2024. The idea essentially being that rather than wait until August, go through the back of the budget process and pay all of that out, you could sort of get the money to all of those agencies immediately by raising their revenue estimate and doing a surplus out of the…the current year…and so as a result, there was essentially $150 million in what would have otherwise been FY2025 that gets accounted in 24. All of that to say, if you sort of take that into account and if it had gone through the normal process, the year over year growth would not have been $148 million, it would have been negative 2.1. So, state road fund collections are essentially flat.

Looking at the year to date, we're up $20.7 million for July. So, a really really good July for the state road fund. Again, the motor fuel tax in particular is very volatile because it's an end of the month type of thing. So, I would…I would not put too much stock into one month of motor fuel tax collections being above estimate. Just something that's worth keeping in mind.

Going to the fiscal year 2026 budget piece of things, this…this first chart just shows you by cabinet or…or department, the amount that was appropriated in regular appropriations. So, this doesn't include surplus appropriations, the amount that was appropriated, expended, reappropriated, and expired. So, just wanted to provide that all…that information sort of at a high level for all of you so that you could see where our general revenue fund dollars are going and where they are being expended. Next, getting to the year-end financial summary. These next couple of slides are going to try and quickly go through where our sort of surplus balances exist as of right now. So, you can see there the receipts overestimate that I mentioned earlier. There was a nominal unappropriated balance to give us receipts over regular FY2026 appropriations of 37…$371 and a half million, and then you can see some…some minor adjustments…from expirations and the like that get us to an unappropriated surplus balance at the end of July of $393.3 million, and then the section 9 surplus appropriations from this year's budget of $245,350,000 leave us with a unappropriated general…general revenue surplus that's available for appropriation as of today of almost $148 million dollars.

The next two slides quickly go through the lottery fund, there's $21.7 million available for appropriation, and excess lottery $7.6 million available for appropriation and so, that bottom table summarizes all three of those. So, between the nearly 148 in general revenue, the 21.7 in lottery, and the 7.6 in excess lottery, there is a total available surplus today for appropriation of $177.3 million once you take all of…all three of those, section 9, 10, and 11 back of the budget items….um…off the table, and those should all be um…those should all be with their respective agencies by the end of next week…and then quickly just a couple other pieces of information for all of you. Rainy day balances, both A&B, they're quite healthy, they're nearly $1.5 billion as of the end of FY2026. PIT reserve fund we did…we performed the transfer to the PIT reserve fund of almost $33.7 million, that was in the FY2026 budget. So, its balance is now a little over $493 million dollars, and in the FY2027 budget there's an additional scheduled appropriation of $29 million dollars and so that…that gold bar there. So, once that transfer occurs, the balance of that fund will be north of $522 million dollars.

PERS and TRS, the next two slides just showing their funded levels. PERS is over 100%, TRS is about 86 but continues to go up. Note that these both only have the 2025 numbers. So, when 2026 is released here, I believe it's released in January, we won't have those numbers until then, but based on their investment returns, we expect both of those to…their funding percentages both to increase. So, that's…that's good news for our pension systems and then the last two are something that I've presented in the past that I think is…is…is really interesting.

Just…this is the net migration into West Virginia over the past decade year by year and the thing that I was specifically asked to break down…I believe this was in the Finance meeting in May…someone had asked whether or not I could break this out by county and so that's what that last slide is…is it's broken out by county. Everything in the green there has positive net migration into the state. Anything in yellow is between…is negative but is…has…is fewer than 100, and then the orange and the red are the places where we've seen out migration net from West Virginia over the past little more than…than 5 years but I thought that was interesting. I thought that was something that the members would find potentially useful and so we included it, and that Mr. Speaker is everything I've got."

Speaker Hanshaw: "All right, Doctor Shirley. Thank you very much. Questions for our presenter? Gentleman from Wood."

Delegate Criss: "Doctor Shirley, the slide presentation you just gave was given out yesterday during the meeting on Joint Committee on Finance."

Deputy Secretary Shirley: "Yes, sir."

Delegate Criss: "This committee has not seen those slide presentation. Could you get copies of those so that the members that are not on Finance have those slides because they are very interesting, especially the…showing the numbers on…the surplus section, the adjustments to rainy day, and the PIT reserve fund, and then your…your slides on the migration I think are very interesting and this committee ought to have those. So, appreciate your…your explanation again but several of these members have not seen those slides. So, if you could provide those to the committee."

Deputy Secretary Shirley: "We'd be happy to provide it, yes."

Delegate Criss: "All right, thank you."

Speaker Hanshaw: "Other questions for Doctor Shirley? Going once, going twice. Okay, Doctor Shirley, thank you very much.

So, for the benefit of the members, folks we did have an agenda item on today for an update about an economic development loan made earlier for a facility in West Virginia. An emergency…medical emergency has arisen; our presenter is unavailable today for that presentation. So, we'll postpone that to a later meeting. At this time is there other business to come before today's meeting? Okay, if not, Mr. President?"

President Smith: "Mr. Speaker, I move we adjourn."

Speaker Hanshaw: "The question is on the motion that the meeting adjourn. Those in favor will please say aye, those opposed will please say no. The ayes have it, we are adjourned. Thank you."

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West Virginia Division of Economic Development
Office of Broadband
Report to the
Joint Committee on Government and Finance

Prepared by the
West Virginia Office of Broadband
September 2026

broadband.wv.gov

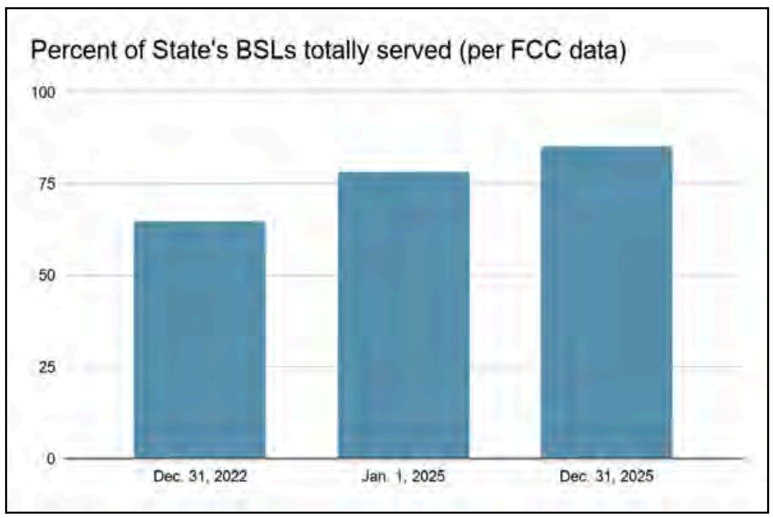
West Virginia Department of Commerce
Division of Economic Development
Office of Broadband
Report to the Joint Committee on Government and Finance
September 2026

INTRODUCTION

The West Virginia Department of Commerce, Division of Economic Development, Office of Broadband (WVDED), and the West Virginia Broadband Enhancement Council (WVBEC) jointly submit this report to the West Virginia Legislature's Joint Committee on Government and Finance. The agencies work collaboratively with a shared mission: to expand and improve broadband connectivity in West Virginia.

West Virginia's broadband access gap remains significant; however, ongoing projects are increasing access to broadband connectivity. Connectivity is improving and the percentage of West Virginia's broadband serviceable locations (BSLs) that are considered fully served continues to grow. As of December 31, 2022, FCC data showed that only 65.3% of West Virginia BSLs were classified as fully served. At the start of 2025, FCC data showed that 78.31% of West Virginia's BSLs were classified as fully served. At the start of 2026, the latest available FCC data showed that 85.14% of West Virginia's BSLs are now classified as fully served (*see chart*).

To be considered fully served under BEAD, an internet service provider must provide a BSL, or could easily provide, a minimum connection speed of 100/20 Mbps, with latency less than or equal to 100 milliseconds. Underserved locations are defined as BSLs with maximum speeds between 25/3 Mbps, and 100/20 Mbps. Finally, unserved locations are defined as BSLs with speeds less than or equal to 25/3 Mbps.



Ongoing state and federal investments are projected to increase the number of served BSLs, but work remains to reach 100% connectivity. This gap in broadband access impedes full participation in an increasingly digital economy and limits economic growth.

This report is organized by topic:

1. Broadband funding source;
2. Statewide mapping;
3. State and federal policy updates in effect for 2026; and,
4. Related initiatives.

A comprehensive review of the agencies' initiatives and accomplishments from 2021-2025 can be reviewed in the [2025 WVDED/WVBEC Annual Report].

1. CURRENT BROADBAND FUNDING SOURCES

1a. Infrastructure, Investment, and Job Act Programs

Broadband Equity, Access, and Deployment Program

In June 2023, the U.S. Department of Commerce, National Telecommunications and Information Administration (NTIA) announced that West Virginia would be awarded $1.2 billion in federal funding under the Broadband Equity, Access and Deployment (BEAD) program for broadband infrastructure deployment. BEAD is a component of the 2021 Infrastructure, Investment, and Jobs Act (IIJA).

Prior to the receipt of award funds, the state worked through a multi-step BEAD application which included a Five-Year Action Plan, State Location Challenge Process, Initial Proposal Volumes I and II, a Benefit of the Bargain Round, followed by a Final Proposal.

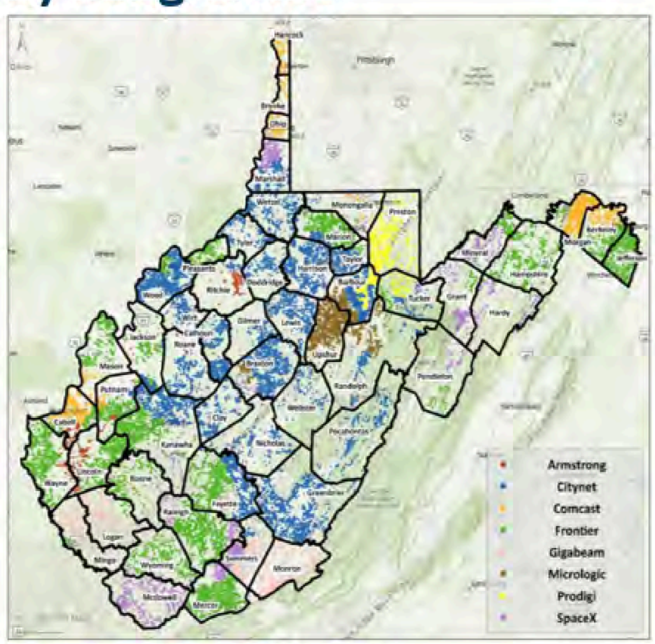
Through a comprehensive deduplication process, WVDED ensured the eligible locations list focused on unserved and underserved locations with no enforceable commitments for future service. West Virginia's Final Proposal was approved by NTIA in November 2025, providing $546 million in grant funds for provisional BEAD awards. 73,560 locations will be served by BEAD projects. The remaining award funds, termed Non-deployment funds, are subject to NTIA guidance. In early 2026, NTIA requested comments regarding BEAD Non-deployment funding. WVDED submitted a list of preferred uses for BEAD Non-deployment funds, including: mobile broadband service, AI supportive infrastructure and network resiliency (such as middle mile and localized data exchanges), permitting reform with an emphasis on pole attachment, emergency and security services, and workforce development.

WVDED looks forward to supporting its eight BEAD subgrantees in 2026 and working with service providers, partners, and local stakeholders to successfully execute BEAD projects. Awards are subject to ongoing monitoring by WVDED and reporting to NTIA, and WVDED submitted the first 2026 BEAD Semi-Annual Report on July 30, 2026.

Locations and BEAD Grant by Subgrantee

Provisional Awardee	Locations #	Locations %	BEAD Grant Amount #	BEAD Grant Amount %
Armstrong	972	1.3%	$ 10,411,860.40	1.9%
Citynet	26,255	35.9%	$ 194,697,129.95	35.7%
Comcast	5,482	7.5%	$ 53,258,323.00	9.8%
Frontier	24,253	33.2%	$ 186,426,312.77	34.2%
GigaBeam	3,540	4.8%	$ 22,996,270.00	4.2%
Micrologic	5,630	7.7%	$ 49,313,626.13	9.0%
Prodigi	2,216	3.0%	$ 21,436,474.83	3.9%
SpaceX	4,696	6.4%	$ 7,152,256.48	1.3%
Total	**73,044**	**100%**	**$ 545,692,253.56**	**100%**

Details available
broadband.wv.gov
Story Map



Agreement Execution and Negotiation Status

As each BEAD subgrantee has attained a fully executed subagreement with the WVDED, they have been concurrently granted a Notice to Proceed with Exempt Activities (NTPE). All exhibits and attachments required for that step were gathered ahead of time and reviewed to facilitate speed to this critical milestone when subgrantees can begin certain preliminary activities prior to full environmental (NEPA) approval.

Progress meetings between WVDED BEAD Program staff and subgrantee teams have begun, with initial focus on the following items; particularly finalizing design, advancing with EHP/NEPA review, and taking steps to draw BEAD funds for eligible exempt pre- and post-award activities.

Review of Steps Taken to Facilitate Timely Commencement of Deployment Phase

WVDED is working to transition from program setup to deployment oversight, ensuring subgrantees are prepared to begin the moment agreements are finalized:

1. Issuing Notice to Proceed (NTPE): To ensure project activities can begin immediately, all subgrantees are concurrently submitting their required administrative information for NTPE. This parallel processing allows WVDED to issue formal Notices to Proceed the moment a contract is fully executed, eliminating potential delays to the period of performance.

2. Expediting Payment Processing: Pre-award costs (permissible expenses incurred prior to the execution of the final agreement) have already been submitted by subgrantees, reviewed, and approved by WVDED. Upon receipt of NTPEs, WVDED expects subgrantees to quickly submit formal requests for reimbursement for these approved costs.

3. Compliance Guidance & Training: WVDED hosted BEAD-specific kick-offs and compliance trainings, covering baseline expectations and Build America, Buy America (BABA) requirements. Throughout Summer 2026, WVDED provided additional guidance on required reporting, reimbursement protocols, and compliance monitoring. This positions WVDED to successfully meet its required semi-annual NTIA reporting mandate. The latest training, held virtually on August 27, 2026, was focused on the Federal Interest protection process for BEAD subgrantees.

4. NEPA, EHP, and Permitting: A major focus moving forward is supporting timely environmental (NEPA/EHP) and permitting approvals for all projects to prevent construction delays. WVDED scheduled multiple initiatives to streamline this process, including: (i) a June NEPA progress deep-dive with the NTIA, (ii) a Permitting Roundtable in July, and (iii) a Permits and Licensing Coordination Committee meeting. The following events have been held:
    - NTIA-WV NEPA Review June 24, 2026
    - BEAD WV Kick-Off Webinar July 8, 2026
    - BEAD NEPA-EHP Permitting Roundtable July 16, 2026
    - BEAD NEPA-EHP Office Hours July 21, 2026

Highlights:

- West Virginia's BEAD Final Proposal–the last document required before project agreements could be drafted and executed–was approved by NTIA on November 21, 2025. Utilizing a $1.2 billion allocation from the federal government, WVDED will connect almost 74,000 broadband serviceable locations not already served by high-speed internet or with an enforceable funding commitment.

- WVDED published a BEAD Location Story Map on its website. This tool displays how WVDED identified eligible locations, deduplicated and cleaned this data, carried out the selection process, as well as the final results.
- WVDED submitted written comments to NTIA on February 18, 2026 concerning preferred uses of BEAD Non-deployment funds. It is estimated that West Virginia will have almost $550 million in Non-deployment funds after the 2025 Benefit of the Bargain round.
- Beginning March 2026, WVDED has held a series of webinars, workshops, and one-on-one meetings with BEAD subgrantees. Topics covered include NEPA, EHP, monitoring and compliance, BABA, Federal Interest requirements, and semi-annual reports.
- Beginning June 2026, WVDED began successfully executing agreements with BEAD subgrantees. At the time of writing, five of the eight awardees have executed grant agreements and received NTPEs. Agreements with the remaining three awardees are being finalized.
- On July 16, 2026, WVDED held the first BEAD Permitting Roundtable meeting with state and federal permitting agencies. This was a virtual workshop for BEAD subgrantees featuring presentations from the U.S. Fish and Wildlife Service, U.S. Forest Service, U.S. Army Corps of Engineers, U.S. National Park Service, the West Virginia Division of Highways, West Virginia Department of Environmental Protection, West Virginia Division of Natural Resources, and West Virginia State Historic Preservation Office. Presenters covered each agency's relevant permitting processes and resources.
- In collaboration with its partners and the WVPSC, WVDED is preparing a BEAD Pole Attachment Database in an effort to streamline and enhance the pole-attachment process. (*See Section 3 for more information.)*
- On September 21st, 2026, WVDED Office of Broadband staff will undergo internal staff training with the consulting team on Preventing Waste Fraud and Abuse.
- On September 28th, WVDED staff is scheduled for a Semi-Annual Financial Desk Review with NTIA. Staff and team have worked with accounting staff to prepare documents and reports to ensure readiness and compliance.

NTIA Competitive Grant Program

In addition to the BEAD Program, NTIA will also administer the Competitive Grant Program (CGP). Formerly known as the Digital Equity Competitive Grant, the CGP is a component of the 2021 Digital Equity Act (also a component of the IIJA). Under the CGP, NTIA will award $1.25 billion to eligible entities for projects that increase broadband adoption, expand digital skills development, and promote access to public connectivity resources through a competitive application process.

The CGP, alongside the other Digital Equity Act programs, was cancelled by the federal government on May 9, 2025. A round of CGP awards that had been announced in December 2024 were rescinded. Subsequently, a lawsuit from one awardee (the National Digital Inclusion Alliance) compelled the NTIA to restart the program with adjusted parameters.

On August 25, 2026, NTIA opened a Request for Comment on the CGP application, which will close on October 26, 2026. NTIA also announced that they plan to release a new CGP Notice of Funding Opportunity in December 2026. It is assumed that all prior awardees must reapply for funding.

Multiple West Virginia organizations applied to the Digital Equity Competitive Grant in 2024, including libraries, nonprofit organizations, schools, universities, and workforce development organizations. While the award process was incomplete at the time of cancellation, the only Competitive Grant awardee with a project encompassing West Virginia was the American Connection Corps (ACC), which planned to expand its National ACC Fellow program into communities across the state.

WVDED stands ready to promote the CGP among eligible entities and assist applicants in the near future. The program is set to enhance broadband infrastructure expansion by making internet usage easier and more accessible for every West Virginian.

1b. American Rescue Plan Act Investments To Date Programs

WVDED, in coordination with the WVBEC, continues to administer American Rescue Plan Act (ARPA) funded programs dedicated to expanding high-speed, reliable internet infrastructure to reach unserved locations in West Virginia. Enacted in 2021, ARPA consists of two funding sources: the $136 million Capital Projects Fund (CPF) and the $90 million State and Local Fiscal Recovery Fund (SLFRF) administered by the U.S. Department of the Treasury (*see map*).

West Virginia Broadband Investment Plan

ARPA Funds Awarded to Date

$205.57 Million
- $124.6 Million CPF
- $80.9 Million SLFRF

Matching Funds $67.96 Million

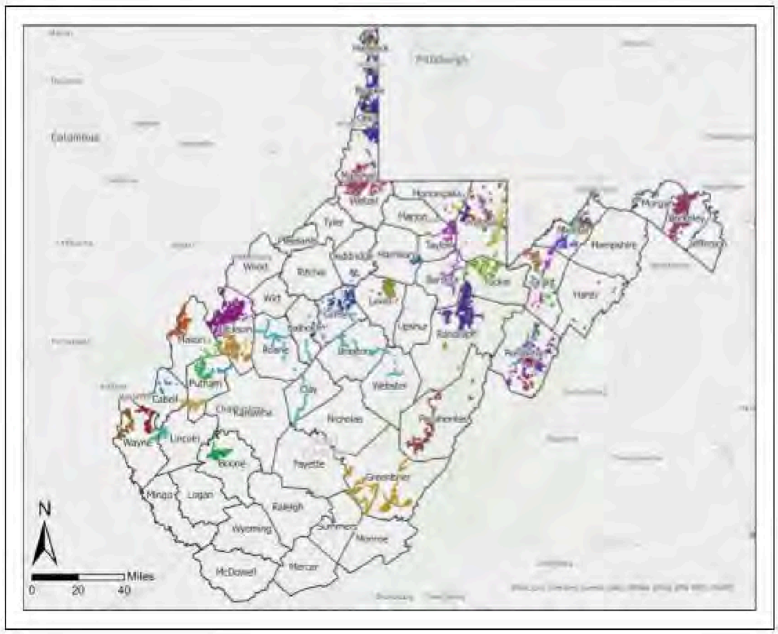
Total Investment $273.53 Million

Last Mile Projects: 47

Total Miles of New Plant: 4,133

42 Counties

42,496 Targeted Locations



Along with a $10 million allocation of state funding, West Virginia has a combined total of $236 million in ARPA funding to administer competitive grant opportunities for broadband development. Once complete, ARPA investments will deploy 4,137 miles of broadband infrastructure to 42,496 unserved locations. The current project status of the APRA CPF and SLFRF Projects is as follows:

Capital Projects Fund (CPF)

Program Information	Totals
Projects	23
Grant Funds	$80,902,816
Matching Funds	$28,205,579
Total Investment	$109,108,395
Targeted Locations	16,867
Miles of Plant	2,008

State and Local Fiscal Recovery Fund (SLFRF)

Program Information	Totals
Projects	24
Grant Funds	$124,671,069
Matching Funds	$39,751,643
Total Investment	$164,422,712
Targeted Locations	25,629
Miles of Plant	2,129

All ARPA awards are available for review in the West Virginia Broadband Investment Plan Dashboard. ARPA Projects by Phases: Completion, Construction, and Design:

Projects Completed to Date

1. ARPA-CPF Armstrong Telecommunications, Wayne-Lincoln-East Lynn Extension
2. ARPA-SLFRF Citynet, Green Valley Line Extension
3. ARPA-SLFRF Citynet, Shavers Fork, Helvetia, Crestview Line Extension
4. ARPA-SLFRF Hardy Telecommunications, East Hardy Line Extension
5. ARPA-SLFRF Hardy Telecommunications, South Mill Creek Road Line Extension
6. ARPA-SLFRF Prodigi, North-Central Preston Extensions
7. ARPA-SLFRF Prodigi, West Preston-Valley District Extension
8. ARPA-SLFRF Shentel, Grant County North Fork
9. ARPA-CPF Spruce Knob, Pendleton County, Franklin, Milam
10. ARPA-SLFRF Frontier, Boone County, Turtle Creek
11. ARPA-SLFRF Frontier, West Mason
12. ARPA-SLFRF Comcast, Cabell, Kanawha, Morgan, Putnam Line Extension

Projects Currently in Construction

1. ARPA-CPF Armstrong Telecommunications, Putnam, Hurricane, Culloden, Scott Depot
2. ARPA-CPF Armstrong Telecommunications, Wayne, Cabell Fiber Extension
3. ARPA-CPF Armstrong Telecommunications, Wayne County Fiber Expansion
4. ARPA-SLFRF Citynet, Thornton, Gladesville & Morgantown South
5. ARPA-SLFRF Citynet, Slatyfork, Marlinton, Hillsboro, Valley Head
6. ARPA-SLFRF Citynet, Extension Calhoun, Doddridge, Gilmer and Lewis
7. ARPA-SLFRF Citynet, Marshall-Wetzel Fiber Expansion
8. ARPA-SLFRF Comcast, Brooke, Hancock, Marshall, Ohio Line Extension
9. ARPA-CPF Comcast, Northern Panhandle
10. ARPA-CPF Comcast Mineral, North
11. ARPA-CPF Comcast Mineral, South
12. ARPA-CPF Comcast Mineral, Keyser, New Creek, Burlington
13. ARPA-CPF Frontier, Ravenswood
14. ARPA-CPF Frontier, Ripley
15. ARPA-SLFRF Frontier, Berkeley Co.; Hedgesville, Gerrardstown, Martinsburg, Inwood
16. ARPA-CPF Frontier, Extension Mason, Putnam, Jackson (special authorization)
17. ARPA-CPF Greenbrier County Commission, Greenbrier County Broadband (Citynet)
18. ARPA-CPF Micrologic, Randolph County Fiber Deployment
19. ARPA-CPF Micrologic, Grant County MBPS-Maysville, New Creek, Cabins, Keyser
20. ARPA-SLFRF Micrologic Extension, Grant County
21. ARPA-SLFRF Prodigi, East Monongalia and East Preston Rural Broadband
22. ARPA-SLFRF Prodigi, Tucker County, Parsons, Hambleton, Aurora
23. ARPA-SLFRF Prodigi, Preston to Barbour Rural Expansion
24. ARPA-SLFRF Prodigi Extension, Preston County, Big Bear Lake
25. ARPA-CPF Roane EDA, Multi County Broadband (Citynet)
26. ARPA-SLFRF Shentel, Lewis County Broadband Project
27. ARPA-CPF Shentel, Grant County-Gormania, Bismarck, Mount Storm

28. ARPA-CPF Shentel, Lewis County, Jane Lew, Weston, Camden, Horner
29. ARPA-SLFRF Spruce Knob, Extension Pendleton County
30. ARPA-CPF Spruce Knob, Pendleton County, Franklin, Upper Tract
31. ARPA-CPF Spruce Knob, Pendleton County, Brandywine, Sugar Grove, Milam
32. ARPA-CPF Spruce Knob, Pendleton County, Brandywine
33. ARPA-CPF Spruce Knob, Pocahontas; Green Bank, Arbovale, Durbin
34. ARPA-CPF Spruce Knob, Pendleton County, Upper Tract
35. ARPA-CPF Mingo, East Pendleton Phase 1 Line Extension

Treasury CPF Program Plan Amendment
This amendment also includes a budget reallocation and a proposed Lightning Round, designed to allocate remaining CPF funds to projects that could be completed on or before December 31, 2026.

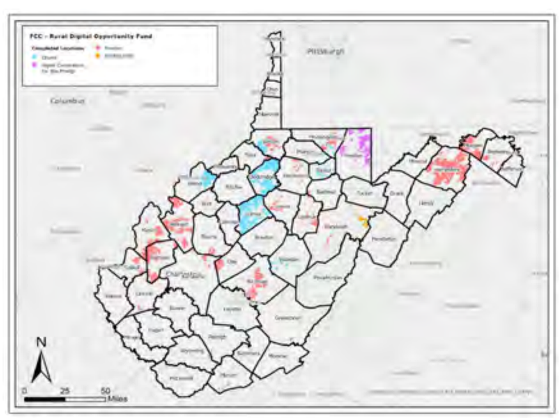
CPF Lightning Round
On May 29, 2026, the Office of Broadband received approval from the Treasury to conduct a **CPF Lightning Round** built upon West Virginia's established LEAD program procedures, with amendments to expedite project selection and ensure completion before December 31, 2026. As of August 10, 2026, there were no applicants for the funding opportunity, and the application cycle is closed.

CPF Project Extensions
On June 22, the Office submitted 14 extension requests to the Treasury for certain CPF projects. Treasury approved all requests on July 13. The new deadline for these projects is June 30, 2027.

2026 Forecasts, Closeouts and Project Extensions
To prepare for the ARPA closeout process, the Office of Broadband has prepared a project management and expenditure forecast through December 31, 2026. SLFRF projects have an earlier disbursement deadline and coordination with other State agencies will be needed to ensure full utilization of available Federal funds. The Office of Broadband is preparing a memo to outline requirements. The forecast will be updated monthly.

1c. Rural Digital Opportunity Fund (RDOF)

Administered by the Federal Communications Commission (FCC) and funded by the Universal Service Fund (USF) High-Cost Program, the Rural Digital Opportunity Fund (RDOF) distributes funding using a competitive, reverse auction in which internet service providers compete for subsidy funding under a 10-year term, to connect unserved and underserved locations in "High Cost" Census blocks (often rural areas where the cost to connect customers is higher than average).



All winning service providers for West Virginia bid and won in the auction's Gigabit Performance Tier, specifying the use of "Optical Carrier – Fiber to the End-User" as the technology to satisfy deployment obligations.(*See map.)*

RDOF deployment data is filed by each winning bidder to the FCC annually on March 1 for the previous calendar year. All five auction winners must fulfill deployment obligations to serve 40 percent of the total locations won in the state by the end of year three and an additional 20 percent of subsidized locations per year until 100 percent completion by the end of year six. According to USAC verified and published data through March 7, 2025, service providers reported progress in RDOF deployment since 2024. The report indicates that:

- Citynet met its 3-year service milestone, reporting 5,646 served locations (42 percent of subsidized locations).
- Prodigi met its 3-year service milestone nine months ahead of schedule, reporting an additional 701 locations in 2024.
- Frontier reported serving an additional 10,299 locations in 2024.
- Micrologic reported its first 264 locations in 2024.
- Gigabeam was last to secure RDOF certification in late 2022. Its three-year service milestone data is due in late summer of 2026.

1d. Rural Health Transformation Program (RHTP)

On September 15, 2025, the U.S. Centers for Medicare and Medicaid Services (CMS) announced the opening of the Rural Health Transformation Program (RHTP)--a five-year, $50 billion grant program to strengthen rural healthcare. A component of the One Big Beautiful Bill Act (OBBBA), the RHTP allocated funds to 50 states through a competitive application process.

On November 5, 2025, West Virginia successfully submitted its application to the RHTP. West Virginia's application, guided by Governor Morrisey's "Health to Prosperity" vision, focuses on seven initiatives. The first of these initiatives, the Connected Care Grid, includes activities to expand telehealth, remote monitoring, and mobile-care access points across the state.

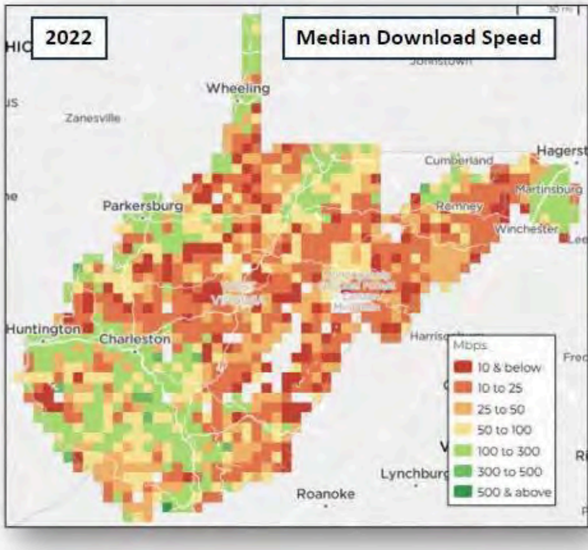
WVDED contributed to West Virginia's application by providing data on broadband access and adoption, telehealth providers, and telehealth resources. WVDED is committed to the successful execution of the RHTP and using broadband technology to enhance rural health outcomes across West Virginia.

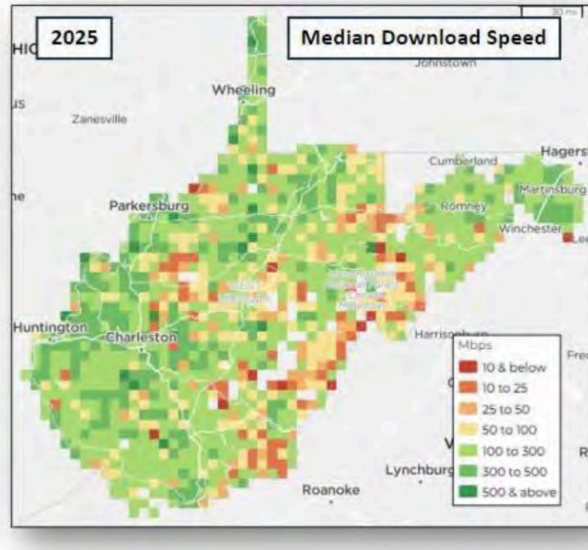
On December 29, 2025, CMS announced the first round of RHTP awards to states, totaling $50 billion. Awards ranged between $147 million and $281 million. West Virginia was awarded $199,476,099 in RHTP funds. WVDED is prepared to support the state's RHTP initiatives moving forward.

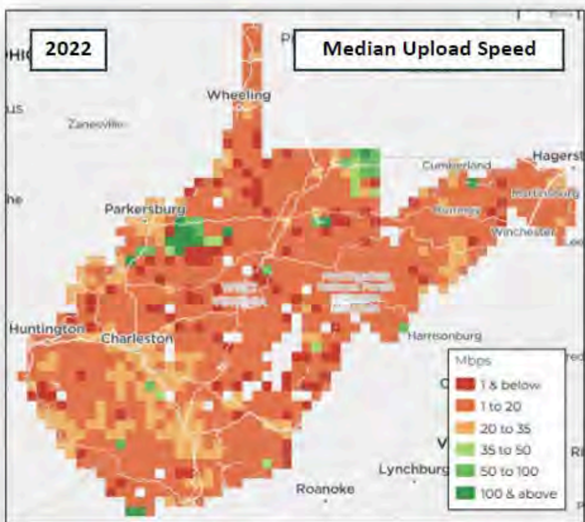
2. STATEWIDE MAPPING

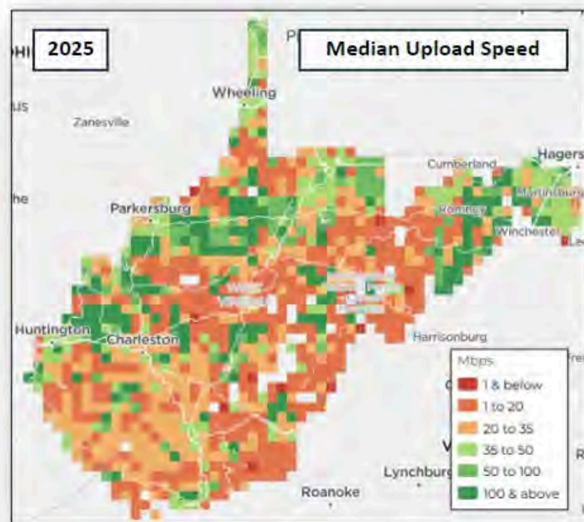
Broadband Speed Improvements

According to Ookla® Speed Test data, West Virginia has seen a 140% increase in median *download* speeds across the entire state from 2022 to 2025. Similarly, *upload* speeds have increased 96% from 2022 to 2025. West Virginia has been a national leader in bringing broadband investment to its citizens through its emphasis on speed testing to measure network expansion and performance throughout the State (*see maps, next page*).









3. STATE AND FEDERAL POLICY UPDATES IN EFFECT FOR 2026

3a. Pole Attachment Update

The WVDED and WVBEC continue to work with the West Virginia Public Service Commission (WVPSC) to help improve the pole attachments permitting process in West Virginia. The WVDED and WVBEC are parties to two key matters (Items 1 and 4 below) before the Commission. Recent decisions in these proceedings have been favorable toward broadband expansion.

1. Pole Attachment Task Force, CASE NO. 24-0703-T-E-CTV-GI.

The Commission issued an Order on June 27, 2025, which states as follows: The Commission creates the Pole Attachment Working Group; establishes an annual reporting requirement for pole owners; establishes requirements for the creation and management of a pole inspection database; authorizes the use of dielectric cable for the deployment of broadband consistent with the most recent National Electrical Safety Code (NESC) requirements; requires a rulemaking; and, makes other rulings to promote safe, efficient broadband deployment.

Pursuant to this Order, WVDED is charged with the development of a Pole Attachment Permitting Tracking System. WVDED has prepared a conceptual development plan and budget for this work. On November 24, the Commission issued an Order to clarify its October 15 Order. The November 24 Commission Order confirms that:

- Poles that are red-tagged, require replacement due to age, deterioration, safety violations, accident, or other similar cause must be replaced at the cost of the pole owners; and
- With respect to the allocation of pole replacement costs for the narrow universe of poles with preexisting violations that would lack capacity for a new attachment even if the preexisting violation is removed from the pole, the new attacher would bear the incremental cost difference between the new pole of the same height or circumference of the existing pole and a new taller or larger circumference pole required to accommodate its attachment, along with other make-ready costs necessary for the attachment to the pole. The remaining costs of the pole would be paid by the owner and ultimately shared by all beneficiaries, pursuant to the PSC's rules.

2. Comcast v. Appalachian Power-CASE NO. 25-0463-CTV-E-POLE

The Commission issued this Order on August 21, 2025, precluding Appalachian Power Company (APCo) from enforcing a company policy that shifts the cost of remedying pre-existing pole violations from the pole owner to the new attacher. The Commission determined that APCo's policy denies new attachers access to poles, delays the competition of make-ready work, and violates the prohibition against charging new attachers for remedying preexisting violations, all in contravention of the Commission's Pole Attachment Rules.

3. Citynet v. Monongahela Power Company and FirstEnergy Corporation, 25-0640-T-E-POLE

Citynet initiated this case in the Public Service Commission on July 22, 2025, to challenge Monongahela Power Company's (Mon Power) and FirstEnergy's make-ready invoices to Citynet under the Commission's Pole Attachment Rules. The parties are participating in discovery presently and filing witness testimony and exhibits with the Commission. The Commission likely will enter an order in this case in late 2025 or early 2026.

4. Verizon Acquisition of Frontier, CASE NO 24-0853-T-PC

Verizon and Frontier jointly filed a petition with the WVPSC for approval of the transfer of Frontier to Verizon on October 31, 2024. On June 13, the parties submitted a Joint Stipulation and Agreement for Settlement.On October 24, 2025, the Commission of West Virginia approved the acquisition of Frontier Communications and its subsidiaries by Verizon Communications Inc. The Commission outlined a primary requirement for Verizon to allocate $60 million to an irrevocable escrow account to improve copper service for traditional telephone services. Frontier, and its wholly owned subsidiary Citizens Telecommunications Co. of West Virginia, serve approximately 225,000 access lines in the state, according to the company's filing. Verizon promised in its filing to improve service, and reduce reaction time to complaints, while offering other services to West Virginia customers, and committed to hiring 25 full-time technicians and honoring all commitments for broadband grants.

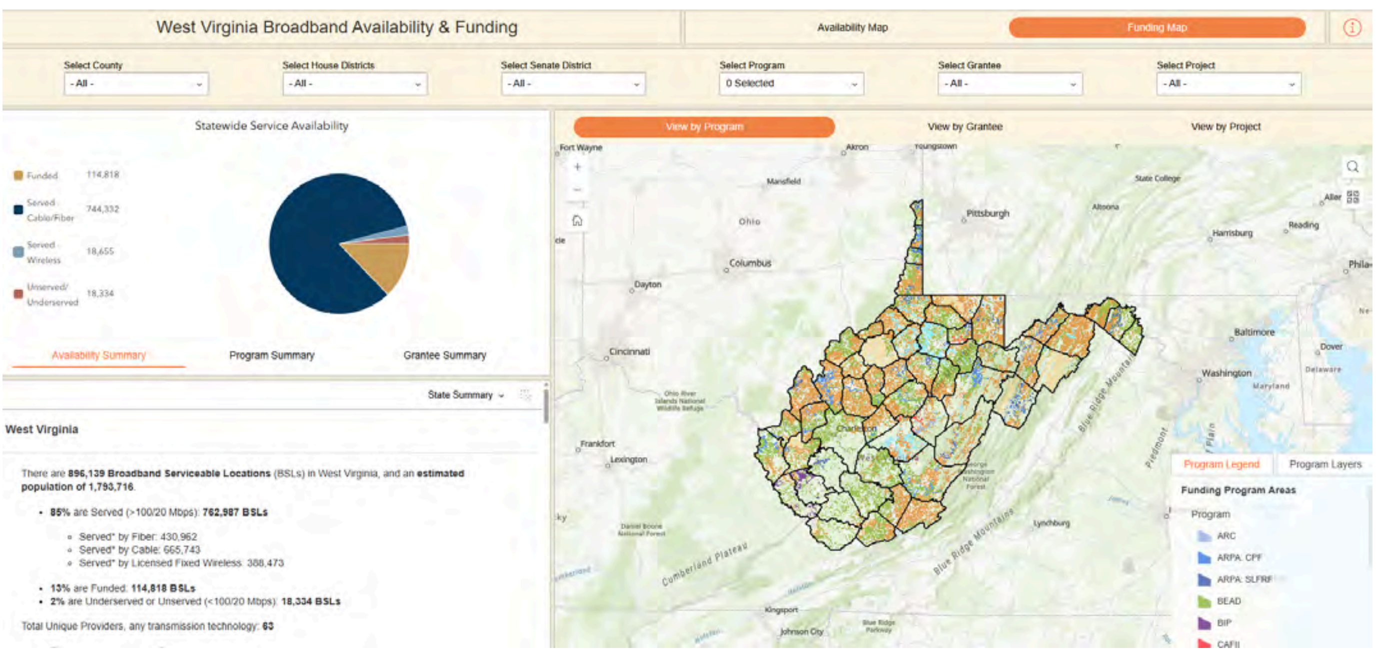
4. ADDITIONAL RESOURCES

Broadband Clearinghouse

Through its emphasis on broadband data and mapping, WVDED tracks broadband investment in West Virginia. WVDED created the West Virginia Broadband Dashboard, which tracks and displays broadband availability and investment across West Virginia. Using the National Broadband Serviceable Location (BSL) Fabric, FCC data, and other project data, the West Virginia Broadband Dashboard allows users to:

- Search addresses to determine locations within a project area,
- Search addresses to determine providers by area,
- Filter by county, senate district, and house district, programs, and project awardees,
- View funding data by program, specific project data, and other metrics, such as address counts by project and provider.

On July 24, 2026, WVDED launched a major update of the West Virginia Broadband Dashboard. The updated dashboard features a new, streamlined interface and updated BSL Fabric data. The dashboard can be found at broadband.wv.gov



WEST VIRGINIA LEGISLATIVE AUDITOR'S OFFICE

Budget Division

1900 Kanawha Blvd. East,
Room W-314
Charleston, WV 25305-0610
(304) 347-4870

William Spencer, CPA
Director

September 4, 2026

Executive Summary WV Lottery, Unemployment Trust, General Revenue and State Road Fund

- West Virginia Lottery as of July 31, 2026
  Gross profit as of July 31, 2026, was $5.2 million. Gross profit as of July 31, 2025, was $5 million.

- West Virginia Unemployment Compensation Fund as of July 31, 2026.
  Total disbursements were $1.7 million lower than in fiscal year 2025. Overall ending trust fund balance was $21.6 million higher on July 31, 2026, than on July 31, 2025.

- General Revenue Fund as of August 31, 2026
  The general revenue collections ended the second month of fiscal year 2027 at 106% of the estimate for the year. Total collections were $46 million above the estimate for the fiscal year.

- State Road Fund as of August 31, 2026
  The road revenue collections ended the second month of fiscal year 2027 at 106% of the estimate for the year. Total collections were $18 million above the estimate for the fiscal year.

WEST VIRGINIA LEGISLATIVE AUDITOR'S OFFICE
Budget Division

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William Spencer, CPA
Director

MEMORANDUM

To: Honorable Chairmen and Members of the Joint Committee on Government and Finance

From: William Spencer, CPA
Director, Budget Division
Legislative Auditor’s Office

Date: August 19, 2026

Re: Review of West Virginia Lottery Financial Information As of July 31, 2026

We performed an analysis of the Statement of Revenues, Expenses and Changes in Fund Net Position for July 31, 2026, from monthly unaudited financial reports furnished to our office by the West Virginia Lottery Commission. The results are as follows:

Lottery Revenues:

Gross lottery revenues are receipts from on-line games, instant games, table games and video lottery. These gross receipts totaled $115.6 million for July of fiscal year 2027. Table games accounted for $2.5 million of this total. Historic Resort Hotel video lottery accounted for $505 thousand of total gross receipts. Gross lottery revenue has increased by $5.7 million, or 5.2%, when compared with July of fiscal year 2026. This number does not include commission and prize deductions. Gross profit (gross revenues minus commissions and prize costs) for July 2026 was $5.2 million; for July 2026, it was $5 million. Expressed as a percentage, gross profit is 4.6% higher for fiscal year 2027 than for fiscal year 2026.

Operating Transfers to the State of West Virginia:

A total of $49,997,000.00 has been accrued to the state of West Virginia for fiscal year 2026-2027. This is on an accrual basis and may not correspond to the actual cash transfers made during the same time period. Amount owed to the different accounts according to the Lottery Act are calculated monthly and accrued to the state; actual cash transfers are often made based upon actual cash flow needs of the day-to-day operation of the lottery.

A schedule of cash transfers follows:

State Lottery Fund

Bureau of Senior Services	$20,331,000.00
Community and Technical College	$499,000.00
Department of Education	$5,733,000.00
Library Commission	$3,493,000.00
Higher Education-Policy Commission	$2,318,000.00
Tourism	$2,180,000.00
General Revenue	$000.00
Department of Natural Resources	$1,219,000.00
Fire Protection Fund	$000.00
Emergency Medical Services Fund	$000.00
Division of Culture and History	$1,427,000.00
Economic Development Authority	$1,000,000.00
School Building Authority	$1,800,000.00
SUBTOTAL BUDGETARY TRANSFERS	**$215,110,000.00**

Lottery continued

Excess Lottery Fund

Economic Development Fund	$203,000.00
Higher Education Improvement Fund	$1,500,000.00
Economic Development Authority	$439,000.00
General Purpose Fund	$000.00
Education Improvement Fund	$000.00
State Park Improvement Fund	$000.00
School Building Authority	$1,724,000.00
Refundable Credit	$000.00
WV Racing Commission	$000.00
WV Division of Human Services	$000.00
Teacher’s Retirement Savings	$000.00
Department of Education	$000.00
Division of Human Services	$000.00
WV Lottery Statutory Transfers	$000.00
General Revenue Fund	$000.00
Office of Technology	$000.00
Excess Lottery Surplus	$000.00
WV Infrastructure Council Fund	$547,000.00
Total State Excess Lottery Revenue Fund	**$4,413,000.00**

Total Budgetary Distributions:	$44,413,000.00
Veterans Instant Ticket Fund	$38,000.00
Pension Plan	$00.00
TOTAL TRANSFERS	**$44,451,000.00**

* CASH BASIS

Lottery continued

Total Accrued last FY 2026:	$142,131,000.00
Total Cash Distributions FY 2027:	$ 44,451,000.00
Applied to FY 2026:	$ 44,451,000.00
Applied to FY 2027:	$ 000.00
Accrued for FY 2027 as of July 31:	$ 50,264,000.00

P.O. BOX 2067
CHARLESTON, WV 25327

DAVID R. BRADLEY
ACTING DIRECTOR

PHONE: 304.558.0500
wvlottery.com

MEMORANDUM

TO: Joint Committee on Government and Finance

FROM: David R. Bradley, Acting Director

RE: Monthly Report on Lottery Operations
Month Ending July 31, 2026

DATE: August 17, 2026

This report of the Lottery operations is provided pursuant to the State Lottery Act.

Financial statements of the Lottery for the month ending July 31, 2026 are attached. Lottery revenue, which includes on-line, instant, video lottery sales, table games, and historic resort, sports wagering, and interactive gaming was $115,638,607 for the month of July.

Transfers of lottery revenue totaling $44,451,434 made for the month of July to the designated state agencies per Senate Bill 160, Veterans Instant Ticket Fund, Racetrack Video Lottery Act (§29-22A-10), and the Racetrack Table Games Act(§29-22C-27). The amount transferred to each agency is shown in Note 12 on pages 20 and 21 of the attached financial statements.

The number of traditional and limited retailers active as of July 31, 2026 was 1,504 and 1,167 respectively.

A listing of the names and amounts of prize winners has been provided to the Clerk of the Senate, the Clerk of the House and Legislative Services.

If any member of the Committee has questions concerning the Lottery, please call me. Also if any members of the Legislature wish to visit the Lottery offices, I would be pleased to show them our facilities and discuss the Lottery with them.

DRB
Attachment

pc: Honorable Patrick Morrisey, Governor
Eric Nelson, Cabinet Secretary – Department of Revenue
Larry Pack, Treasurer
Mark Hunt, Auditor
Members of the West Virginia Lottery Commission

WEST VIRGINIA LOTTERY

STATE OF WEST VIRGINIA

FINANCIAL STATEMENTS
-UNAUDITED-

July 31, 2026

WEST VIRGINIA LOTTERY

TABLE OF CONTENTS

WEST VIRGINIA LOTTERY
STATEMENT OF NET POSITION
(In Thousands)
-Unaudited-

ASSETS		July 31, 2026		June 30, 2026
Current Assets:				
Cash and cash equivalents	$	182,585	$	186,240
Accounts receivable		36,490		32,843
Inventory		1,525		1,650
Other assets		199		199
Total Current Assets		220,799		220,932
Capital assets		66,076		66,045
Less accumulated depreciation and amortization		(28,468)		(28,246)
Net Capital Assets		37,608		37,799
Net Pension Asset		3,496		3,496
Net OPEB Asset				
Total Noncurrent Assets		41,104		41,295
Total Assets	$	261,903	$	262,227
Deferred outflows of resources	$	1,921	$	1,921
Total assets and deferred outflows	$	263,824	$	264,148
Current Liabilities:				
Accrued nonoperating distributions to the State of West Virginia	$	147,677	$	142,131
Estimated prize claims		24,486		26,276
Accounts payable		1,727		3,890
Other accrued liabilities		29,010		30,927
Total Current Liabilities		202,900		203,224
Deferred inflows	$	1,848		1,848
Net Position:				
Net Investment in capital assets		37,608		37,799
Unrestricted		21,468		21,277
Total Net Position		59,076		59,076
Total net position, liabilities, and deferred inflows	$	263,824	$	264,148

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

WEST VIRGINIA LOTTERY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE ONE MONTH PERIOD ENDED JULY 31, 2026
(In Thousands)
-Unaudited-

	CURRENT MONTH		YEAR TO DATE	
	FY 2027	FY 2026	FY 2027	FY 2026
Lottery revenues				
On-line games	$ 7,533	$ 5,110	$ 7,533	$ 5,110
Instant games	12,825	13,732	12,825	13,732
E instants	4,252	1,914.00	4,252	1,914.00
Racetrack video lottery	42,372	41,747	42,372	41,747
Limited video lottery	39,818	39,277	39,818	39,277
Table games	2,536	3,004	2,536	3,004
Historic resort	505	326	505	326
Sports Wagering	362	310	362	310
Interactive Wagering	5,436	4,473	5,436	4,473
	115,639	109,893	115,639	109,893
Less commissions				
On-line games	477	340	477	340
Instant games	897	961	897	961
Racetrack video lottery	23,593	23,148	23,593	23,148
Limited video lottery	19,511	19,246	19,511	19,246
Table games	1,111	1,303	1,111	1,303
Historic resort	222	155	222	155
	45,811	45,153	45,811	45,153
Less on-line prizes	3,949	2,621	3,949	2,621
Less instant prizes	8,842	9,433	8,842	9,433
Less e instant prizes	3,341	1,505.00	3,341	1,505.00
Less ticket costs	332	197	332	197
Less vendor fees and costs	1,102	1,043	1,102	1,043
	17,566	14,799	17,566	14,799
Gross profit	52,262	49,941	52,262	49,941
Administrative expenses				
Advertising and promotions	684	509	684	509
Wages and related benefits	790	1,184	790	1,184
Telecommunications	56	68	56	68
Contractual and professional	407	193	407	193
Rental	27	6	27	6
Depreciation and amortization	222	222	222	222
Other administrative expenses	274	232	274	232
	2,460	2,414	2,460	2,414
Other Operating Income	462	944	462	944
Operating Income	50,264	48,471	50,264	48,471
Nonoperating income (expense)				
Investment income	573	669	573	669
Distributions to municipalities and counties	(781)	(770)	(781)	(770)
Distributions -capital reinvestment	(59)	(241)	(59)	(241)
Distributions to the State of West Virginia	(49,997)	(48,129)	(49,997)	(48,129)
	(50,264)	(48,471)	(50,264)	(48,471)
Net income	-	-	-	-
Net position, beginning of period	59,076	59,540	59,076	59,540
Net position, end of period	$ 59,076	$ 59,540	$ 59,076	$ 59,540

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

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 1 - LEGISLATIVE ENACTMENT

The West Virginia Lottery (Lottery) was established by the State Lottery Act (Act) passed April 13, 1985, which created a special fund in the State Treasury designated as the "State Lottery Fund." The purpose of the Act was to establish and implement a state-operated lottery under the supervision of a state lottery commission (Commission) and a director. The Commission consisting of seven members and the Director are appointed by the Governor. Under the Act, the Commission has certain powers and the duty to establish rules for conducting games, to select the type and number of gaming systems or games and to enter into contracts and agreements, and to do all acts necessary or incidental to the performance of its duties and exercise of its power and duty to operate the Lottery in a highly efficient manner. The Act provides that a minimum annual average of 45% of the gross amount received from each lottery shall be allocated for prizes and also provides for certain limitations on expenses necessary for operation and administration of the Lottery. To the extent available, remaining net profits are to be distributed to the State of West Virginia. As the State is able to impose its will over the Lottery, the Lottery is considered a component unit of the State, and its financial statements are presented in the annual comprehensive financial report of the State as a blended proprietary fund component unit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of the Lottery is presented below.

BASIS OF PRESENTATION – The West Virginia Lottery is a component unit of the State of West Virginia and is accounted for as a proprietary fund special purpose government engaged in business type activities. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," and with accounting principles generally accepted in the United States of America, the financial statements are prepared on the accrual basis of accounting which requires recognition of revenue when earned and expenses when incurred. As permitted by Governmental Accounting Standards Board (GASB) Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*," the Lottery has elected not to adopt Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 unless the GASB specifically adopts such FASB statements or interpretations.

The Lottery is included in the State's basic financial statements as a proprietary fund and business type activity using the accrual basis of accounting. Because of the Lottery's presentation in these financial statements as a special purpose government engaged in business type activities, there may be differences in presentation of amounts reported in these financial statements and the basic financial statements of the State as a result of major fund determination.

USE OF ESTIMATES – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and develop assumptions that affect the amounts reported in the financial statements and related notes to financial statements. Actual results could differ from management's estimates.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LOTTERY GAME OPERATIONS – The West Virginia Lottery derives its revenues from four basic types of lottery games: instant, on-line, video type games, and table games. The Lottery develops multiple game themes and prize structures to comply with its enabling legislation, including aggregate annual minimum prize provisions. All bonded retailers and agents comprised principally of grocery and convenience stores serve as the primary distribution channel for instant and on-line lottery sales to the general public.

The Lottery has contracted with a private vendor to manufacture, distribute, and provide data processing support for instant and on-line games. Under the terms of the agreements, the Lottery pays a percentage of gross revenues or gross profits for the processing and manufacture of the games.

Revenue from instant games is recognized when game tickets are sold to retailers, and the related prize expense is recorded based on the specific game prize structure. Instant ticket sales and related prizes do not include the value of free plays issued for the purpose of increasing the odds of winning a prize.

Sales of on-line lottery tickets are made by licensed agents to the public with the use of computerized terminals. On-line games include POWERBALL®, a multi-state "jackpot" game; Mega Millions®, a multi-state "jackpot" game; Cash25 "lotto" game; Daily 3 and 4 "numbers" games; and Travel, a daily "keno" game. Revenue is recognized when the agent sells the tickets to the public. Prize expense is recognized on the basis of actual drawing results.

Commissions are paid to instant game retailers and on-line agents at the rate of seven percent of gross sales. A portion of the commission not to exceed one and one quarter percent of gross sales may be paid from unclaimed prize moneys. The amount paid from unclaimed prize moneys is credited against prize costs. In addition, retailers and agents are paid limited bonus incentives that include prize shares on winning tickets they sell and a ticket cashing bonus on winning tickets they cash. On a weekly basis, retailers and agents must remit amounts due to the Lottery. Retailers may not be able to order additional instant tickets if payment has not been made for the previous billing period, while an agent's on-line terminal may be rendered inactive if payment is not received each week. No one retailer or agent accounts for a significant amount of the Lottery's sales or accounts receivable. Historically credit losses have been nominal and no allowance for doubtful accounts receivable is considered necessary.

Video lottery is a self-activated video version of lottery games which is operated by an authorized licensee. The board-operated games allow a player to place bets for the chance to be awarded credits which can either be redeemed for cash or be replayed as additional bets. The coin operated games allow a player to use coins, currency, or tokens to place bets for the chance to receive coin or token awards which may be redeemed for cash or used for replay in the coin operated games. The video lottery games' prize structures are designed to award prizes, or credits, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as video lottery revenue "gross terminal income" equivalent to all wagers, net of related prizes. Amounts required by statute to be paid to the private and local government entities are reported as commissions. WV Lottery statutes have established specific requirements for video lottery and imposed certain restrictions limiting the licensing for operation of video lottery games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), limited licensed retailer areas restricted for adult amusement, and licensed historic resort hotels as defined by WV Code.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The legislation further stipulates the distribution of revenues from video lottery games and requires any video lottery licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

Table games are lotteries as each game involves consideration, the possibility of a prize, and their outcome is determined predominantly by chance, which the common law of West Virginia has long held are the three essential elements of a lottery. Table games are the exclusive intangible intellectual property of the state of West Virginia. Table games legislation has established specific requirements for table games and imposed certain restrictions limiting the licensing for operation of table games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), and licensed historic resort hotels as defined by WV Code. Each licensee as an agent of the Lottery Commission to operate West Virginia table games shall have written rules of play for each table game it operates which must be approved by the Commission. All wagers and pay-offs of winning wagers shall be made according to those rules of play. For the privilege of holding a table games license, there is levied a privilege tax of thirty-five percent of each licensee's adjusted gross receipts for the operation of West Virginia Lottery table games. Amounts required by statute to be paid to private and local government entities are reported as commissions. The legislation further stipulates the distribution of revenues from West Virginia table games and requires any licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents primarily consist of interest-earning deposits in an external investment pool maintained by the West Virginia Board of Treasury Investments (BTI). The BTI pool is a 2a-7 like pool carried at amortized cost which approximates fair value of the underlying securities.

INVENTORY – Inventory consists of instant game tickets available for sale to approved Lottery retailers and is carried at cost as determined by the specific identification method.

OTHER ASSETS – Other assets consist of deposits restricted for payment of certain Multi-State Lottery Association activities and prepaid expenses.

CAPITAL ASSETS – The Lottery has adopted a policy of capitalizing assets with individual amounts exceeding $25,000. These assets include leasehold improvements and purchased equipment, comprised principally of technology property, office furnishings and equipment necessary to administer lottery games, are carried at cost. Depreciation is computed by the straight-line method using three to ten year lives.

ADVERTISING AND PROMOTIONS – The Lottery expenses the costs of advertising and promotions as they are incurred.

COMPENSATED ABSENCES – The Lottery has accrued $949,857 and $893,184 at June 30, 2026 and 2025, respectively, for estimated obligations that may arise in connection with compensated absences for vacation at the current rate of employee pay. Employees fully vest in all earned but unused vacation. To the extent that accumulated sick leave is expected to be converted to benefits on termination or retirement, the Lottery participates in another postemployment benefits plan.

WEST VIRGINIA LOTTERY
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NET POSITION – Net position is presented as restricted, unrestricted and net investment in capital assets which represent the net book value of all property and equipment of the Lottery. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

OPERATING REVENUES AND EXPENSES – Operating revenues and expenses for proprietary funds such as the Lottery are revenues and expenses that result from providing services and producing and delivering goods and/or services. Operating revenues for the Lottery are derived from providing various types of lottery games. Operating expenses include commissions, prize costs, other direct costs of providing lottery games, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 3 - CASH AND CASH EQUIVALENTS

At July 31, 2026 the carrying amounts of deposits (overdraft) with financial institutions were $488 thousand with a bank balance (overdraft) of $535 thousand. Of this balance $250 thousand was covered by federal depository insurance with the remaining balance collateralized with securities held by the State of West Virginia's agent in the State's name.

A summary of the amount on deposit with the West Virginia Board of Treasury Investments (BTI) is as follows (in thousands):

	July 31, 2026	June 30, 2026
Deposits with financial institutions	$ 488	$ 2,370
Cash on hand at the Treasurer's Office	5,255	6,157
Investments with BTI reported as cash equivalents	176,842	177,713
	$ 182,585	$ 186,240

The deposits with the BTI are part of the State of West Virginia's consolidated investment cash liquidity pool. Investment income is pro-rated to the Lottery at rates specified by the BTI based on the balance of the deposits maintained in relation to the total deposits of all state agencies participating in the pool. Such funds are available to the Lottery with overnight notice.

WEST VIRGINIA LOTTERY
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NOTE 4 – CAPITAL ASSETS

A summary of capital asset activity for the month ended July 31, 2026, is as follows (in thousands):

Capital Assets:	Historical Cost At June 30, 2026	Additions	Deletions	Historical Cost At July 31, 2026
Construction in Progress	599	31	-	630
Buildings	48,243	-	-	48,243
Land	1,681	-	-	1,681
Equipment	15,522	-	-	15,522
	$ 66,045	$ 31	$ -	$ 66,076

Accumulated Depreciation:	Historical Cost At June 30, 2026	Additions	Deletions	Historical Cost At July 31, 2026
Buildings	$ 16,322	$ 102	$ -	$ 16,424
Equipment	11,924	120	-	12,044
	$ 28,246	$ 222	$ -	$ 28,468

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY

The Lottery is a member of the Multi-State Lottery (MUSL), which operates the semi-weekly POWERBALL® jackpot lotto game, the LOTTO AMERICA® game, and the MEGA MILLIONS® jackpot game on behalf of participating state lotteries. MUSL is currently comprised of 33 member state lotteries, including the District of Columbia and the United States Virgin Islands. MUSL is managed by a Board of Directors, which is comprised of the lottery directors or their designee from each of the party states. The Board of Directors' responsibilities to administer the Multi-State Lottery Powerball, Lotto America, and Mega Millions games are performed by advisory committees or panels staffed by officers and independent contractors appointed by the board. These officers and consultants serve at the pleasure of the board and the board prescribes their powers, duties and qualifications. The Executive Committee carries out the budgeting and financing of MUSL, while the board contracts the annual independent audit. A copy of the audit may be obtained by writing to the Multi-State Lottery Association, 1701-48th Street, Suite 210, West Des Moines, Iowa 50266-6723.

Each MUSL member sells game tickets through its agents and makes weekly wire transfers to the MUSL in an amount equivalent to the total prize pool less the amount of prizes won in each state. Lesser prizes are paid directly to the winners by each member lottery. The prize pool for POWERBALL®, LOTTO AMERICA®, and MEGA MILLIONS® is 50% of each drawing period's sales, with minimum jackpot levels. The Lottery's revenues and expenses from MUSL games participation for the month ended July 31, 2026, and fiscal year-to-date is as follows:

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NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

Revenues	Month	Y-T-D
Powerball	$ 2,791,749	$ 2,791,749
Lotto America	564,819	564,819
Millionaire for Life	481,580	481,580
Mega Millions	1,810,400	1,810,400
Total	$ 5,648,548	$ 5,648,548

Expenses (Prizes)	Month	Y-T-D
Powerball	$ 1,401,483	$ 1,401,483
Lotto America	282,412	282,412
Millionaire for Life	264,869	264,869
Mega Millions	905,203	905,203
Total	$ 2,853,967	$ 2,853,967

MUSL places a percentage of game sales from each game in separate prize reserve funds that serve as a contingency reserve to protect the respective MUSL Product Groups from unforeseen prize liabilities. These funds can only be used at the discretion of the respective MUSL Product Group. Once the prize reserve funds exceed the designated limit, the excess becomes part of that particular prize pool. Prize reserve fund monies are refundable to MUSL Product Group members if the MUSL disbands or, after one year, if a member leaves the MUSL. The applicable sales percentage contribution as well as the reserve fund limit for the MUSL games are as follows:

	PowerBall	Lotto America	Mega Millions
Required Contribution (% of sales)	2%	3%	1%
Reserve Fund Cap	$132,000,000	$12,000,000	$110,000,000

At July 31, 2026, the Lotteries share of the prize reserve fund balances were as follows:

Game	Total Prize Reserve	Lottery Share
Powerball	$ 119,238,108	$ 1,066,713
Lotto America	11,729,256	934,027
Millionaire for Life	39,728,354	672,792
Mega Millions	95,448,204	676,035
Total	$ 266,143,922	$ 3,349,567

Lottery prize reserves held by the MUSL are invested according to a Trust agreement the Lottery has with MUSL outlining investment policies. The policies restrict investments to direct obligations of the United States Government, perfected repurchase agreements, and obligations issued or guaranteed as to payment of

WEST VIRGINIA LOTTERY
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NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

principal and interest by agencies or instrumentalities of the United States Government, and mutual funds of approved investments. The average portfolio maturity is never more than one year, except that up to one third of the portfolio may have an average maturity of up to two years. The maximum maturity for any one security does not exceed five years.

The interest earned on prize reserve fund monies is used to pay MUSL operating expenses and any amounts over and above that are credited to an unreserved fund. The Lottery records this as interest when earned. This fund had a balance of $48,703,633 on July 31, 2026, of which the Lottery's share was $198,540.

NOTE 6 - RACETRACK VIDEO LOTTERY

The Racetrack Video Lottery legislation stipulates the distribution of racetrack video lottery revenues. This legislation has been amended since inception to restate revenue distribution based on revenue benchmarks and has been amended again by HB 101 as passed during the first extraordinary session of 2014. For a complete summary of the impacts of HB 101, see Note 11 titled "Summary Impact of Recent Legislation." Initially, four percent (4%) of gross terminal revenue is allocated for lottery administrative costs. Sixty-six percent (66%) of net terminal revenue (gross less 4%) is allocated in lieu of commissions to: the racetracks (46.5%); other private entities associated with the racing industry (9.5%); and the local county and municipal governments (2%). The remaining revenues (42%) of net terminal revenue is allocated for distribution to State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in the Note 11 titled "Nonoperating Distributions to the State of West Virginia."

The first benchmark occurs when the current year net terminal revenue meets the fiscal year 1999 net terminal revenue. The counties and incorporated municipalities split 50/50 the two percent (2%) net terminal revenue.

The second benchmark occurs when the current year gross terminal revenue meets the fiscal year 2001 gross terminal revenue. The four percent (4%) is no longer allocated for lottery administrative costs; instead the State receives this for distribution as specified by legislation or the State budget.

The final benchmark occurs when the current year net terminal revenue meets the fiscal year 2001 net terminal revenue. At this point a 10% surcharge is applied to net terminal revenue, with 58% of the surcharge allocated for distribution to the State as specified by legislation or the State budget, and 42% of the surcharge allocated to separate capital reinvestment funds for each licensed racetrack.

After deduction of the surcharge, 49% of net terminal revenue is allocated in lieu of commissions to: the racetracks (42%); other private entities associated with the racing industry (6%); and the local county and incorporated municipality governments (2%).

WEST VIRGINIA LOTTERY
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NOTE 6 - RACETRACK VIDEO LOTTERY (continued)

The remaining net terminal revenue (50%) is allocated for distribution to the State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in Note 12.

Amounts from the capital reinvestment fund may be distributed to each racetrack if qualifying expenditures are made within the statutory timeframe; otherwise, amounts accumulated in the fund revert to the state excess lottery revenue fund.

A summary of racetrack video lottery revenues for the month ended July 31, 2026, and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2027	2026	**2027**	2026
Total credits played	**$ 514,335**	$ 511,269	**$ 514,335**	$ 511,269
Credits (prizes) won	**(462,609)**	(460,588)	**(462,609)**	(460,588)
Promotional credits played	**(9,354)**	(8,934)	**(9,354)**	(8,934)
Gross terminal income	**42,372**	41,747	**42,372**	41,747
Administrative costs	**(1,695)**	(1,670)	**(1,695)**	(1,670)
Net Terminal Income	**40,677**	40,077	**40,677**	40,077
Less distribution to agents	**(23,593)**	(23,148)	**(23,593)**	(23,148)
Racetrack video lottery revenues	**$ 17,084**	$ 16,929	**$ 17,084**	$ 16,929

A summary of video lottery revenues paid or accrued for certain state funds to conform to the legislation as follows (in thousands):

	Current Month	Year-to-Date
State Lottery Fund	**$ 12,203**	**$ 12,203**
State Excess Lottery Revenue Fund	**4,881**	**4,881**
Capital Reinvestment Fund	-	-
Total nonoperating distributions	**$ 17,084**	**$ 17,084**

NOTE 7 - LIMITED VIDEO LOTTERY

Limited video lottery legislation passed in 2001 has established specific requirements imposing certain restrictions limiting the licensing for the operation of limited video lottery games to 9,000 terminals placed in licensed retailers. These licensed retailers must hold a qualifying permit for the sale and consumption on premises of alcohol or non-intoxicating beer. The Lottery has been charged with the administration, monitoring and regulation of these machines. The legislation further stipulates the distribution of revenues from the limited video lottery games and requires any licensees to comply with all related rules and regulations of the Lottery in order to continue its retailer status. The Limited Video Lottery legislation

WEST VIRGINIA LOTTERY
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NOTE 7 - LIMITED VIDEO LOTTERY (continued)

stipulates that 2% of gross terminal income be deposited into the state lottery fund for administrative costs. Then, the state share percentage of gross profit is to be transferred to the State Excess Lottery Revenue Fund. This percentage is 50 percent. Two percent is distributed to counties and incorporated municipalities in the manner prescribed by the statute. The remaining amount of gross profit is paid to retailers and/or operators as prescribed in the Act and is recorded as limited video lottery commissions in the financial statements. Municipal and county distributions are accounted for as nonoperating expenses.

A summary of limited video lottery revenues for the month ended July 31, 2026 and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2027	2026	**2027**	2026
Total credits played	**$ 528,611**	$ 530,370	**$ 528,611**	$ 530,370
Credits (prizes) won	**(488,793)**	(491,093)	**(488,793)**	(491,093)
Gross terminal income	**$ 39,818**	$ 39,277	**$ 39,818**	$ 39,277
Administrative costs	**(796)**	(785)	**(796)**	(785)
Gross Profit	**39,022**	38,492	**39,022**	38,492
Commissions	**(19,511)**	(19,246)	**(19,511)**	(19,246)
Municipalities and Counties	**(781)**	(770)	**(781)**	(770)
Limited video lottery revenues	**$ 18,730**	$ 18,476	**$ 18,730**	$ 18,476

NOTE 8 – TABLE GAMES

Table Games legislation passed in 2007 per House Bill 2718. Table games include blackjack, roulette, craps, and various types of poker. Each racetrack licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts which will be deposited weekly into the Racetrack Table Games Fund.

From the gross amounts deposited into the Racetrack Table Games Fund, the Commission, on a monthly basis shall:

Retain 3% of the adjusted gross receipts for administrative expenses of which at least $100,000 and not more than $500,000 annually will be transferred to the Compulsive Gambling Treatment Fund. Transfer two percent of the adjusted gross receipts from each licensed racetrack to the county commissions of the counties where racetracks with West Virginia Lottery table games are located. Transfer three percent of the adjusted gross receipts from each licensed racetrack to the governing bodies of municipalities within counties where racetracks with West Virginia Lottery table games are located as prescribed by statute. And transfer one-half of one percent of the adjusted gross receipts to the governing bodies of municipalities in which a racetrack table games licensee is located to be divided equally among the municipalities. The commission will distribute the remaining amounts, hereinafter referred to as the net amounts in the Racetrack Table Games Funds as follows:

WEST VIRGINIA LOTTERY
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NOTE 8 – TABLE GAMES (continued)

1) Transfer four percent into a special fund to be established by the Racing Commission to be used for payment into the pension plan for all employees of each licensed racing association;
2) Transfer ten percent, to be divided and paid in equal shares, to each county commission in the state where table games are not located;
3) Transfer ten percent, to be divided and paid in equal shares, to the governing bodies of each municipality in the state where table games are not located; and
4) Transfer seventy-six percent to the State Excess Lottery Revenue Fund.

The cash transferred to the State Excess Lottery Revenue Fund in the current month is included in Note 12- Nonoperating Distributions to the State of West Virginia. The table games adjusted gross receipts for the month and year ended July 31, 2026, were $7,245,445 and $7,245,445, respectively. The following table shows the month and year totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2027	2026	**2027**	2026
Table Games Privilege Tax	# **2,536**	$ 3,004	$ **2,536**	$ 3,004
Interest on Table Games Fund	**15**	17	**15**	17
Administrative costs	**(217)**	(258)	**(217)**	(258)
Total Available for Distribution	**2,334**	2,763	**2,334**	2,763
Less Distributions:				
Racetrack Purse Funds	**181**	208	**181**	208
Thoroughbred & Greyhound Development Funds	**145**	166	**145**	166
Racing Association Pension Plan	**64**	76	**64**	76
Municipalities/ Counties	**721**	853	**721**	853
Total Distributions	**1,111**	1,303	**1,111**	1,303
Excess Lottery Fund	$ **1,223**	$ 1,460	$ **1,223**	$ 1,460

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 – HISTORIC RESORT HOTEL

In 2009, the Legislature passed Senate Bill 575 which permits video lottery and table games at a licensed historic resort hotel which is defined as "a resort hotel registered with the United States Department of the Interior as a national historic landmark in its National Registry of Historic Places having not fewer than five hundred guest rooms under common ownership and having substantial recreational guest amenities in addition to the gaming facility."

Historic Resort Video Lottery

According to Senate Bill 575, thirty-six percent (36%) of gross terminal income is allocated to Historic Resort 200Hotel Fund and seventeen percent (17%) of gross terminal income is allocated to the Human Resource Benefit

Fund. The remaining forty-seven percent (47%) of gross terminal income is then subject to a ten percent (10%) surcharge which is allocated to separate capital reinvestment funds for each licensed historic resort hotel. The remaining forty-two and three-tenths percent (42.3%) of gross terminal income is retained by the historic resort hotel.

A summary of historic resort hotel video lottery revenues for the month ended July 31, 2026, and fiscal year-to-date follows (in thousands):

	2027	2026	**2027**	2026
Total credits played	**$ 3,896**	$ 5,688	**$ 3,896**	$ 5,688
Credits (prizes) won	**(3,562)**	(5,374)	**(3,562)**	(5,374)
Promotional credits played	**(83)**	(122)	**(83)**	(122)
Gross terminal income	**251**	192	**251**	192
Capital reinvestment	**(12)**	(9)	**(12)**	(9)
Excess Lottery Fund	**(2)**	(2)	**(2)**	(2)
Administrative costs	**(14)**	(10)	**(14)**	(10)
Hotel commissions	**(106)**	(81)	**(106)**	(81)
Net terminal income	**117**	90	**117**	90
Historic Resort Hotel Fund	**74**	57	**74**	57
Human Resource Benefit Fund	**43**	33	**43**	33

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 – HISTORIC RESORT HOTEL (continued)

Historic Resort Table Games

Each historic resort hotel licensee is subject to a privilege tax of thirty-five percent (35%) of adjusted gross receipts, of which thirty percent (30%) is deposited directly into the Historic Resort Hotel Fund and five percent (5%) is deposited directly into the Human Resource Benefit Fund. The historic resort hotel table games adjusted gross receipts for the month and year ended July 31, 2026, were $726,045 and $726,045 respectively.

The following table shows the month and fiscal year -to- date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	2027	2026	**2027**	2026
Table games privilege tax	$ **254**	$ 134	$ **254**	$ 134
Administrative Costs	**(33)**	(17)	**(33)**	(17)
Total Available for Distribution	**221**	117	**221**	117
Historic Resort Hotel Fund	**185**	98	**185**	98
Human Resource Benefit Fund	**36**	19	**36**	19

Historic Resort Hotel Fund

Of the monies deposited into the Historic Resort Hotel Fund, fifteen percent (15%) is allocated for lottery administrative costs. The remaining Historic Resort Hotel Fund net income
(gross deposits less 15%) is distributed as follows:

1) Eighty-six percent (86%) is paid to the State Excess Lottery Revenue Fund;
2) Four percent (4%) is paid to the county where the gaming facility is located;
3) Two and one-half percent (2.5%) is paid to the municipality where the gaming facility is located as prescribed by statute;
4) Two and one-half percent (2.5%) is divided and paid in equal shares to the remaining municipalities in the county where the gaming facility is located;
5) Two and one-half percent (2.5%) is divided and paid in equal shares, to each county commission in the state where the gaming facility is not located;
6) Two and one-half percent (2.5%) is divided and paid in equal shares
7) , to each municipality in the state not already receiving a distribution as described in item five (5) or item six (6) above.

A summary of Historic Resort Hotel Fund revenues and related distributions is as follows (in thousands):

	Current Month	Year-to-Date
Historic Resort Hotel Video Lottery	$ 74	$ 74
Historic Resort Table Games	185	185
Interest on Historic Resort Hotel Fund	4	4
Historic Resort Hotel Fund Net Income	263	263
Municipalities/ Counties	37	37
Excess Lottery Fund	226	226
Total Distributions	$ 263	$ 263

WEST VIRGINIA LOTTERY
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NOTE 10– SPORTS WAGERING

Sports Wagering legislation passed in 2018 per Senate Bill 415. Each racetrack and historic resort hotel licensee is subject to a privilege tax of ten percent (10%) of adjusted gross wagering receipts which will be deposited weekly into the Sports Wagering Fund.

From the privilege tax deposited into the Sports Wagering Fund, the Commission, on a monthly basis shall:Retain 15% for administrative expenses of which any surplus in excess of $250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

After the reduction for administrative expenses, the net profit shall be deposited into the State Lottery Fund until a total of $15 million is deposited. The remainder of net profit shall be deposited into the Public Employees Insurance Agency Financial Stability Fund.

The Sports Wagering adjusted gross wagering receipts for the month and year-to-date periods ended July 31, 2026, were $3,618,524 and $3,618,524, respectively. The following table shows the month and year-to-date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2027	2026	**2027**	2026
Sports Wagering Privilege Tax	**$ 362**	$ 310	**$ 362**	$ 310
Interest on Sports Waging Fund	**6**	7	**6**	7
Administrative Costs	**(54)**	(47)	**(54)**	(47)
Total Available for Distribution	**314**	270	**314**	270

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 11– INTERACTIVE WAGERING

Interactive Wagering legislation passed in 2019 per House Bill 2934. Each racetrack and historic resort hotel licensee is subject to a privilege tax of fifteen percent (15%) of adjusted gross interactive gaming receipts which will be deposited weekly into the Interactive Wagering Fund.

From the privilege tax deposited into the Interactive Wagering Fund, the Commission, on a monthly basis shall:

Retain 15% for administrative expenses of which any surplus in excess of $250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

In each fiscal year, the Lottery Commission shall deposit one-quarter of a percent of the net profit into each of the four special funds established by the Racing Commission, pursuant to §29-22A-10 and §29-22C-27 to be used for payment into the pension plan for the employees of the licensed racing associations in this state.

After the reduction for administrative expenses and the pension plans for the racing associations, the net profit shall be deposited into the State Lottery Fund.

The Interactive Wagering adjusted gross interactive gaming receipts for the month and year-to-date periods ended July 31, 2026, were $36,241,023 and $36,241,023 respectively. The following table shows the month and year-to-date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2027	2026	**2027**	2026
Interactive Wagering Privilege Tax	$ **5,436**	$ 4,473	$ **5,436**	$ 4,473
Interest on Interactive Wagering Fund	**62**	54	**62**	54
Administrative Costs	**(815)**	(671)	**(815)**	(671)
Total Available for Distribution	**4,683**	**3,856**	**4,683**	**3,856**

A summary of Interactive Gaming Fund related distributions is as follows (in thousands):

	Current Month	Year-to-Date
Pensions	47	47
Lottery Fund	4,636	4,636
Total Distributions	$ 4,683	$ 4,683

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NOTE 12- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA

The Lottery periodically distributes surplus funds, exclusive of amounts incurred and derived from limited video lottery and a portion of racetrack video lottery funds, to the State of West Virginia in accordance with the legislation. For the year ending June 30, 2027 the State Legislature budgeted $157,382,400 of estimated profits of the Lottery for distributions to designated special revenue accounts of the State of West Virginia. With regard to the State Lottery Fund, legislation stipulates that debt service payments be given a priority over all other transfers in instances where estimated profits are not sufficient to provide for payment of all appropriated distributions. Debt service payments of $1,800,000, $1,000,000, and $500,000 per month for the first ten months of each fiscal year currently have such priority. Transfers made pursuant to the State Excess Lottery Revenue Fund have similar requirements; currently payments are $4,413,172 per month for the first ten months of each fiscal year. In addition, Legislation provides that, if in any month, there is a shortage of funds in the State Excess Lottery Revenue Fund to make debt service payments, the necessary amount shall be transferred from the State Lottery Fund to cover such shortfall, after the State Lottery Fund debt service payments have been made. Repayments to the State Lottery Fund are required to be made in subsequent months as funds become available. For the month ended July 31, 2026, the Lottery has accrued additional distributions of $147,677,060. The Lottery is a non-appropriated state agency and therefore does not have a legally adopted annual budget.

A summary of the cash distributions made to certain state agencies to conform to the legislation follows (in thousands):

BUDGETARY DISTRIBUTIONS	July 31, 2026	Year-to-Date
State Lottery Fund:		
Community and Technical College	$ 499	$ 499
Bureau of Senior Services	20,331	20,331
Department of Education	5,733	5,733
Library Commission	3,493	3,493
Higher Education-Policy Commission	2,318	2,318
Tourism	2,180	2,180
General Revenue		
Natural Resources	1,219	1,219
Emergency Medical Services Fund		
Fire Protection Fund		
Division of Culture & History	1,427	1,427
Economic Development Authority	1,000	1,000
School Building Authority	1,800	1,800
Total State Lottery Fund	$ 40,000	$ 40,000

WEST VIRGINIA LOTTERY
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State Excess Lottery Revenue Fund:		
Economic Development Fund	$ 203	$ 203
Higher Education Improvement Fund	1,500	1,500
Economic Development Authority	439	439
General Purpose Account		
Higher Education Improvement Fund		
State Park Improvement Fund		
School Building Authority	1,724	1,724
Refundable Credit		
WV Racing Commission		
Board of Education		
Division of Human Services		
WV Lottery Statutory Transfers		
General Revenue Fund		
West Va. Infrastructure Council	547	547
Total State Excess Lottery Revenue Fund	$ 4,413	$ 4,413
Total Budgetary distributions:	$ 44,413	$ 44,413
Veterans Instant Ticket Fund	$ 38	$ 38
Total nonoperating distributions to the State of West Virginia (cash basis)	$ 44,451	$ 44,451
Accrued nonoperating distributions, beginning	(142,131)	(142,131)
Accrued nonoperating distributions, end	147,677	147,677
	$ 49,997	$ 49,997

WEST VIRGINIA LOTTERY
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-Unaudited-

NOTE 13 – LEASES

The Lottery leases, under a cancelable operating lease, its office and warehouse facilities. The Lottery also leases various office equipment under agreements considered to be cancellable operating leases. Rental expense for the fiscal year-to-date ended July 31, 2026 and July 31, 2025 approximated $27,198 and $6,026 respectively.

The Lottery leases office space under the terms of a non-cancellable operating lease to various tenants. Rental revenues for the fiscal year-to-date ended July 31, 2026 and July 31, 2025 approximated $94,036 and $92,241 respectively.

NOTE 14 – COMMITMENTS

For the years ended June 30, 2026 and June 30, 2025 the Lottery Commission has not designated any unexpended administrative funds for the acquisition of capital assets. As of June 30, 2026 and 2025, $3,626,999 and $4,783,397, respectively, are included in unrestricted net position and net investment in capital assets for this purpose.

NOTE 15 - RETIREMENT BENEFITS

All full-time Lottery employees are eligible to participate in the State of West Virginia Public Employees' Retirement System (PERS), a cost-sharing multiple-employer defined benefit public employee retirement system. The PERS is one of several plans administered by the West Virginia Consolidated Public Retirement (CPRB) under the direction of its Board of Trustees, which consists of the Governor, State Auditor, State Treasurer, Secretary of the Department of Administration, and nine members appointed by the Governor. CPRB prepares separately issued financial statements covering all retirement systems it administers, which can be obtained from Consolidated Public Retirement Board, 4101 MacCorkle Ave. S.E., Charleston, West Virginia 25304-1636.

Employees who retire at or after age sixty with five or more years of contributory service or who retire at or after age fifty-five and have completed twenty-five years of credited service with age and credited service equal to eighty or greater are eligible for retirement benefits as established by State statute. Retirement benefits are payable monthly for life, in the form of a straight-line annuity equal to two percent of the employee's average annual salary from the highest 36 consecutive months within the last 10 years of employment, multiplied by the number of years of the employee's credited service at the time of retirement.

Covered employees hired prior to July 1, 2015 are required to contribute 4.5% of their salary to the PERS. Covered employees hired on or after July 1, 2015 will contribute 6.0% of their salary to the PERS Tier II. The Lottery is required to contribute 10% of covered employees' salaries to the PERS. The required employee and employer contribution percentages have been established and changed from time to time by action of the State Legislature. The required contributions are not actuarially determined; however, actuarial valuations are performed to assist the Legislature in determining appropriate contributions. The Lottery and employee contributions, for the month ending July 31, 2026, and fiscal year-to-date are as follows (in thousands):

	July 31, 2026	Year-to-Date
Employee contributions	$ 51	$ 51
Lottery contributions	84	84
Total contributions	$ 135	$ 135

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 16 - RISK MANAGEMENT

The Lottery is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Lottery participates in several risk management programs administered by the State of West Virginia. Each of these risk pools has issued separate audited financial reports on their operations. Those reports include the required supplementary information concerning the reconciliation of claims liabilities by type of contract and ten-year claim development information. Complete financial statements of the individual insurance enterprise funds can be obtained directly from their respective administrative offices.

WORKERS' COMPENSATION INSURANCE

The Lottery carries workers compensation insurance coverage through a commercial insurance carrier. The commercial insurance carrier is paid a monthly rated premium to provide compensation for injuries sustained in the course of employment.

PUBLIC EMPLOYEES' INSURANCE AGENCY (PEIA)

The Lottery participates in the Public Employees' Insurance Agency which provides an employee benefit insurance program to employees. PEIA was established by the State of West Virginia for State agencies, institutions of higher education, Boards of Education and component units of the State. In addition, local governmental entities and certain charitable and public service organizations may request to be covered by PEIA. PEIA provides a base employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Underwriting and rate setting policies are established by PEIA. The cost of all coverage as determined by PEIA shall be paid by the participants. Premiums are established by PEIA and are paid monthly, and are dependent upon, among other things, coverage required, number of dependents, state vs. non state employees and active employees vs. retired employees and level of compensation. Coverage under these programs is limited to $1 million lifetime for health and $10,000 of life insurance coverage.

The PEIA risk pool retains all risks for the health and prescription features of its indemnity plan. PEIA has fully transferred the risks of coverage to the Managed Care Organization (MCO) Plan to the plan provider, and has transferred the risks of the life insurance coverage to a third party insurer. PEIA presently charges equivalent premiums for participants in either the indemnity plan or the MCO Plan. Altogether, PEIA insures approximately 205,000 individuals, including participants and dependents.

BOARD OF RISK AND INSURANCE MANAGEMENT (BRIM)

The Lottery participates in the West Virginia Board of Risk and Insurance Management (BRIM), a common risk pool currently operating as a common risk management and insurance program for all State agencies, component units, and other local governmental agencies who wish to participate. The Lottery pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM shall be paid by the participants. The BRIM risk pool retains the risk of the first $1 million per property event and purchases excess insurance on losses above that level. Excess coverage, through an outside insurer under this program is limited to $200 million per event, subject to limits on certain property. BRIM has $1 million per occurrence coverage maximum on all third-party liability claims.

SCHEDULE OF REVENUES AND NET REVENUES OF THE LOTTERY FUND AND EXCESS LOTTERY FUND FOR THE ONE MONTH PERIOD ENDED JULY 31, 2026
(In Thousands)

	Current Month		FISCAL YEAR	
	Actual	**Projected**	**Actual**	**Projected**
Gross Revenues				
Instant games	12,825	12,083	12,825	12,083
On-line games	7,533	5,833	7,533	5,833
E-Instants	4,252	-	4,252	-
Racetrack video lottery	42,372	40,440	42,372	40,440
Limited video lottery	39,818	38,484	39,818	38,484
Racetrack table games	2,536	2,272	2,536	2,272
Historic resort	505	206	505	206
Sports wagering	362	374	362	374
Interactive wagering	5,436	3,188	5,436	3,188
Total gross revenues	**115,639**	**102,880**	**115,639**	**102,880**
Net Revenues - Lottery Fund and Excess Lottery Fund				
Lottery Fund				
Instant games	1,324	1,169	1,324	1,169
On-line games	1,699	1,692	1,699	1,692
Racetrack Video Lottery	12,340	11,762	12,340	11,762
Sports wagering	313	318	313	318
Interactive wagering	4,636	2,682	4,636	2,682
Total Lottery Fund net nevenues	20,312	17,623	20,312	17,623
Excess Lottery Fund				
Racetrack Video Lottery	4,930	4,705	4,930	4,705
Limited Video Lottery	18,902	18,103	18,902	18,103
Limited Video Lottery Fees	108	-	108	-
Racetrack table games	1,223	1,085	1,223	1,085
Historic resort	229	69	229	69
Total Excess Lottery Fund Net Revenues	25,392	23,962	25,392	23,962
Total Net Revenues	**45,704**	**41,585**	**45,704**	**41,585**

WEST VIRGINIA LEGISLATIVE AUDITOR'S OFFICE

Budget Division

1900 Kanawha Blvd. East,
Room W-314
Charleston, WV 25305-0610
(304) 347-4870

William Spencer, CPA
Director

Memorandum

To: Honorable Chairmen and Members of the Joint Committee on
Government and Finance

From: William Spencer, C.P.A., Director, Budget Division
Legislative Auditor's Office

Date: September 4, 2026
Re: Status of General Revenue Fund and State Road Fund as of
August 31, 2026 (FY 27)

We have read the cash flow of the West Virginia general revenue fund as of August 31, 2026, which is the second month of the fiscal year. The status of the fund collections for the month is as follows:

The net collections were 106% of the estimate for the fiscal year. Total collections were $46 million above the estimate for the fiscal year.

Personal Income Tax collections were $26 million above the estimate for the fiscal year.

Consumer sales and use tax collections were $15 million above the estimate for the year.

Severance Tax was $2.2 million below the estimate for the fiscal year.

Corporate Income and Business Franchise Tax collections were $2.2 million below the estimate for the fiscal year.

State Road Fund

The state road fund collections were 106% of the estimate for the fiscal year. Total collections were $18 million above the estimate for the fiscal year.

Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve **Fund A** (Rainy Day Fund) had a cash balance of $727,422,026.98 as of August 31, 2026.

Balance July 1, 2026	$ 814,949,739.19
* Fiscal year 26 Surplus	$ 00.00
**Loan to General Revenue Fund	$ (82,000,000.00)
Earnings/(Loss)	$ (87,527,712.21)
**Balance August 31, 2026	$ 727,422,086.98

***Source: State Budget Office.**

****$82 million loan to state General Revenue Fund July 01, 2026 for beginning of the year cash flow, to be repaid within 90 days, is included.**

Revenue Shortfall Reserve **Fund B** (Tobacco Settlement Monies) had a cash balance of $659,463,796.39 as of August 31, 2026.

Balance July 1, 2025	$ 665,893,043.07
Earnings/(Loss)	($6,429,246.68)
Balance August 31, 2026	$ 659,463,796.39

The **Personal Income Tax Reserve** Fund had a $493,688,290.00 cash balance as of August 31, 2026.

Balance July 1, 2025	$493,688,290.00
Balance August 31, 2026	$493,688,290.00

REVENUE COLLECTIONS
FISCAL YEAR 2027
as of August 31, 2026

GENERAL REVENUE FUND

	MONTH ESTIMATES	ACTUAL MONTH COLLECTIONS	FINAL MONTHLY COLLECTIONS OVER ESTIMATES	YTD ESTIMATES	ACTUAL YTD COLLECTIONS	YTD COLLECTIONS OVER ESTIMATES	YTD PERCENT COLLECTED
Personal Income Tax	$ 154,267,000	$ 169,557,572	$ 15,290,572	$ 301,767,000	$ 328,054,521	$ 26,287,521	109%
Consumer Sales Tax & Use Tax	183,500,000	187,499,696	3,999,696	323,000,000	338,041,733	15,041,733	105%
Severance Tax	35,000,000	45,304,572	10,304,572	43,500,000	41,322,806	(2,177,194)	95%
Corporate Net Income Tax	500,000	94,275	(405,725)	16,700,000	14,542,095	(2,157,905)	87%
Insurance Tax	500,000	2,321,765	1,821,765	31,000,000	32,171,556	1,171,556	104%
Tobacco Products Tax	10,500,000	11,286,605	786,605	22,500,000	23,825,745	1,325,745	106%
Business and Occupation	9,200,000	9,404,982	204,982	18,500,000	19,678,322	1,178,322	106%
Liquor Profit Transfers	3,000,000	3,015,275	15,275	6,500,000	7,027,894	527,894	108%
Departmental Collections	1,500,000	1,451,893	(48,107)	2,600,000	2,930,873	330,873	113%
Property Transfer Tax	-	-	-	-	-	-	0%
Property Tax	500,000	572,534	72,534	650,000	660,524	10,524	102%
Beer Tax and Licenses	550,000	699,557	149,557	1,250,000	1,336,711	86,711	107%
Miscellaneous Transfers	0	194,200	194,200	0	194,200	194,200	0%
Interest Income	8,500,000	10,635,856	2,135,856	17,000,000	20,660,540	3,660,540	122%
Refundable Credit Reimb Liability	400,000	81,355	(318,645)	400,000	81,355	(318,645)	20%
HB 102 - Lottery Transfers	6,500,000	6,849,393	349,393	6,500,000	6,849,393	349,392.86	105%
Miscellaneous	200,000	214,621	14,621	300,000	302,619	2,619	101%
Business Franchise Fees	40,000	233,862	193,862	90,000	485,492	395,492	539%
Estate & Inheritance Tax	-	-	-	-	-	-	0%
Liquor License Renewal	-	-	-	-	-	-	0%
Special Revenue Transfers	-	-	-	-	-	-	0%
Charter Tax	-	-	-	-	-	-	0%
Telecommunications Tax	-	-	-	-	-	-	0%
Video Lottery Transfers	-	63,560	63,560	-	178,183	178,183	0%
July-Dec Retro Rev Adj	-	-	-	-	-	-	0%
Cash Flow Transfer	-	-	-	-	82,000,000	-	0%
Soft Drink Excise Tax	-	-	-	-	-	-	0%
SUBTOTALS	**$ 414,657,000**	**$ 449,481,574**	**$ 34,824,574**	**$ 792,257,000**	**$ 920,344,563**	**$ 46,087,563**	
Less: Cash Flow Transfer	-	-	-	-	82,000,000	-	
Less: Special Revenue Transfer	-	-	-	-	-	-	
TOTALS	**$ 414,657,000**	**$ 449,481,574**	**$ 34,824,574**	**$ 792,257,000**	**$ 838,344,563**	**$ 46,087,563**	
Percent of Estimates		**108%**			**106%**		
Collections this day		**$ 18,924,042**					

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
September 1, 2026

STATE OF WEST VIRGINIA
COMPARISON OF REVENUE
AUGUST 2025 vs AUGUST 2026

GENERAL REVENUE FUND

	Actual Collections August 2025	Actual Collections August 2026	Actual Collections 2 Months July-August 2025	Actual Collections 2 Months July-August 2026	YTD $ Increase (Decrease) over prior period	YTD % Increase (Decrease) over prior period
Personal Income Tax	$ 143,084,222	$ 169,557,572	$ 291,508,275	$ 328,054,521	$ 36,546,246	13%
Consumer Sales Tax & Use Tax	179,837,073	187,499,696	316,600,909	338,041,733	21,440,825	7%
Severance Tax	29,021,815	45,304,572	30,454,818	41,322,806	10,867,988	36%
Corporate Net Income Tax	(362,631)	94,275	21,916,750	14,542,095	(7,374,656)	-34%
Insurance Tax	1,752,561	2,321,765	31,741,062	32,171,556	430,494	1%
Tobacco Products Tax	9,904,592	11,286,605	23,974,225	23,825,745	(148,480)	-1%
Business and Occupation	7,861,999	9,404,982	21,829,363	19,678,322	(2,151,040)	-10%
Liquor Profit Transfers	2,897,675	3,015,275	7,965,382	7,027,894	(937,488)	-12%
Departmental Collections	1,910,394	1,451,893	3,409,825	2,930,873	(478,952)	-14%
Property Transfer Tax	556,831	-	556,831	-	(556,831)	0%
Property Tax	559,916	572,534	679,009	660,524	(18,485)	-3%
Beer Tax and Licenses	583,891	699,557	1,322,262	1,336,711	14,449	1%
Miscellaneous Transfers	-	194,200	850	194,200	193,350	22747%
Interest Income	12,072,269	10,635,856	25,621,091	20,660,540	(4,960,551)	-19%
Refundable Credit Reimb Liability	187,934	81,355	187,934	81,355	(106,579.00)	0%
HB 102 - Lottery Transfers	6,780,467	6,849,393	6,780,467	6,849,393	68,925.56	0%
Miscellaneous	215,403	214,621	312,165	302,619	(9,546)	-3%
Business Franchise Fees	65,208	233,862	164,042	485,492	321,449	196%
Estate & Inheritance Tax	-	-	-	-	-	0%
Liquor License Renewal	-	-	98,757	-	(98,756.75)	-100%
Special Revenue Transfers	-	-	-	-	-	0%
Charter Tax	-	-	25	-	(25)	-100%
Video Lottery Transfers	17,230	63,560	24,358	178,183	153,825	0%
July-Dec Retro Rev Adj					-	0%
Cash Flow Transfer		-	79,000,000	82,000,000	3,000,000	0%
Soft Drink Excise Tax	(126)	-	(262)	-	262	-100%
SUBTOTALS	**$ 396,946,723**	**$ 449,481,574**	**$ 864,148,139**	**$ 920,344,563**	**$ (864,148,139)**	
Less: Cash Flow Transfer	-	-	79,000,000	82,000,000	3,000,000	
Less: Special Revenue Transfer	-	-	-	-	-	
TOTALS	**$ 396,946,723**	**$ 449,481,574**	**$ 785,148,139**	**$ 838,344,563**	**$ 53,196,423**	

Increase/Decrease over Prior Period	**$ 52,534,851**	**$ 53,196,423**
% Increase/Decrease over Prior Period	**13.23%**	**6.78%**

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
September 4, 2026

REVENUE COLLECTIONS
FISCAL YEAR 2026
as of August 31, 2026
FINAL

STATE ROAD FUND

	MONTH ESTIMATES	NET MONTH COLLECTIONS	COLLECTIONS OVER ESTIMATES	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY COLLECTIONS OVER ESTIMATES	YTD PERCENT COLLECTED
Motor Fuel Tax	$ 34,200,000	$ 34,870,680	$ 670,680	$ 72,500,000	$ 74,862,975	$ 2,362,975	103%
Sales/Privilege Tax	33,000,000	32,573,872	(426,128)	56,500,000	65,973,582	9,473,582	117%
Licenses & Registration	12,000,000	12,137,122	137,122	26,000,000	28,765,672	2,765,672	111%
Miscellaneous	125,000,000	130,972,930	5,972,930	130,000,000	133,435,937	3,435,937	103%
Highway Litter Control	150,000	172,172	22,172	310,000	373,637	63,637	121%
Federal Reimbursement	82,000,000	102,780,523	48,972,930	155,000,000	184,740,150	29,740,150	119%
SUBTOTALS	**$ 286,350,000**	**$ 313,507,299**	**$ 55,349,706**	**$ 440,310,000**	**$ 488,151,953**	**$ 47,841,953**	
Less: Federal Reimbursement	82,000,000	102,780,523	48,972,930	155,000,000	184,740,150	29,740,150	
TOTALS	**$ 204,350,000**	**$ 210,726,776**	**$ 6,376,776**	**$ 285,310,000**	**$ 303,411,803**	**$ 18,101,803**	
Percent of Estimates		**103%**			**106%**		

Collections this day **$ 5,515,829**

REVENUE SHORTFALL RESERVE FUND 7005, Part A as of August 31, 2026 : $727,422,086.98
$82 million loan to the General Revenue fund 7/1/26 for beginning of the year cash flow, to be repaid within 90 days.

REVENUE SHORTFALL RESERVE FUND 7006, Part B as of August 31, 2026: $659,463,796.39

SPECIAL INCOME TAX REFUND RESERVE FUND as of August 31, 2026: $493,688,290.00

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
September 1, 2026

STATE OF WEST VIRGINIA
COMPARISON OF REVENUE
AUGUST 2025 vs AUGUST 2026

STATE ROAD FUND

	Actual Collections Aug 2025	Actual Collections Aug 2026	Actual Collections 2 Months Jul-Aug 2025	Actual Collections 2 Months Jul-Aug 2026	YTD Increase (Decrease) over prior period	YTD % Increase (Decrease) over prior period
Gasoline & Motor Carrier Rd Tax	$ 29,890,209	$ 34,870,680	$ 68,208,898	$ 74,862,975	$ 6,654,078	10%
Privilege Tax	31,148,778	32,573,872	59,794,015	65,973,582	6,179,568	10%
Licenses & Registration	10,876,616	12,137,122	25,080,391	28,765,672	3,685,282	15%
Miscellaneous	112,993,103	130,972,930	116,408,639	133,435,937	17,027,297	15%
Highway Litter Control	174,258	172,172	405,984	373,637	(32,348)	-8%
Federal Reimbursement	91,348,833	102,780,523	166,269,048	184,740,150	18,471,102	11%
SUBTOTALS	**$ 276,431,796**	**$ 313,507,299**	**$ 436,166,975**	**$ 488,151,953**	$ 51,984,979	
Less: Federal Reimbursement	91,348,833	102,780,523	166,269,048	184,740,150	18,471,102	
TOTALS	**$ 185,082,963**	**$ 210,726,776**	**$ 269,897,927**	**$ 303,411,803**	**$ 33,513,877**	

Increase/Decrease over Prior Period	**$ 25,643,813**	**$ 33,513,877**
% Increase/Decrease over Prior Period	**13.9%**	**12.4%**

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
September 04, 2026

WEST VIRGINIA LEGISLATIVE AUDITOR'S OFFICE

Budget Division

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William Spencer, CPA
Director

To: Honorable Chairmen and Members of the Joint Committee on Government and Finance

From: William Spencer, C.P.A.
Director Budget Division
Legislative Auditor's Office

Date: August 31, 2026

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the July 31, 2026, monthly report of the Unemployment Compensation Trust Fund we received from Workforce West Virginia.

As of July 31, 2026, of fiscal year 2025-2026, the Trust Fund cash flow was as follows:

Beginning Cash Balance July 1, 2026	$ 454,745,523.28
Receipts July 1, 2026-July 31, 2026	$ 48,524,402.87
Disbursements July 1, 2026-July 31, 2026	$ 39,624,315.14
Ending Cash Balance July 31, 2026	$ 463,645,611.01

ITEMS OF NOTE:

Regular benefits paid for July 2026 were $1.2 million less than July 2025.

Federal emergency benefits were $0 for July 2026. For July 2025, federal emergency benefits were also $0.

Total disbursements were $1.7 million less in July 2026 than the preceding July 2025.

Receipts, year to date, as of July 2026, were $292 thousand more than the preceding July 2025. Overall ending trust fund balance was $21.6 million higher on July 31, 2026, than on July 31, 2025.

West Virginia's seasonally adjusted unemployment rate for July 2026 was 4.1 percent. The national seasonally adjusted rate was 4.1 percent in July.

Since July 2025, total nonfarm payroll employment has increased by 1,400 jobs. Employment gains included (+3,200) in private education and health services, (+300) in trade, transportation, and utilities, (+800) in professional and business services, and (+100) in construction. The largest loss came from a reduction of 2,200 jobs in federal employment. Employment declines included (-500) in leisure and hospitality, (-1,000) in total government, (-900) in mining and logging, (-200) in manufacturing, (-300) in other services, (-200) in financial activities and (-100) in information.

MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING MAY 2025 AND MAY 2026

	MAY 2025	JUNE 2025	JULY 2025	MAY 2026	JUNE 2026	JULY 2026	THREE MONTH TOTAL VARIANCE *	
Balance Forward	**$ 424,272,138.45**	**$ 443,530,173.82**	**$ 435,104,769.53**	**$ 446,353,840.81**	**$461,910,044.84**	**$454,745,523.28**	$ 60,102,327.13	
Add Receipts:								
1. Bond Assessment							$ -	1. Bond Assessment
2. Regular Contributions:	**29,705,464.12**	**958,850.90**	**18,974,994.90**	**26,649,144.59**	**934,487.75**	**19,808,550.48**	(2,247,127.10)	2. Regular Contributions:
3. Federal Emergency Benefits (PEUC)	**-**	**7,632.00**	**-**	**-**	**-**	**-**	(7,632.00)	3. Federal Emergency Benefits (PEUC)
4. Federal Share Extended Benefits (EB)	**-**	**-**	**-**	**-**	**-**	**-**	-	4. Federal Share Extended Benefits (EB)
5. Federal Additional Compensation - FPUC	**-**	**8,400.00**	**362.00**	**-**	**3,900.00**	**900.00**	(3,962.00)	5. Federal Additional Compensation - FPUC
6. Pandemic Unemployment Assistance PUA	**(2,347.00)**	**(3,072.00)**	**(10,990.80)**	**(8,119.00)**	**(5,968.00)**	**(904.00)**	1,418.80	6. Pandemic Unemployment Assistance PUA
7. UCFE (Federal Agencies)	**62,318.49**	**71,156.10**	**73,070.30**	**84,881.03**	**97,272.75**	**93,227.08**	68,835.97	7. UCFE (Federal Agencies)
8. TSFR From Non-Invstd FUA	**-**	**-**	**-**	**-**	**-**	**-**	-	8. TSFR From Non-Invstd FUA
9. EUISAA - EMER US RELIEF/STC	**-**	**-**	**-**	**-**	**-**	**-**	-	9. EUISAA - EMER US RELIEF/STC
10. Treasury Interest Credits	**-**	**3,398,762.02**	**-**	**-**	**3,557,694.37**	**-**	158,932.35	10. Treasury Interest Credits
11. UCX (Military Agencies)	**40,827.21**	**39,404.67**	**34,130.70**	**14,667.10**	**25,662.10**	**19,100.97**	(54,932.41)	11. UCX (Military Agencies)
12. Temporary Compensation	**-**	**-**	**-**	**-**	**-**	**-**	-	12. Temporary Compensation
13. BT to State UI Account	**-**	**-**	**-**	**-**	**-**	**-**	-	13. BT to State UI Account
14. UI Modernization	**-**	**-**	**-**	**-**	**-**	**-**	-	14. UI Modernization
15. Loan Advance	**-**	**-**	**-**	**-**	**-**	**-**	-	15. Loan Advance
16. Return of Overpayments FPUC/PUA/EU0	**-**	**-**	**-**	**-**	**-**	**-**	-	16. Return of Overpayments FPUC/PUA/EU0
Total Monthly Receipts	**$ 73,306,652.77**	**$ 17,520,749.67**	**$ 48,232,395.80**	**$ 66,050,026.59**	**$ 17,512,857.05**	**$ 48,524,402.87**	$ (6,972,511.73)	**Total Monthly Receipts**
Less Disbursements:								Less Disbursements:
Debt Bond Repayment	**(Retired)**	**(Retired)**	**(Retired)**	**(Retired)**	**(Retired)**	**(Retired)**	(Retired)	Debt Bond Repayment
Regular Benefits:	**$ 10,447,414.19**	**$ 12,774,675.32**	**$ 12,073,331.66**	**$ 11,083,282.73**	**$ 11,318,456.92**	**$ 10,913,820.90**	(1,979,860.62)	Regular Benefits:
Federal Emergency Compensation - PEUC	***-***	***7,632.00***	**-**	**-**	**-**	**-**	(7,632.00)	**PEUC**
Federal Additional Compensation - FPUC	***-***	***8,400.00***	***362.00***	***-***	***3,900.00***	***900.00***	(3,962.00)	**FPUC**
Pandemic Unemployment Assistance PUA	***(2,347.00)***	***(3,072.00)***	**(10,990.80)**	**(8,119.00)**	**(5,968.00)**	**(904.00)**	1,418.80	**PUA**
Federal Emergency Benefits (EUC08)	**-**	**-**	**-**	**-**	**-**	**-**	-	Federal Emergency Benefits (EUC08)
Federal Extended - 2112	**-**	**-**	**-**			**-**	-	**Federal Extended - 2112**
Emergency Benefits (TEUC)	**-**	**-**	**-**	**-**	**-**	**-**	-	Emergency Benefits (TEUC)
UCFE (Federal Workers) Benefits	**62,333.05**	**76,448.51**	**66,410.73**	**91,870.44**	**98,251.67**	**88,530.93**	73,460.75	UCFE (Federal Workers) Benefits
UCX (Military Workers) Benefits	**40,827.21**	**42,454.15**	**31,081.22**	**17,335.52**	**24,658.48**	**18,438.97**	(53,929.61)	UCX (Military Workers) Benefits
Reed Act Funds	**-**	**-**	**-**	**-**	**338,271.46**	**-**	338,271.46	Reed Act Funds
EUISAA Title IX/STC	**-**	**-**	**-**	**-**	**-**	**-**	-	EUISAA Title IX/STC
Total Monthly Disbursements	**$ 54,048,617.40**	**$25,946,153.96**	**$41,321,023.51**	**$50,493,822.56**	**$24,677,378.61**	**$39,624,315.14**	$ (6,520,278.56)	**Total Monthly Disbursements**
Trust Fund Balance	**$ 443,530,173.82**	**$435,104,769.53**	**$442,016,141.82**	**$461,910,044.84**	**$454,745,523.28**	**$463,645,611.01**	$ 59,650,093.96	**Trust Fund Balance**

* Three month total variance column is the difference between the sum of the previous year's three months data for each category and the current year's three months data.
The purpose of the report is to show significant changes in receipts, disbursements, or balances.

Indicates prior month values that have been updated

**Note: UI Trust Fund Balance Includes Trust Fund Loan from the Revenue Shortfall Reserve Fund per Senate Bill 558 passed March 9, 2016:
Borrowed on 3/11/2016
Repaid on 5/17/2016
Borrowed on 12/5/2016
Repaid on 5/4/2017
Outstanding Loan from Revenue Shortfall Reserve Fund

**Note: Reed Act funds of $549,468.24 previously drawn down were unexpended and returned to Trust Fund on deposit with the U.S. Treasury.

UC TRUST FUND – 2026

Month	Receipts	Disbursements	Trust Fund Balance
2025			
Balance 1/1/2025			**$ 410,692,158**
January	$ 40,023,920	$ 49,813,538	$ 400,900,540
February	$ 30,174,347	$ 41,155,602	$ 389,919,285
March	$ 19,398,414	$ 31,660,700	$ 377,656,999
April	$ 112,235,282	$ 65,620,143	$ 424,272,138
May	$ 73,306,652	$ 54,048,617	$ 443,530,173
June	$ 17,520,749	$ 25,946,153	$ 435,104,769
July	$ 48,232,395	$ 41,321,023	$ 442,016,141
August	$ 28,938,714	$ 32,188,526	$ 438,766,329
September	$ 16,786,845	$ 24,834,962	$ 430,718,212
October	$ 36,785,569	$ 32,357,424	$ 435,146,357
November	$ 21,535,987	$ 27,288,449	$ 429,393,895
December	$ 20,912,327	$ 31,228,462	$ 419,077,760
Totals - 2025	$ 465,851,201	$ 457,463,599	$ 419,077,760

2026			
January	$ 29,255,025	$ 37,788,575	$ 410,544,210
February	$ 36,092,969	$ 43,733,020	$ 402,904,159
March	$ 20,957,890	$ 31,672,550	$ 392,189,499
April	$ 136,471,528	$ 82,307,186	$ 446,353,841
May	$ 66,050,026	$ 50,493,822	$ 461,910,045
June	$ 17,512,857	$ 24,677,378	$ 454,745,524
July	$ 48,524,402	$ 39,624,315	$ 463,645,611
August	$	$	$
September	$	$	$
October	$	$	$
November	$	$	$
December	$	$	$
Totals - 2026			

MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING MAY 2025 AND MAY 2026

	MAY 2025	JUNE 2025	JULY 2025	MAY 2026	JUNE 2026	JULY 2026	THREE MONTH TOTAL VARIANCE *	
Balance Forward	$ 424,272,138.45	$ 443,530,173.82	$ 435,104,769.53	$ 446,353,840.81	$461,910,044.84	$454,745,523.28	$ 60,102,327.13	
Add Receipts:								
1. Bond Assessment							$ -	1. Bond Assessment
2. Regular Contributions:	29,705,464.12	958,850.90	18,974,994.90	26,649,144.59	934,487.75	19,808,550.48	(2,247,127.10)	2. Regular Contributions:
3. Federal Emergency Benefits (PEUC)	-	7,632.00	-	-	-	-	(7,632.00)	3. Federal Emergency Benefits (PEUC)
4. Federal Share Extended Benefits (EB)	-	-	-	-	-	-	-	4. Federal Share Extended Benefits (EB)
5. Federal Additional Compensation - FPUC	-	8,400.00	362.00	-	3,900.00	900.00	(3,962.00)	5. Federal Additional Compensation - FPUC
6. Pandemic Unemployment Assistance PUA	(2,347.00)	(3,072.00)	(10,990.80)	(8,119.00)	(5,968.00)	(904.00)	1,418.80	6. Pandemic Unemployment Assistance PUA
7. UCFE (Federal Agencies)	62,318.49	71,156.10	73,070.30	84,881.03	97,272.75	93,227.08	68,835.97	7. UCFE (Federal Agencies)
8. TSFR From Non-Invstd FUA	-	-	-	-	-	-	-	8. TSFR From Non-Invstd FUA
9. EUISAA - EMER US RELIEF/STC	-	-	-	-	-	-	-	9. EUISAA - EMER US RELIEF/STC
10. Treasury Interest Credits	-	3,398,762.02	-	-	3,557,694.37	-	158,932.35	10. Treasury Interest Credits
11. UCX (Military Agencies)	40,827.21	39,404.67	34,130.70	14,667.10	25,662.10	19,100.97	(54,932.41)	11. UCX (Military Agencies)
12. Temporary Compensation	-	-	-	-	-	-	-	12. Temporary Compensation
13. BT to State UI Account	-	-	-	-	-	-	-	13. BT to State UI Account
14. UI Modernization	-	-	-	-	-	-	-	14. UI Modernization
15. Loan Advance	-	-	-	-	-	-	-	15. Loan Advance
16. Return of Overpayments FPUC/PUA/EU0	-	-	-	-	-	-	-	16. Return of Overpayments FPUC/PUA/EU0
Total Monthly Receipts	$ 73,306,652.77	$ 17,520,749.67	$ 48,232,395.80	$ 66,050,026.59	$ 17,512,857.05	$ 48,524,402.87	$ (6,972,511.73)	**Total Monthly Receipts**
Less Disbursements:								Less Disbursements:
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	Debt Bond Repayment
Regular Benefits:	$ 10,447,414.19	$ 12,774,675.32	$ 12,073,331.66	$ 11,083,282.73	$ 11,318,456.92	$ 10,913,820.90	(1,979,860.62)	Regular Benefits:
Federal Emergency Compensation - PEUC	-	*7,632.00*	-	-	-	-	(7,632.00)	PEUC
Federal Additional Compensation - FPUC	-	*8,400.00*	*362.00*	-	*3,900.00*	*900.00*	(3,962.00)	FPUC
Pandemic Unemployment Assistance PUA	*(2,347.00)*	*(3,072.00)*	(10,990.80)	(8,119.00)	(5,968.00)	(904.00)	1,418.80	PUA
Federal Emergency Benefits (EUC08)	-	-	-	-	-	-	-	Federal Emergency Benefits (EUC08)
Federal Extended - 2112	-	-	-			-	-	**Federal Extended - 2112**
Emergency Benefits (TEUC)	-	-	-	-	-	-	-	Emergency Benefits (TEUC)
UCFE (Federal Workers) Benefits	62,333.05	76,448.51	66,410.73	91,870.44	98,251.67	88,530.93	73,460.75	UCFE (Federal Workers) Benefits
UCX (Military Workers) Benefits	40,827.21	42,454.15	31,081.22	17,335.52	24,658.48	18,438.97	(53,929.61)	UCX (Military Workers) Benefits
Reed Act Funds	-	-	-	-	338,271.46	-	338,271.46	Reed Act Funds
EUISAA Title IX/STC	-	-	-	-	-	-	-	EUISAA Title IX/STC
Total Monthly Disbursements	$ 54,048,617.40	$25,946,153.96	$41,321,023.51	$50,493,822.56	$24,677,378.61	$39,624,315.14	$ (6,520,278.56)	**Total Monthly Disbursements**
Trust Fund Balance	$ 443,530,173.82	$435,104,769.53	$442,016,141.82	$461,910,044.84	$454,745,523.28	$463,645,611.01	$ 59,650,093.96	**Trust Fund Balance**

* Three month total variance column is the difference between the sum of the previous year's three months data for each category and the current year's three months data.
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**Note: UI Trust Fund Balance Includes Trust Fund Loan from the Revenue Shortfall Reserve Fund per Senate Bill 558 passed March 9, 2016:

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Borrowed on 12/5/2016
Repaid on 5/4/2017
Outstanding Loan from Revenue Shortfall Reserve Fund

**Note: Reed Act funds of $549,468.24 previously drawn down were unexpended and returned to Trust Fund on deposit with the U.S. Treasury.

Regular UI Account Summary June 2026

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26
Beginning UI Balance	**$417,971,190.30**	**$407,144,689.77**	**$400,425,039.77**	**$391,020,865.34**	**$441,811,671.73**	**$460,890,799.99**	**$454,121,881.12**					
Contributory Employer Deposits	4,602,186.15	9,093,436.99	522,044.73	58,928,657.25	28,469,562.24	580,219.44	17,478,900.00					
Interstate Payments In	1,326,788.24	237,282.82	570,006.86	2,060,145.04	838,831.98	308,708.58	861,477.68					
U.S. Treasury Interest Credits	-	-	3,282,505.48	-	-	3,557,694.37	-					
UI Reimbursable Employer Deposits	927,313.85	650,263.01	195,255.27	1,155,042.75	819,937.76	123,080.56	-					
Total UI Receipts	**$6,856,288.24**	**$ 9,980,982.82**	**$ 4,569,812.34**	**$ 62,143,845.04**	**$ 30,128,331.98**	**$ 4,569,702.95**	**$ 18,340,377.68**	**-**	**-**	**-**	**-**	**-**
Contributory Employer Payments	16,617,016.71	15,639,579.93	13,204,850.32	9,895,113.10	10,317,078.61	10,518,608.21	11,198,155.21					
Interstate Payments Out	332,858.50	397,412.02	-	867,918.93	106,995.34	169,974.65	-					
UI Reimbursable Employer Payments	732,913.56	663,640.87	769,136.45	590,006.62	625,129.77	650,038.96	758,008.73					
Total UI Monthly Disbursements	**$17,682,788.77**	**$ 16,700,632.82**	**$ 13,973,986.77**	**$ 11,353,038.65**	**$ 11,049,203.72**	**$ 11,338,621.82**	**$ 11,956,163.94**	**-**	**-**	**-**	**-**	**-**
UI Trust Fund Balance	**$407,144,689.77**	**$400,425,039.77**	**$391,020,865.34**	**$441,811,671.73**	**$460,890,799.99**	**$454,121,881.12**	**$460,506,094.86**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
ASAP Daily report total	**$407,144,689.77**	**$400,425,039.77**	**$391,020,865.34**	**$441,811,671.73**	**$460,890,799.99**	**$454,121,881.12**	**$460,506,094.86**					

Scott A. Adkins, *Acting Commissioner*

FOR RELEASE: August 19, 2026
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State Unemployment Rate Decreased to 4.1 Percent in July 2026

West Virginia's seasonally adjusted unemployment rate was 4.1 percent in July 2026, a decrease of 0.1 percentage point from June. The total number of employed state residents decreased by 100 over the month – declining to 740,600 – while the number of unemployed state residents decreased by 800 to 32,000. Nationally, the seasonally adjusted unemployment rate matched West Virginia's, dipping by 0.1 percentage point over the month to 4.1 percent.

Total nonfarm payroll employment decreased by 600 from June to July. The goods-producing sector decreased by 1,100 over the month while the service-providing sector increased by 500. The goods-producing sector saw manufacturing rise by 100 while mining and logging slid by 200 and construction scaled back by 1,000.

The service-providing sector saw its largest gain in trade, transportation, and utilities, up 500 over the month. Leisure and hospitality rose by 300 and total government employment rose by 200. Financial activities and other services both saw a decrease, slipping by 200 apiece, while private education and health services dipped by 100. Professional and business services, along with information, were both unchanged in July.

Over the year, total nonfarm payroll employment increased by 1,400 jobs with the largest gain occurring in private education and health services (+3,200). The second largest gain came in professional and business services, up 800, while trade, transportation, and utilities rose by 300, and construction rose by 100. The largest loss came in total government employment (-1,000); federal employment saw a reduction of 2,100 jobs, local government decreased by 1,000, and state government increased by 2,100. Mining and logging (-900), leisure and hospitality (-500), other services (-300), financial activities (-200), and information (-100) also saw declines.

West Virginia's seasonally adjusted labor force participation rate decreased by 0.1 percentage point to 53.8 percent in July.

The state's not seasonally adjusted unemployment rate decreased by 0.4 percentage point to 4.0 percent.

WEST VIRGINIA

(In Thousands - Seasonally Adjusted)

July 2026

	Prelim. Jul 2026	Revised Jun 2026	Revised Jul 2025	Change from: Jun 2026	Jul 2025
Civilian Labor Force	772.6	773.5	780.9	-0.9	-8.3
Total Employment	740.6	740.7	748.3	-0.1	-7.7
Total Unemployment	32.0	32.8	32.5	-0.8	-0.5
Unemployment Rate	4.1	4.2	4.2	xx	xx
Labor Force Participation Rate	53.8	53.9	54.4	xx	xx
NONFARM PAYROLL EMPLOYMENT BY INDUSTRY					
Total Nonfarm	720.2	720.8	718.8	-0.6	1.4
Total Private	572.0	572.8	569.6	-0.8	2.4
Goods Producing	99.7	100.8	100.5	-1.1	-0.8
Mining and Logging	19.4	19.6	20.3	-0.2	-0.9
Construction	35.1	36.1	35.0	-1.0	0.1
Manufacturing	45.2	45.1	45.2	0.1	0.0
Durable Goods	27.4	27.4	27.0	0.0	0.4
Non-Durable Goods	17.8	17.7	18.2	0.1	-0.4
Service-Providing	620.5	620.0	618.3	0.5	2.2
Private Service-Providing	472.3	472.0	469.1	0.3	3.2
Trade, Transportation, and Utilities	121.9	121.4	121.6	0.5	0.3
Wholesale Trade	20.2	19.9	19.5	0.3	0.7
Retail Trade	77.7	77.6	77.6	0.1	0.1
Transportation, Warehousing, and Utilities	24.0	23.9	24.5	0.1	-0.5
Information	7.5	7.5	7.6	0.0	-0.1
Financial Activities	25.7	25.9	25.9	-0.2	-0.2
Finance and Insurance	18.8	19.0	19.0	-0.2	-0.2
Real Estate and Rental and Leasing	6.9	6.9	6.9	0.0	0.0
Professional and Business Services	73.5	73.5	72.7	0.0	0.8
Professional, Scientific & Techical Services	32.1	31.9	31.3	0.2	0.8
Administrative and Support and Waste Mgmt	34.4	34.5	34.1	-0.1	0.3
Private Education and Health Services	148.1	148.2	144.9	-0.1	3.2
Private Educational Services	7.5	7.6	7.2	-0.1	0.3
Health Care and Social Assistance	140.6	140.6	137.7	0.0	2.9
Leisure and Hospitality	71.9	71.6	72.4	0.3	-0.5
Arts, Entertainment, and Recreation	9.4	9.3	8.8	0.1	0.6
Accommodation and Food Services	62.5	62.3	63.6	0.2	-1.1
Other Services	23.7	23.9	24.0	-0.2	-0.3
Government	148.2	148.0	149.2	0.2	-1.0
Federal Government	23.9	23.9	26.0	0.0	-2.1
State Government	48.7	48.3	46.6	0.4	2.1
Local Government	75.6	75.8	76.6	-0.2	-1.0

West Virginia Labor Force Statistics by Calendar Year
Seasonally Adjusted

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	782,600	782,100	779,200	777,000	775,100	773,500	772,600						
Employment	746,400	745,500	744,000	742,500	741,700	740,700	740,600						
Unemployment	36,300	36,500	35,200	34,600	33,400	32,800	32,000						
Rate	4.6	4.7	4.5	4.4	4.3	4.2	4.1						
Participation Rate	54.5	54.5	54.3	54.1	54.0	53.9	53.8						

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	782,500	781,600	780,800	780,300	780,000	780,200	780,900	781,900	783,000	*	783,900	783,700	*
Employment	752,500	751,500	750,700	749,900	749,200	748,700	748,300	748,000	747,800	*	747,500	747,500	*
Unemployment	30,000	30,100	30,100	30,400	30,800	31,500	32,500	33,900	35,200	*	36,400	36,200	*
Rate	3.8	3.8	3.9	3.9	4.0	4.0	4.2	4.3	4.5	*	4.6	4.6	*
Participation Rate	54.6	54.5	54.5	54.4	54.4	54.4	54.4	54.5	54.6	*	54.6	54.6	*

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	792,500	792,500	792,500	792,300	792,000	791,400	790,400	789,200	787,900	786,400	784,900	783,600	789,600
Employment	759,400	759,500	759,700	759,700	759,600	759,200	758,400	757,400	756,400	755,300	754,300	753,400	757,600
Unemployment	33,100	32,900	32,800	32,600	32,400	32,200	32,000	31,800	31,500	31,000	30,500	30,200	32,000
Rate	4.2	4.2	4.1	4.1	4.1	4.1	4.1	4.0	4.0	3.9	3.9	3.9	4.1
Participation Rate	55.3	55.3	55.3	55.3	55.3	55.2	55.2	55.1	55.0	54.9	54.7	54.6	55.1

2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	783,700	784,900	786,000	787,000	788,000	789,000	789,900	790,600	791,300	791,800	792,200	792,400	788,800
Employment	755,700	756,800	757,500	758,100	758,400	758,600	758,900	759,200	759,300	759,400	759,300	759,300	758,300
Unemployment	28,100	28,100	28,400	28,900	29,600	30,300	31,000	31,500	31,900	32,400	32,900	33,100	30,500
Rate	3.6	3.6	3.6	3.7	3.8	3.8	3.9	4.0	4.0	4.1	4.1	4.2	3.9
Participation Rate	54.8	54.8	54.9	55.0	55.1	55.1	55.2	55.2	55.3	55.3	55.3	55.3	55.1

2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	779,900	781,600	782,700	782,900	782,500	781,600	780,800	780,300	780,200	780,500	781,400	782,500	781,500
Employment	748,300	750,300	751,400	751,700	751,400	750,800	750,100	749,900	750,200	751,100	752,600	754,200	750,900
Unemployment	31,500	31,300	31,200	31,200	31,100	30,900	30,600	30,400	30,000	29,400	28,800	28,300	30,600
Rate	4.0	4.0	4.0	4.0	4.0	3.9	3.9	3.9	3.8	3.8	3.7	3.6	3.9
Participation Rate	54.3	54.5	54.6	54.6	54.6	54.6	54.5	54.5	54.5	54.5	54.6	54.7	54.6

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	773,600	772,800	772,800	773,300	773,900	774,400	774,200	774,100	774,100	774,900	776,200	777,800	773,900
Employment	724,200	725,400	727,200	729,400	731,800	733,800	735,500	737,200	739,000	741,200	743,500	746,000	734,200
Unemployment	49,400	47,400	45,600	43,900	42,100	40,600	38,700	36,900	35,100	33,700	32,600	31,900	39,700
Rate	6.4	6.1	5.9	5.7	5.4	5.2	5.0	4.8	4.5	4.3	4.2	4.1	5.1
Participation Rate	53.7	53.7	53.7	53.7	53.7	53.8	53.8	53.8	53.8	53.9	54.0	54.1	53.8

2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	795,000	793,200	790,500	760,800	773,500	769,900	772,900	771,400	773,600	772,300	772,100	772,100	776,600
Employment	753,300	751,000	748,200	640,500	676,900	688,700	699,600	708,000	714,500	718,500	721,000	722,500	712,100
Unemployment	41,700	42,200	42,300	120,300	96,600	81,200	73,300	63,400	59,100	53,800	51,100	49,600	64,500
Rate	5.2	5.3	5.3	15.8	12.5	10.6	9.5	8.2	7.6	7.0	6.6	6.4	8.3
Participation Rate	55.0	54.9	54.8	52.7	53.6	53.4	53.6	53.5	53.7	53.6	53.6	53.6	53.9

2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	791,000	790,000	789,200	789,000	789,600	790,800	792,200	793,500	794,500	795,300	795,800	795,800	792,000
Employment	751,400	751,000	750,800	751,200	752,100	753,000	753,800	754,300	754,900	755,300	755,400	754,800	752,900
Unemployment	39,600	39,000	38,300	37,800	37,500	37,700	38,300	39,100	39,700	40,000	40,400	41,000	39,200
Rate	5.0	4.9	4.9	4.8	4.8	4.8	4.8	4.9	5.0	5.0	5.1	5.1	4.9
Participation Rate	54.5	54.5	54.5	54.5	54.5	54.6	54.8	54.9	54.9	55.0	55.1	55.1	54.7

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	786,200	787,500	789,300	791,000	792,100	792,600	792,600	792,400	792,300	792,200	792,100	791,800	791,000
Employment	744,100	745,400	747,300	749,300	750,900	752,000	752,600	752,800	752,800	752,600	752,300	751,900	750,400
Unemployment	42,200	42,200	42,000	41,700	41,200	40,600	40,000	39,600	39,500	39,600	39,900	39,900	40,600
Rate	5.4	5.4	5.3	5.3	5.2	5.1	5.0	5.0	5.0	5.0	5.0	5.0	5.1
Participation Rate	53.9	54.1	54.2	54.4	54.5	54.5	54.5	54.5	54.5	54.6	54.6	54.6	54.4

2017	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	781,200	780,800	780,600	780,900	781,600	782,700	783,900	784,900	785,500	785,700	785,700	785,700	783,400
Employment	738,900	739,900	740,700	741,400	742,300	743,100	743,800	744,200	744,300	744,100	743,800	743,600	742,600
Unemployment	42,300	40,900	39,900	39,400	39,400	39,600	40,100	40,700	41,200	41,600	41,900	42,100	40,800
Rate	5.4	5.2	5.1	5.1	5.0	5.1	5.1	5.2	5.2	5.3	5.3	5.4	5.2
Participation Rate	53.2	53.2	53.3	53.3	53.4	53.5	53.6	53.7	53.8	53.8	53.8	53.9	53.5

2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	789,100	789,100	788,500	787,200	785,800	784,600	783,700	783,200	782,800	782,500	782,100	781,700	785,100
Employment	739,200	739,300	739,000	738,300	737,400	736,500	735,900	735,600	735,700	736,100	736,900	737,900	737,400
Unemployment	49,900	49,800	49,500	48,900	48,500	48,100	47,900	47,500	47,100	46,300	45,200	43,800	47,700
Rate	6.3	6.3	6.3	6.2	6.2	6.1	6.1	6.1	6.0	5.9	5.8	5.6	6.1
Participation Rate	53.5	53.5	53.5	53.4	53.3	53.3	53.2	53.2	53.2	53.2	53.2	53.2	53.3

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	795,100	794,800	794,700	794,700	794,400	793,500	792,100	790,500	789,100	788,300	788,300	788,700	791,900
Employment	744,200	743,000	742,000	741,200	740,600	740,000	739,300	738,600	738,200	738,100	738,300	738,700	740,100
Unemployment	50,900	51,700	52,700	53,500	53,800	53,600	52,800	51,800	50,900	50,300	50,000	49,900	51,800
Rate	6.4	6.5	6.6	6.7	6.8	6.7	6.7	6.6	6.5	6.4	6.3	6.3	6.5
Participation Rate	53.7	53.7	53.7	53.7	53.7	53.6	53.6	53.5	53.4	53.4	53.4	53.4	53.5

Seasonally Adjusted - March 2025 Benchmark

West Virginia Labor Force Statistics by Calendar Year
Not Seasonally Adjusted

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	767,400	775,800	762,900	772,500	772,000	782,600	780,100						
Employment	729,700	733,700	730,900	740,400	743,900	748,200	748,700						
Unemployment	37,700	42,100	32,100	32,100	28,100	34,400	31,400						
Rate	4.9	5.4	4.2	4.2	3.6	4.4	4.0						
Participation Rate	53.5	54.1	53.2	53.8	53.8	54.5	54.3						

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	775,300	776,700	775,300	781,700	779,700	791,900	788,100	785,600	786,900	*	780,700	775,800	*
Employment	740,900	741,500	742,200	752,700	750,900	758,700	755,200	750,000	754,300	*	745,400	741,000	*
Unemployment	34,400	35,200	33,200	29,100	28,900	33,300	33,000	35,700	32,600	*	35,300	34,900	*
Rate	4.4	4.5	4.3	3.7	3.7	4.2	4.2	4.5	4.1	*	4.5	4.5	*
Participation Rate	54.1	54.2	54.1	54.5	54.4	55.2	54.9	54.8	54.8	*	54.4	54.1	*

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	784,400	789,200	787,500	790,800	793,000	803,200	799,900	792,700	791,500	788,500	779,000	775,600	789,600
Employment	747,200	749,500	750,900	761,100	763,600	768,800	765,300	758,900	763,400	762,200	752,000	748,700	757,600
Unemployment	37,200	39,700	36,600	29,700	29,400	34,500	34,600	33,900	28,100	26,300	27,000	26,900	32,000
Rate	4.7	5.0	4.6	3.8	3.7	4.3	4.3	4.3	3.5	3.3	3.5	3.5	4.1
Participation Rate	54.8	55.1	55.0	55.2	55.4	56.1	55.8	55.3	55.2	55.0	54.3	54.1	55.1

2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	775,500	780,400	780,900	786,800	788,200	801,000	797,000	796,000	794,800	793,400	788,400	783,100	788,800
Employment	743,400	747,700	749,100	758,700	759,600	768,800	766,400	761,600	765,900	765,100	760,400	753,200	758,300
Unemployment	32,200	32,700	31,800	28,100	28,600	32,200	30,600	34,400	28,900	28,300	28,000	30,000	30,500
Rate	4.1	4.2	4.1	3.6	3.6	4.0	3.8	4.3	3.6	3.6	3.6	3.8	3.9
Participation Rate	54.2	54.5	54.6	55.0	55.1	56.0	55.7	55.6	55.5	55.4	55.1	54.7	55.1

2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	774,000	778,600	776,700	779,900	784,400	793,900	788,400	784,800	781,500	783,200	777,800	775,100	781,500
Employment	736,400	740,600	742,500	750,100	756,000	760,200	756,600	752,000	756,600	758,200	752,000	750,100	750,900
Unemployment	37,600	38,100	34,200	29,900	28,500	33,700	31,800	32,900	25,000	25,000	25,800	25,000	30,600
Rate	4.9	4.9	4.4	3.8	3.6	4.2	4.0	4.2	3.2	3.2	3.3	3.2	3.9
Participation Rate	53.9	54.3	54.2	54.4	54.8	55.4	55.1	54.8	54.6	54.7	54.3	54.1	54.6

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	763,800	768,400	766,000	772,900	772,100	786,100	785,300	778,500	776,600	776,200	771,800	769,400	773,900
Employment	709,000	714,800	717,000	729,100	733,500	742,700	745,100	740,300	745,500	747,600	743,800	741,900	734,200
Unemployment	54,800	53,600	48,900	43,800	38,600	43,400	40,300	38,300	31,100	28,600	28,000	27,500	39,700
Rate	7.2	7.0	6.4	5.7	5.0	5.5	5.1	4.9	4.0	3.7	3.6	3.6	5.1
Participation Rate	53.0	53.3	53.2	53.7	53.6	54.6	54.5	54.1	54.0	54.0	53.7	53.6	53.8

2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	788,500	792,300	784,300	756,300	773,100	781,000	779,200	776,600	776,900	778,300	768,000	765,000	776,600
Employment	743,200	746,100	731,600	638,100	674,500	702,200	703,800	714,400	720,500	730,900	722,600	717,700	712,100
Unemployment	45,300	46,200	52,800	118,200	98,600	78,700	75,500	62,200	56,400	47,400	45,400	47,300	64,500
Rate	5.7	5.8	6.7	15.6	12.8	10.1	9.7	8.0	7.3	6.1	5.9	6.2	8.3
Participation Rate	54.6	54.9	54.4	52.4	53.6	54.2	54.1	53.9	53.9	54.0	53.3	53.1	53.9

2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	784,700	787,100	781,300	783,800	788,400	803,800	802,000	796,900	797,100	799,300	790,900	789,100	792,000
Employment	737,600	740,500	738,500	748,300	753,100	763,500	762,400	758,000	763,200	763,800	754,500	751,100	752,900
Unemployment	47,100	46,600	42,900	35,500	35,300	40,400	39,500	38,900	33,900	35,600	36,400	38,000	39,200
Rate	6.0	5.9	5.5	4.5	4.5	5.0	4.9	4.9	4.3	4.5	4.6	4.8	4.9
Participation Rate	54.1	54.3	53.9	54.1	54.5	55.5	55.4	55.1	55.1	55.3	54.7	54.6	54.7

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	776,900	785,600	781,900	787,700	792,500	806,200	803,100	792,400	794,100	797,000	788,200	786,700	791,000
Employment	730,200	735,600	734,500	746,100	754,800	762,800	761,900	753,800	760,000	762,500	754,100	749,000	750,400
Unemployment	46,700	50,000	47,400	41,600	37,700	43,400	41,200	38,600	34,100	34,500	34,100	37,700	40,600
Rate	6.0	6.4	6.1	5.3	4.8	5.4	5.1	4.9	4.3	4.3	4.3	4.8	5.1
Participation Rate	53.3	53.9	53.7	54.1	54.5	55.5	55.3	54.5	54.7	54.9	54.3	54.2	54.4

2017	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	774,200	777,500	774,300	779,500	779,100	794,700	792,200	788,500	791,500	787,700	782,100	779,100	783,400
Employment	725,400	729,200	730,200	740,600	743,500	753,000	751,100	746,200	755,800	752,600	743,800	739,300	742,600
Unemployment	48,800	48,300	44,200	38,900	35,600	41,600	41,100	42,300	35,700	35,100	38,300	39,800	40,800
Rate	6.3	6.2	5.7	5.0	4.6	5.2	5.2	5.4	4.5	4.5	4.9	5.1	5.2
Participation Rate	52.8	53.0	52.8	53.2	53.2	54.3	54.2	53.9	54.2	53.9	53.6	53.4	53.5

2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	782,200	786,200	782,100	784,500	787,400	796,800	790,800	785,700	785,800	786,700	778,800	774,000	785,100
Employment	726,600	728,800	727,900	736,100	742,000	746,600	743,100	737,900	742,100	744,500	739,500	733,300	737,400
Unemployment	55,600	57,400	54,200	48,300	45,400	50,200	47,700	47,800	43,600	42,200	39,200	40,700	47,700
Rate	7.1	7.3	6.9	6.2	5.8	6.3	6.0	6.1	5.6	5.4	5.0	5.3	6.1
Participation Rate	53.0	53.3	53.0	53.2	53.4	54.1	53.7	53.4	53.4	53.5	53.0	52.7	53.3

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
Labor Force	788,300	790,000	786,300	792,900	797,500	806,600	801,400	793,600	789,000	790,200	784,200	783,200	791,900
Employment	731,900	731,600	729,200	740,400	745,000	751,500	746,100	741,700	743,500	745,900	738,600	736,000	740,100
Unemployment	56,400	58,400	57,100	52,500	52,500	55,000	55,300	51,800	45,500	44,400	45,500	47,200	51,800
Rate	7.2	7.4	7.3	6.6	6.6	6.8	6.9	6.5	5.8	5.6	5.8	6.0	6.5
Participation Rate	53.2	53.3	53.1	53.6	53.9	54.5	54.2	53.7	53.4	53.5	53.1	53.0	53.5

Not Seasonally Adjusted - March 2025 Benchmark

BRIM

September 2026

Interim Packet

West Virginia Board of Risk and Insurance Management
UNAUDITED BALANCE SHEET AND INCOME STATEMENT
For the Twelve Months Ended June 30, 2026

Talking Points for Joint Committee on Government and Finance Meeting
September 2026

1. **Premium Revenue** for June reflects the premiums earned for the twelve months of the current fiscal year. BRIM premiums in FY'26 reflect an increase in premium revenue including an increase in premium to fund the higher actuarially estimated losses for the current year.

2. **Claims Expense** reflects net claims payments made through June plus estimated accruals for the twelve months of the fiscal year and the June quarterly reserve adjustments to agree our reserves to the actuarial report year to date through June. Claim payments through June were higher than through June of last year.

3. **Investments** reflect a gain of $22.8 million year to date. Investment returns through June of last year were higher than through June of this year. Interest rates fluctuated, but at a slower pace, and the volatility of the equities markets made for an uncertain outlook for investment income for FY'26.

4. BRIM continues to pursue pro-active loss control initiatives.

West Virginia Board of Risk and Insurance Management

Statements of Net Position

For the Twelve Months Ended June 30th

	2026	2025
	(In Thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 42,764	$ 23,895
Advance deposits with insurance company and trustee	354,186	294,032
Receivables	75,412	58,478
Prepaid insurance	1,017	0
Restricted cash and cash equivalents	6,831	12,330
Premiums due from other entities	1,327	1,216
Total current assets	481,537	389,951
Noncurrent assets:		
Equity position in internal investments pools	18,832	39,906
Restricted investments	50,285	35,935
Total noncurrent assets	69,117	75,840
Total assets	550,654	465,791
Deferred Outflows of Resources	257	358
Deferred Outflows of Resources - OPEB	46	16
Liabilities		
Current liabilities:		
Estimated unpaid claims and claims adjustment expense	87,487	87,487
Unearned premiums	19,369	18,135
Agent commissions payable	2,448	2,032
Claims Payable	0	0
Accrued expenses and other liabilities	71,289	56,053
Total current liabilities	180,593	163,707
Estimated unpaid claims and claims adjustment expense net of current portion	238,266	200,545
Compensated absences	142	173
Net pension liability	(552)	(149)
Total noncurrent liabilities	237,856	200,569
Total liabilities	418,449	364,276
Deferred Inflows of Resources	260	187
Deferred Inflows of Resources - OPEB	28	7
Net position:		
Restricted by State code for mine subsidence coverage	44,822	38,026
Unrestricted	56,874	37,826
Net Assets (Deficiency)	30,525	25,839
Net position	$ 132,221	$ 101,691

Unaudited

West Virginia Board of Risk and Insurance Management

Statements of Revenues, Expenses, and Changes in Net Position

For the Twelve Months Ended June 30th

	2026	2025
	(In Thousands)	
Operating revenues		
Premiums	138,976	$ 124,337
Less coverage/reinsurance programs	(15,262)	(16,053)
Net operating revenues	123,714	108,284
Operating expenses		
Claims and claims adjustment expense	130,753	103,275
General and administrative	6,203	5,864
Total operating expenses	136,956	109,138
Operating income (loss)	(13,242)	(854)
Nonoperating revenues		
Investment income	22,752	26,693
Legislative Appropriation	21,000	0
OPEB Non Operating Income	15	0
Net nonoperating revenues	43,767	26,693
Changes in net position	30,525	25,839
Total net position, beginning of year	101,696	75,852
Total net position, end of period	$ 132,221	$ 101,691

Unaudited

PEIA

September 2026

Interim Packet

PEIA
September Interim Talking Points

- **PEIA and RHBT preliminary year-end financial statements are available for your review.**

- **PEIA preliminary year-end statements indicate PEIA will finish $75 million ahead of plan. This is due to lower than forecast medical and prescription drug claims.**

- **RHBT preliminary year-end statements indicate RHBT will finish ahead of plan by $204 million. This is due to higher than forecast investment income.**

- **The 2026 year-end reserve for the State Fund is projected to be $313 million; the non-State Fund is projected to be $32 million and RHBT is projected to be $37 million.**

- **These reserve levels represent 38%, 16% and 17% of the respective funds' expenses. The required reserve for the State Fund is 12% of expenses. The required reserve for PEIA is 12% and the PEIA reserve is 34%.**

West Virginia Retiree Health Benefit Trust Fund
STATEMENT OF CHANGES IN PLAN NET POSITION
Tuesday, June 30, 2026
In Thousands

ACTUAL	BUDGET	PRIOR YR		BUDGET VARIANCE $	BUDGET VARIANCE %	PRIOR YR VARIANCE $	PRIOR YR VARIANCE %
			ADDITIONS				
			Employer Premiums:				
$ 2,025	$ 2,023	$ 2,033	Health premiums - Non Par	$ 2	0%	$ (8)	(0%)
6,063	6,255	6,490	Health Premiums - RLC Health, Life	(192)	-3%	(427)	(7%)
10,227	10,000	29,132	Pay Go Premiums	227	0%	(18,905)	(65%)
30,000	30,000	30,000	State appropriation - OPEB	-	0%	-	0%
48,315	**48,278**	**67,655**	**Total Employer Premiums**	**37**	**0%**	**(19,340)**	**(29%)**
			Other Additions:				
807	500	500	Retiree Drug Subsidy	307	61%	307	61%
339,316	152,320	215,153	Investment Income	186,996	123%	124,163	58%
388,438	**201,098**	**283,308**	**TOTAL ADDITIONS**	**187,340**	**93%**	**105,130**	**37%**
			DEDUCTIONS				
84,911	85,621	65,586	Payments to Managed Care Org.	710	1%	(19,325)	(29%)
25,972	27,119	26,139	Life Insurance Expense	1,147	4%	167	1%
57,286	69,112	59,783	Medical Claims Expense	11,826	17%	2,497	4%
28,116	34,749	28,939	Pharmacy Claims Expense	6,633	19%	823	3%
1,291	1,334	1,280	Administrative Service Fees (External)	43	3%	(11)	(1%)
(63,276)	(65,199)	(59,265)	Member Health premiums	(1,923)	(3%)	4,011	7%
(26,001)	(27,546)	(26,150)	Member Life Insurance Premiums	(1,545)	(6%)	(149)	(1%)
2,732	3,299	3,005	Other Operating Expenses	567	17%	273	9%
111,067	**128,522**	**99,891**	**TOTAL DEDUCTIONS**	**17,455**	**14%**	**(11,715)**	**(12%)**
277,371	**72,576**	**183,417**	**NET POSITION INCREASE (DECREASE)**	**204,795**	**282%**	**93,415**	**51%**
			Net Position Restricted for Post Employment Benefits				
2,128,917	2,128,917	1,945,517	Beginning of Period Total Net Position	-	0%	183,400	9%
2,152,676	1,947,881	1,927,589	End of Period Net Position - Restricted	204,795	11%	225,087	12%
253,612	253,612	201,345	End of Period Net Position - PSR	-	0%	52,267	26%
$ 2,406,288	**$ 2,201,493**	**$ 2,128,934**	**End of Period Total Net Position**	**$ 204,795**	**9%**	**$ 277,354**	**13%**

West Virginia Public Employees Insurance Agency
Statement of Changes in Plan Net Position
For the Twelve Months Ending Tuesday, June 30, 2026
(In Thousands US Dollars)
(Unaudited-For Internal Use Only)

ACTUAL	BUDGET	PRIOR YR		BUDGET VARIANCE $	BUDGET VARIANCE %	PRIOR YR VARIANCE $	PRIOR YR VARIANCE %
			OPERATING REVENUE				
			Premium Revenue				
$ 720,280	$ 748,930	$ 639,204	Health Insurance - State Gov. - Employers	$ (28,650)	(4%)	$ 81,076	13%
180,525	202,852	163,602	Health Insurance - State Gov. - Employees	(22,327)	(11%)	16,923	10%
202,148	216,253	181,447	Health Insurance - Local Gov. - All	(14,105)	(7%)	20,701	11%
5,240	4,679	4,981	Administrative Fees, Net of Refunds	561	12%	259	5%
1,256	2,073	1,873	Other Premium Revenue	(817)	(39%)	(617)	(33%)
1,109,449	**1,174,787**	**991,107**	**Total Operating Revenue**	**(65,338)**	**(6%)**	**118,342**	**12%**
			NON-OPERATING REVENUE				
2,400	2,755	2,077	Life Insurance	(355)	(13%)	323	16%
-	-	87,000	Direct Transfer	-		(87,000)	(100%)
25,038	9,062	18,744	Interest and Investment Income	15,976	176%	6,294	34%
10,227	10,000	29,132	WV RHBT Pay Go Premiums	227	2%	(18,905)	(100%)
37,665	**21,817**	**136,953**	**Total Non-Operating Revenue**	**15,848**	**73%**	**(99,288)**	**(72%)**
1,147,114	**1,196,604**	**1,128,060**	**TOTAL REVENUE**	**(49,490)**	**(4%)**	**19,054**	**2%**
			EXPENSES				
626,697	705,649	613,381	Claims Expense - Medical	78,952	11%	(13,316)	(2%)
388,532	458,215	397,564	Gross Claims Expense - Drugs	69,683	15%	9,032	2%
(126,678)	(140,513)	(149,001)	Prescription Rebate	(13,835)	(10%)	(22,323)	(15%)
261,854	317,702	248,563	Net Claims Expense- Drugs	55,848	18%	(13,291)	(5%)
84,117	74,172	69,930	Payments to Managed Care Org.	(9,945)	(13%)	(14,187)	(20%)
25,007	21,679	21,225	Administrative Service Fees	(3,328)	(15%)	(3,782)	(18%)
1,651	2,749	1,076	Wellness and Disease Management	1,098	40%	(575)	(53%)
6,038	6,444	6,311	Other Operating Expenses	406	6%	273	4%
2,115	3,990	2,107	Life Insurance Expense	1,875	47%	(8)	(0%)
593	467	554	ACA Comparative Effectiveness Fee	(126)	(27%)	(39)	(7%)
10,227	10,000	29,132	WV RHBT Pay Go Premiums	(227)	(2%)	18,905	100%
1,018,299	**1,142,852**	**992,279**	**TOTAL EXPENSES**	**124,553**	**11%**	**(26,020)**	**(3%)**
128,815	**53,752**	**135,781**	**YTD Surplus (Deficit)**	**75,063**	**140%**	**(6,966)**	**(5%)**
217,073	217,073	81,292	Total Net Position, Beginning of Period	-	0%	135,781	167%
$ 345,888	**$ 270,825**	**$ 217,073**	**Total Net Position, End of Period**	**$ 75,063**	**28%**	**$ 128,815**	**59%**

Real Estate Division
September 2026
Interim Packet

Department of Administration Real Estate Division Leasing Report

For the period of August 1, 2026 through August 31, 2026

There are 5 leasing changes for this period, and they are as follows:

- 1 – New Contract of Lease
- 1 – Straight Renewal
- 2 - Renewal with Increase in Rent
- 1 - Renewal with Decrease in Square Feet

Department of Administration Real Estate Division Leasing Report

For the period of August 1, 2026 through August 31, 2026

NEW CONTRACT OF LEASE

GENERAL SERVICES DIVISION

GSD-023 New Contract of Lease for 5 years consisting of 24,911 square feet of office space at the annual per square foot rate of $18.50, annual cost $460,853.52, full service, 100 Parkway Road, in the City of Charleston, Kanawha County, West Virginia.

STRAIGHT RENEWAL

GENERAL SERVICES DIVISION

GSD-014 Renewal for 2 years consisting of 11 parking spaces at the current rate of $30.00 per space, per month, annual cost $3,960, located at 1118 Smith Street, Charleston, Kanawha County, West Virginia.

RENEWAL WITH INCREASE IN RENT

WORKFORCE WEST VIRGINIA

WWV-010 Renewal for 6 months consisting of 2,658 square feet of office space with an increase in the annual per square foot rate from $14.00 to $15.50, annual cost $41,199.00, full service, 20 Red Oaks Shopping Center, in the Town of Fairlea, Greenbrier County, West Virginia.

BUREAU OF JUVENILE SERVICES

BJS-024 Renewal for 3 years consisting of 3,000 square feet of office and classroom space with an increase in the annual per square foot rate from $14.00 to $14.53, annual cost $43,590.00, for year 1 then an increase in the annual per square foot rate to $15.07, annual cost $45,210.00, for year 2 then an increase in the annual per square foot rate to $15.64, annual cost $46,920.00, for year 3, includes snow/ice removal as needed and exterior window washing at least twice annually, 1186 North Mildred Street, in the City of Ranson, Jefferson County, West Virginia.

RENEWAL WITH DECREASE IN SQUARE FEET

WORKFORCE WEST VIRGINIA

WWV-034 Auto-Renewal lease with a decrease of square feet from 6,027 square feet to 1,869 square feet of office space, at the annual per square foot rate $15.81, annual cost $29,548.89, full service, Building #55, located at 130 Stratton Street, in the City of Logan, Logan County, West Virginia.

Real Estate Division
Monthly Summary of Lease Activity
August 1-31, 2026

# of Transactions	Agency	Lease #	County	Square Feet	Rental Rate	Annual Rent	Term in years	Total Aggregate
1	General Services Division	GSD-023	Kanawha	24,911	$18.50	$460,853.50	5.00	$2,304,267.50
2	General Services Division	GSD-014	Kanawha	11 spaces	$30/space/month	$3,960.00	2.00	$7,920.00
3	Workforce West Virginia	WWV-010	Greenbrier	2,658	$15.50	$41,199.00	5.00	$205,995.00
4	Bureau of Juvenile Services	BJS-024	Jefferson	3,000	$14.53	$43,590.00	1.00	$43,590.00
4	Bureau of Juvenile Services	BJS-024	Jefferson	3,000	$15.07	$45,210.00	1.00	$45,210.00
4	Bureau of Juvenile Services	BJS-024	Jefferson	3,000	$15.64	$46,920.00	1.00	$46,920.00
5	Workforce West Virginia	WWV-034	Logan	1,869	$15.81	$29,548.89	5	$147,744.45

Total Rentable S 32,438

Total Annual Rent $671,281.39

MEDICAID REPORT

June 2026

WEST VIRGINIA DEPARTMENT OF HUMAN SERVICES
Bureau for Medical Services

Joint Committee on Government and Finance and
Legislative Oversight Commission on Health and
Human Resources Accountability
August 2026

WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
EXPENDITURES BY PROVIDER TYPE
SFY2026

MONTH OF JUNE 2026	ACTUALS	TOTAL	ACTUALS	Estimate	ACTUALS	DIFFERENCE
	SFY2025	SFY2026	Current Month Ended 06/30/26	Current Month Ended 06/30/26	Year To-Date Thru 06/30/26	Budget vs 6/30/2026
EXPENDITURES:						
Inpatient Hospital - Reg. Payments [3]	91,752,632	91,087,740	6,382,858	7,287,019	56,388,508	34,699,232
Inpatient Hospital - DSH	54,207,638	61,000,000	(7,228,041)	4,880,000	60,329,287	670,713
Inpatient Hospital - Supplemental Payments	4,801,783	-	-	-	8,630,031	(8,630,031)
Inpatient Hospital - GME Payments	16,701,237	19,000,000	-	1,520,000	17,700,603	1,299,397
Mental Health Facilities	10,672,484	10,993,389	999,747	879,471	9,350,689	1,642,700
Mental Health Facilities - DSH Adjustment Payments	18,887,044	25,090,164	-	2,007,213	18,889,594	6,200,570
Nursing Facility Services - Regular Payments [2]	1,059,754,410	999,130,496	89,501,815	79,930,440	1,068,823,737	(69,693,241)
Nursing Facility Services - Supplemental Payments	-	32,000,000	-	2,560,000	-	32,000,000
Intermediate Care Facilities - Public Providers	-	-	-	-	-	-
Intermediate Care Facilities - Private Providers	77,215,234	77,735,197	4,811,214	6,218,816	74,129,763	3,605,434
Intermediate Care Facilities - Supplemental Payments	-	-	-	-	-	-
Physicians Services - Regular Payments	28,222,153	26,919,717	1,779,510	2,153,577	22,445,859	4,473,857
Physicians Services - Supplemental Payments	-	-	-	-	-	-
Physician and Surgical Services - Evaluation and Management	-	-	-	-	-	-
Physician and Surgical Services - Vaccine Codes	-	-	-	-	-	-
Outpatient Hospital Services - Regular Payments	46,606,408	46,972,608	3,068,170	3,757,809	36,831,614	10,140,995
Outpatient Hospital Services - Supplemental Payments	-	-	-	-	-	-
Prescribed Drugs	862,159,059	905,651,499	90,343,362	72,452,120	935,987,030	(30,335,531)
Drug Rebate Offset - National Agreement	(457,652,673)	(457,652,672)	(57,680,498)	(36,612,214)	(511,470,026)	53,817,353
Drug Rebate Offset - State Sidebar Agreement	(115,214,140)	(145,214,141)	(554,155)	(11,617,131)	(118,847,069)	(26,367,072)
Drug Rebate Offset - MCO National	(5,971,941)	(5,971,938)	(891,823)	(477,755)	(10,822,250)	4,850,312
Drug Rebate Offset - MCO State Sidebar Agreement	554	(553)	-	(44)	(2,832)	2,279
OUD Medication Assisted Treatment–Drugs	99,727,488	-	10,778,844	-	110,366,329	(110,366,329)
Dental Services	4,752,910	5,111,781	287,480	408,942	3,725,580	1,386,201
Other Practitioners Services - Regular Payments	6,015,352	8,540,642	256,029	683,251	3,105,023	5,435,618
Other Practitioners Services - Supplemental Payments	-	-	-	-	-	-
Clinic Services	195,568	376,109	5,924	30,089	74,165	301,944
Lab & Radiological Services	6,030,760	5,649,868	367,606	451,989	4,980,595	669,273
Home Health Services	17,447,141	25,532,922	3,661,708	2,042,634	16,514,451	9,018,471
Hysterectomies/Sterilizations	1,566	80	989	6	11,786	(11,706)
Pregnancy Terminations	-	-	588	-	3,440	(3,440)
EPSDT Services	1,670,232	1,571,953	166,447	125,756	1,469,459	102,494
Rural Health Clinic Services	2,942,930	2,842,887	205,043	227,431	2,742,120	100,767
Medicare Health Insurance Payments - Part A Premiums	31,129,530	35,082,774	2,862,366	2,806,622	33,384,987	1,697,787
Medicare Health Insurance Payments - Part B Premiums	152,317,594	184,582,071	14,358,262	14,766,566	167,579,292	17,002,779
120% - 134% Of Poverty	13,899,204	14,079,783	1,361,459	1,126,383	15,401,967	(1,322,184)
135% - 175% Of Poverty	-	-	-	-	-	-
Coinsurance And Deductibles	15,701,201	14,748,181	1,675,674	1,179,855	17,820,543	(3,072,362)

WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
EXPENDITURES BY PROVIDER TYPE
SFY2026

MONTH OF JUNE 2026	ACTUALS SFY2025	TOTAL SFY2026	ACTUALS Current Month Ended 06/30/26	Estimate Current Month Ended 06/30/26	ACTUALS Year To-Date Thru 06/30/26	DIFFERENCE Budget vs 6/30/2026
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	2,118,653,101	3,791,713,969	181,247,649	303,337,118	3,645,663,913	146,050,056
Medicaid MCO - Evaluation and Management	-	-	-	-	-	-
Medicaid MCO - Vaccine Codes	-	-	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan	-	-	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan	-	-	-	-	-	-
Medicaid Health Insurance Payments: Group Health Plan Payments	3,227,388	2,978,734	724,317	238,299	3,448,497	(469,763)
Medicaid Health Insurance Payments: Coinsurance	-	-	-	-	-	-
Medicaid Health Insurance Payments: Other	-	-	-	-	-	-
Home & Community-Based Services (IDD)	382,292,815	466,989,757	33,339,890	37,359,181	414,966,408	52,023,349
Home & Community-Based Services (Aged/Disabled)	205,054,859	254,483,573	24,492,600	20,358,686	239,795,112	14,688,461
Home & Community-Based Services (Traumatic Brain Injury)	2,797,145	3,567,398	287,328	285,392	3,166,862	400,536
Home & Community-Based Services (State Plan 1915(i) Only)	-	-	-	-	-	-
Home & Community-Based Services (State Plan 1915(j) Only)	-	-	-	-	-	-
Community Supported Living Services	-	-	-	-	-	-
Programs Of All-Inclusive Care Elderly	-	-	-	-	-	-
Personal Care Services - Regular Payments	96,977,641	115,659,402	11,947,716	9,252,752	128,065,414	(12,406,013)
Personal Care Services - SDS 1915(j)	-	-	-	-	-	-
Targeted Case Management Services - Com. Case Management	-	-	-	-	-	-
Targeted Case Management Services - State Wide	489,236	1,199,851	33,021	95,988	372,706	827,145
Primary Care Case Management Services	-	-	-	-	-	-
Hospice Benefits	45,885,818	45,500,000	3,650,255	3,640,000	46,082,646	(582,646)
Emergency Services Undocumented Aliens	1,166,502	1,400,000	62,313	112,000	1,220,544	179,456
Federally Qualified Health Center	11,097,827	11,752,296	566,522	940,184	7,738,568	4,013,728
Non-Emergency Medical Transportation	39,114,908	42,626,382	3,664,137	3,410,111	40,841,026	1,785,356
Physical Therapy	1,002,892	932,832	81,995	74,627	986,310	(53,478)
Occupational Therapy	396,829	367,974	35,186	29,438	394,842	(26,868)
Services for Speech, Hearing & Language	270,218	262,241	23,832	20,979	283,335	(21,094)
Prosthetic Devices, Dentures, Eyeglasses	788,184	794,297	86,032	63,544	1,173,418	(379,121)
Diagnostic Screening & Preventive Services	84,947	79,841	4,262	6,387	56,951	22,890
Nurse Mid-Wife	81,099	78,975	4,471	6,318	43,409	35,566
Emergency Hospital Services	-	-	-	-	-	-
Critical Access Hospitals	29,014,947	29,986,281	2,144,383	2,398,902	28,072,609	1,913,671
Nurse Practitioner Services	6,443,517	5,751,325	503,862	460,106	6,649,638	(898,313)
School Based Services	31,793,116	30,000,000	32,687,153	2,400,000	35,622,852	(5,622,852)
Rehabilitative Services (Non-School Based)	34,278,676	41,715,267	3,766,285	3,476,272	42,440,128	(724,861)
2a) Opioid Treatment Program (OTP) - Methadone services	2,917,446	-	465,132	-	240,142	(240,142)
2a) Opioid Treatment Program (OTP) - Peer Recovery Support Services	629,149	-	20,993	-	420,782	(420,782)
2a) Opioid Treatment Program (OTP) - Residential Adult Services	11,823,698	-	503,450	-	8,297,612	(8,297,612)
2a) OUD Medicaid Assisted Treatment Services	19,267,757	-	1,708,726	-	22,160,458	(22,160,458)
2a) Opioid Treatment Program (OTP) - Other	925,709	-	30,216	-	667,949	(667,949)
Private Duty Nursing	5,663,588	6,000,000	460,647	480,000	5,754,205	245,795
Freestanding Birth Centers	-	-	-	-	-	-
Health Home for Enrollees w Chronic Conditions	306,627	-	-	-	1,622	(1,622)
Other Care Services	33,215,156	32,137,377	3,297,243	2,570,990	34,405,997	(2,268,620)
Less: Recoupments	-	-	(460,075)	-	(14,690,022)	14,690,022
NET MEDICAID EXPENDITURES:	5,129,634,153	6,870,838,326	471,900,119	549,806,117	6,749,888,208	120,950,118

WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
EXPENDITURES BY PROVIDER TYPE
SFY2026

MONTH OF JUNE 2026	ACTUALS	TOTAL	ACTUALS	Estimate	ACTUALS	DIFFERENCE
	SFY2025	SFY2026	Current Month Ended 06/30/26	Current Month Ended 06/30/26	Year To-Date Thru 06/30/26	Budget vs 6/30/2026
Collections: Third Party Liability (line 9A on CMS-64)	(15,647,934)	-		-	(15,893,063)	15,893,063
Collections: Probate (line 9B on CMS-64)	(4,412,180)	-		-	(1,800,946)	1,800,946
Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64)	(155,177)	-		-	(230,806)	230,806
Collections: Other (line 9D on CMS-64)	(23,274,692)	-		-	(23,623,220)	23,623,220
NET EXPENDITURES and CMS-64 ADJUSTMENTS:	5,086,144,169	6,870,838,326	471,900,119	549,806,117	6,708,340,174	162,498,152
Plus: Medicaid Part D Expenditures	58,027,398	61,939,281	5,208,255	4,955,142	61,619,342	319,939
Plus: State Only Medicaid Expenditures	248,911	397,447	32,187	31,796	322,374	75,073
Plus: Money Follow the Person Expenditures	1,244,706	1,257,278	139,192	100,582	1,323,219	(65,941)
TOTAL MEDICAID EXPENDITURES	$5,145,665,185	$6,934,432,332	$477,279,753	$554,893,637	$6,771,605,109	$162,827,223
Plus: Reimbursables (1)	6,645,993	-	906,205	-	7,546,199	(7,546,199)
Plus: NATCEP/PASARR/Eligibility Exams	297,175	211,537	500	16,923	151,843	59,694
Plus: HIT Incentive Payments	-	-	-	-	-	-
TOTAL EXPENDITURES	$5,152,608,353	$6,934,643,869	$478,186,458	$554,910,560	6,779,303,151	155,340,718

(1) This amount will revert to State Only if not reimbursed.
(2) Of the amount in the 'Nursing Facility Services - Regular Payments' line $14,333,097 is the amount paid to State Facilities year to date.
(3) Due to a reporting error Inpatient Hospital lines will be corrected with quarter-end adjustments.

WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
MEDICAID CASH REPORT
SFY2026

MONTH OF JUNE 2026	ACTUALS SFY2025	ACTUALS Current Month Ended 06/30/26	ACTUALS Year-To-Date Thru 06/30/26	Difference Budget vs Actual	TOTAL SFY2026
REVENUE SOURCES					
Beg. Bal. 7/01/22 (5084/1020 prior mth)	51,699,646	2,441,775	112,276,148	-	112,276,148
MATCHING FUNDS					
General Revenue (0403/189)	102,571,866	7,409,179	79,174,335	-	79,174,335
Prescription Drugs (FFS)	19,740,698	2,412,754	21,934,109	-	21,934,109
Physical and Occupational Therapy (FFS)	68,792	8,409	76,436	-	76,436
Speech, Hearing, and Language Disorders (FFS)	12,813	1,566	14,237	-	14,237
Respiratory Care Services (FFS)	10,083	1,233	11,203	-	11,203
Clinic Services (FFS)	144,471	17,659	160,523	-	160,523
Diagnostic, Screening, Preventive and Rehabilitative Services (FFS)	3,176	389	3,529	-	3,529
Dental Services (FFS)	166,390	20,338	184,878	-	184,878
Podiatry Services, Optometry Services, and Prosthetics (FFS)	31,078	3,799	34,531	-	34,531
Chiropractic Services (FFS)	5,206	637	5,784	-	5,784
Private Duty Nurses, Personal Care, and Other Practitioner Services (FFS)	11,847,294	1,448,003	13,163,660	-	13,163,660
Hospice Benefits (FFS)	1,398,793	170,964	1,554,214	-	1,554,214
Case Management (FFS)	110,938	13,559	123,264	-	123,264
Institution for Mental Disease Services (FFS)	1,276,985	156,078	1,418,872	-	1,418,872
Intermediate Care Facility Services (FFS)	3,233,567	395,216	3,592,852	-	3,592,852
Health Homes for Enrollees with Chronic Conditions (FFS)	127,329	15,564	141,477	-	141,477
Managed Care Organizations (FFS)	113,493,869	1,871,475	126,104,299	-	126,104,299
Substance Use Disorder Waiver (FFS)	842,151	101,900	926,366	-	926,366
IDD Waiver (0403/466)	108,541,736	1,939,592	108,541,736	-	108,541,736
Rural Hospitals Under 150 Beds (0403/940)	2,596,000	216,333	2,596,000	-	2,596,000
Tertiary Funding (0403/547)	6,356,000	529,666	6,356,000	-	6,356,000
Traumatic Brain Injury (0403/835)	800,000	110,000	1,000,000	-	1,000,000
Title XIX Waiver for Seniors (0403-533)	13,593,620	4,166,159	47,060,282	-	47,060,282
Medical Services Surplus (0403/633)	39,376,837		-	-	-
Waiver for Senior Citizens Surplus (0403/526)	-		-	-	-
Lottery Waiver (Less 550,000) (5405/539)	27,386,092		27,386,092	-	27,386,092
Lottery Waiver (0420/539)	6,580,366		6,580,366	-	6,580,366
Lottery Transfer (5405/871)	16,400,070		16,400,070	-	16,400,070
Excess Lottery (5365/189)	72,739,018	55,805,007	80,805,007	-	80,805,007
Lottery Surplus (5405/68199)	14,750,000		14,750,000	-	14,750,000
Lottery Surplus (5365/68100)	62,022,906		20,545,488	-	20,545,488
Trust Fund Appropriation (5185/189)	48,616,548	7,250,000	43,313,982	647,869	43,961,851
Provider Tax (5090/189)	696,594,315	59,500,000	807,037,884	8,062,116	815,100,000
NSGO UPL (5084/6717)	-		-	-	-
Expirations (5084)	-		-	-	-

Certified Match	19,180,551	-	5,252,286	10,790,214	16,042,500
Reimbursables - Amount Reimbursed	5,195,573	-	677,037	(677,037)	-
Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015	841,314	90,406	1,025,942	(1,025,942)	-
CHIP State Share	-		-	-	-
CMS - 64 Adjustments	2,942,645		416,028	(416,028)	-
TOTAL MATCHING FUNDS	$ 1,451,298,736	$ 146,097,661	$ 1,550,644,919	17,381,191	$ 1,568,026,109
			-		
FEDERAL FUNDS	3,812,894,131	374,423,575	5,263,638,691	260,892,050	5,524,530,742
TOTAL REVENUE SOURCES	$ 5,264,192,866	$ 520,521,236	$ 6,814,283,610	$ 278,273,241	$ 7,092,556,851
TOTAL EXPENDITURES:					
Provider Payments	$ 5,152,608,353	$ -	$ 3,105,587,115	$ 3,829,056,754	$ 6,934,643,869
TOTAL	$ 111,584,513	$ 520,521,236	$ 3,708,696,494	$ (3,550,783,512)	$ 157,912,982

Notes: FMAP (74.22% applicable Oct 2025 - Jun 2026)
FFS: Fee For Service

JOINT COMMITTEE ON GOVERNMENT AND FINANCE

September 2026

WEST VIRGINIA DEPARTMENT OF HUMAN SERVICES
Bureau for Medical Services

West Virginia Children's Health Insurance Program
Stacey Shamblin, Deputy Commissioner, BMS, WVCHIP

West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures, Changes in Fund Balance, and Budget-to-Actual
For the Years Ending June 30, 2026 and June 30, 2025

	Annual Budget 2026	Actual June 30, 2026	Actual June 30, 2025	Actual Variance $	Actual Variance %	Budget Variance $	Budget Variance %
Beginning Operating Fund Balance		**$454,799**	**$3,255,799**	**($2,801,000)**	**-86%**		
Revenues							
Federal Grants	$73,432,826	$75,872,533	$66,898,223	$8,974,310	13%	$2,439,707	3%
State Appropriations	$14,175,684	$15,041,587	$12,757,825	$0	0%	$865,903	6%
Premium Revenues	$1,307,476	$1,067,805	$531,118	$536,687	101%	($239,671)	-18%
Investment Earnings (Interest)	$155,000	$14,627	$156,742	($142,115)	-91%	($140,373)	-91%
Total Operating Fund Revenues	**$89,070,986**	**$91,996,552**	**$80,343,907**	**$11,652,644**	**15%**	**$2,925,566**	**3%**
Expenditures:							
Claims Expenses:							
Managed Care Organizations		$60,125,048	$55,896,423	$4,228,625	8%		
Prescribed Drugs		$17,565,077	$14,356,640	$3,208,438	22%		
Medical Transportation		$2,384,073	$2,304,305	$79,769	3%		
Physicians & Surgical		$3,273,918	$2,562,471	$711,447	28%		
Therapy		$2,233,339	$1,134,458	$1,098,880	97%		
Inpatient Hospital Services		$1,019,486	$1,542,969	($523,483)	-34%		
Outpatient Hospital Services		$685,923	$1,534,487	($848,564)	-55%		
Other Services		$257,970	$206,045	$51,925	25%		
Dental		$67,069	$544,274	($477,205)	-88%		
Inpatient Mental Health		$44,953	$128,794	($83,841)	-65%		
Outpatient Mental Health		$14,987	$75,126	($60,140)	-80%		
Vision		$2,139	$33,325	($31,186)	-94%		
Durable & Disposable Med. Equip.		$1,087	$16,369	($15,281)	-93%		
Less: Other Collections**		($1,948)	($26,401)	$24,453	-93%		
Drug Rebates	$0	$0	($1,081,659)	$1,081,659	-100%	$1,948	0%
Total Claims Expenses	**$79,274,655**	**$87,673,123**	**$79,227,625**	**$8,445,498**	**11%**	**$8,398,468**	**11%**
Administrative Expenses:							
Salaries and Benefits	$557,031	$426,957	$355,522	$71,435	20%	($130,074)	-23%
Program Administration	$7,138,355	$3,925,005	$3,040,064	$884,941	29%	($3,213,350)	-45%
Outreach & Health Promotion	$0	$0	$0	$0	0%	$0	0%
Health Service Initiative	$225,000	$168,750	$225,000	($56,250)	-25%	($56,250)	-25%
Current	$413,469	$433,392	$293,217	$140,175	48%	$19,923	5%
Total Administrative Expenses in Operating Fund	**$8,333,855**	**$4,954,104**	**$3,913,803**	**$1,040,300**	**27%**	**($3,379,751)**	**-41%**
Total Operating Fund Expenditures	**$87,608,510**	**$92,627,226**	**$83,141,428**	**$9,485,798**	**11%**	**$5,018,716**	**6%**
Adjustments		**$309,013**	**($3,479)**				
Ending Operating Fund Balance		**$133,138**	**$454,799**	**($321,662)**	**-71%**		
Money Market		$0	$0				
Bond Pool		$88,117	$73,489				
Cash on Deposit		$45,021	$381,310				
Revenues Outside of Operating Funds:							
Federal Grants		$2,491,600	$5,300,000	($2,808,400)	-53%		
Total WVCHIP Revenues		**$94,488,152**	**$85,643,907**	**$8,844,244**	**10%**		
Program Expenses outside of Operating Funds:							
Eligibility	$1,500,000	$2,804,903	$4,360,886	($1,555,983)	-36%	$1,304,903	87%
Total Administrative Expenses	**$9,833,855**	**$7,759,007**	**$8,274,689**	**($515,683)**	**-6%**	**($2,074,848)**	**-21%**
Total WVCHIP Expenditures	**$89,108,510**	**$95,432,129**	**$87,502,314**	**$7,929,815**	**9%**	**$6,323,619**	**7%**

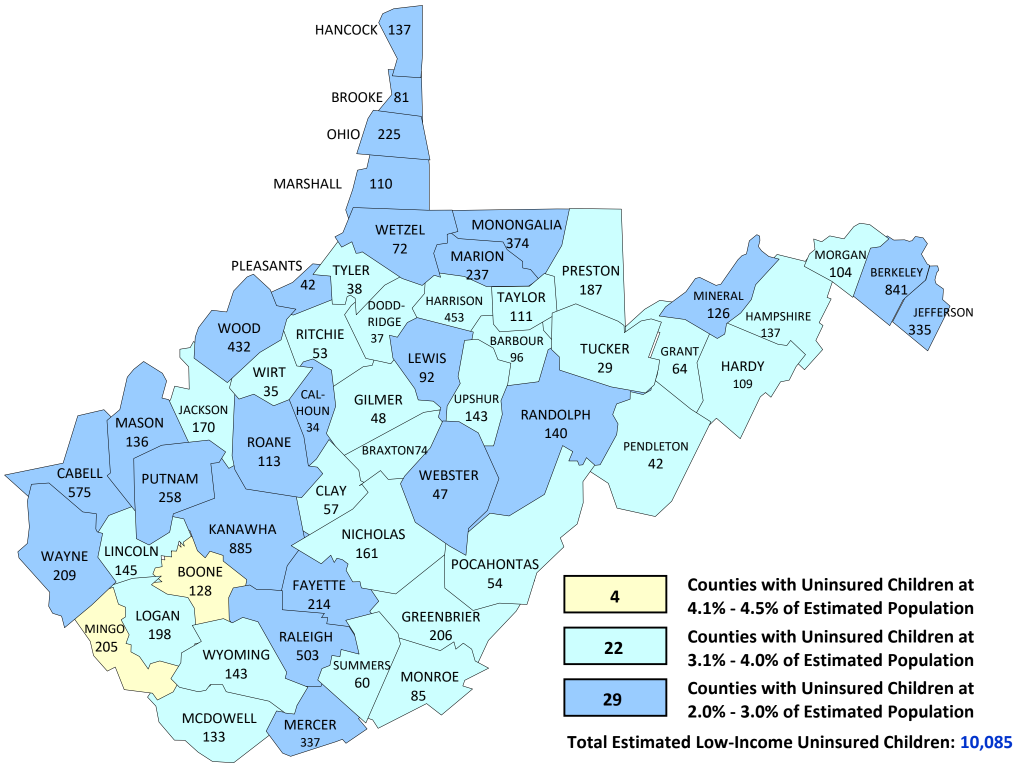
Footnotes:
1) Statement is on cash basis.
2) Estimate of Incurred but Not Reported (IBNR) claims on June 30, 2026 is $807,628. The June 30, 2025 estimate was $3,970,647.
3) Administrative Accounts Payable balance on June 30, 2026 is $1,166,420.98. The June 30, 2025 balance was $1,221,387.
4) 2026 and 2025 adjustments to fund balances represents timing issues between the payment of expense and the draw-down of federal revenues.
5) Revenues are primarily federal funds. WVCHIP's Federal Matching Assistance Percentage (FMAP) during SFY26 is 81.95% and during SFY25 is 81.69%.
6) Other Collections are primarily provider refunds and subrogation (amounts received from other insurers responsible for bills WVCHIP paid - primarily auto).
7) Physician & Surgical services include physicians, clinics, lab, Federally Qualified Health Centers (FQHC), and vaccine payments.
8) Other Services includes home health, chiropractors, psychologists, podiatrists, and nurse practitioners.
9) Eligibility costs outside the fund represent the costs allocated to the WVCHIP for eligibility and enrollment processing (WVPATH).

Unaudited - For Management Purposes Only
PRELIMINARY STATEMENT

WVCHIP Enrollment Report

AUGUST 2026

County	County Pop. 2024 Est. (0-18 Yrs)	BLUE Aug-26	GOLD Aug-26	PREM Aug-26	MATERNITY BLUE Aug-26	MATERNITY PREM Aug-26	Total CHIP Enrollment Aug-26	Total Medicaid Enrollment Aug-26	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2024 SAHIE Uninsured Est.	2024 SAHIE % Uninsured
Barbour	3,178	130	36	98	1	5	270	1,476	1,746	54.9%	96	3.0%
Berkeley	32,604	1,328	318	763	8	23	2,440	11,827	14,267	43.8%	841	2.6%
Boone	4,311	151	34	97	3	3	288	2,352	2,640	61.2%	128	3.0%
Braxton	2,265	85	17	76	1	1	180	1,228	1,408	62.2%	74	3.3%
Brooke	3,729	0	0	0	0	0	0	37	37	1.0%	81	2.2%
Cabell	18,581	596	157	357	5	15	1,130	8,171	9,301	50.1%	575	3.1%
Calhoun	1,109	68	16	40	1	1	126	657	783	70.6%	34	310.0%
Clay	1,731	78	22	43	2	0	145	1,121	1,266	73.1%	57	3.3%
Doddridge	1,128	55	10	40	1	2	108	582	690	61.2%	37	3.3%
Fayette	8,118	353	82	215	2	8	660	4,111	4,771	58.8%	214	2.6%
Gilmer	1,092	43	5	27	0	1	76	479	555	50.8%	48	440.0%
Grant	2,191	96	25	65	3	3	192	1,136	1,328	60.6%	64	2.9%
Greenbrier	6,295	331	95	232	7	4	669	3,088	3,757	59.7%	206	3.3%
Hampshire	4,310	200	46	120	5	3	374	2,039	2,413	56.0%	137	3.2%
Hancock	5,235	256	75	149	1	10	491	3,443	3,934	75.1%	137	2.6%
Hardy	2,899	134	40	88	0	4	266	1,158	1,424	49.1%	109	3.8%
Harrison	13,915	474	130	351	7	8	970	5,611	6,581	47.3%	453	3.3%
Jackson	6,152	181	65	118	1	6	371	2,665	3,036	49.3%	170	2.8%
Jefferson	13,197	367	103	290	4	9	773	3,429	4,202	31.8%	335	2.5%
Kanawha	35,189	1,208	349	801	9	22	2,389	27,244	29,633	84.2%	910	2.6%
Lewis	3,658	185	49	107	0	0	341	1,637	1,978	54.1%	92	2.5%
Lincoln	4,321	142	49	86	0	7	284	2,354	2,638	61.1%	145	3.4%
Logan	6,588	211	42	144	7	8	412	3,825	4,237	64.3%	198	3.0%
Marion	11,370	381	99	272	3	15	770	4,665	5,435	47.8%	237	4.1%
Marshall	5,648	164	45	87	1	1	298	2,322	2,620	46.4%	110	2.1%
Mason	5,226	169	37	113	1	2	322	2,451	2,773	53.1%	136	1.9%
McDowell	3,215	103	27	77	1	6	214	2,266	2,480	77.1%	133	2.6%
Mercer	12,479	579	160	385	6	9	1,139	6,893	8,032	64.4%	337	2.7%
Mineral	5,540	155	45	124	4	0	328	2,257	2,585	46.7%	126	2.3%
Mingo	5,000	145	41	82	2	8	278	3,282	3,560	71.2%	205	4.1%
Monongalia	18,168	473	87	323	12	12	907	5,203	6,110	33.6%	374	2.1%
Monroe	2,587	106	36	92	2	4	240	1,117	1,357	52.5%	85	3.3%
Morgan	3,069	136	41	119	2	4	302	1,290	1,592	51.9%	104	3.4%
Nicholas	4,958	176	58	131	0	4	369	2,241	2,610	52.6%	161	3.2%
Ohio	8,188	223	72	114	4	3	416	3,200	3,616	44.2%	225	2.7%
Pendleton	1,134	53	11	43	0	1	108	485	593	52.3%	42	3.7%
Pleasants	1,407	41	14	36	1	1	93	545	638	45.3%	42	3.0%
Pocahontas	1,409	48	17	39	0	1	105	645	750	53.2%	54	3.8%
Preston	6,254	218	60	188	3	11	480	2,618	3,098	49.5%	187	3.0%
Putnam	12,448	395	97	272	5	5	774	3,585	4,359	35.0%	258	2.1%
Raleigh	15,464	547	156	443	10	24	1,180	7,936	9,116	58.9%	503	3.3%
Randolph	5,028	204	59	153	5	5	426	2,367	2,793	55.5%	140	2.8%
Ritchie	1,662	75	12	33	1	2	123	796	919	55.3%	53	3.2%
Roane	2,701	112	24	72	3	2	213	1,318	1,531	56.7%	113	4.2%
Summers	1,810	102	37	60	0	3	202	1,233	1,435	79.3%	60	3.3%
Taylor	3,291	137	26	102	0	4	269	1,273	1,542	46.9%	111	3.4%
Tucker	948	47	13	49	1	0	110	438	548	57.8%	29	3.1%
Tyler	1,623	56	10	53	1	2	122	629	751	46.3%	38	2.3%
Upshur	4,910	211	73	143	4	3	434	2,356	2,790	56.8%	143	2.9%
Wayne	7,820	257	72	172	0	4	505	3,961	4,466	57.1%	209	2.7%
Webster	1,561	65	19	52	1	1	138	856	994	63.7%	47	3.0%
Wetzel	2,963	78	15	81	2	3	179	1,724	1,903	64.2%	72	2.4%
Wirt	1,079	40	8	32	2	0	82	504	586	54.3%	35	3.2%
Wood	17,594	587	164	342	5	7	1,105	7,518	8,623	49.0%	432	2.5%
Wyoming	4,170	153	40	114	4	6	317	2,078	2,395	57.4%	143	3.4%
Totals	362,520	12,908	3,440	8,705	154	296	25,503	169,722	195,225	53.9%	10,085	2.8%



The above map shows the most recent 2023 county level data provided by the U.S. Census Bureau Small Area Health Insurance Estimates (SAHIE) for children under 19 years. While the statewide average for children under 19 is now about 3.3%, the SAHIE data reflects more accurately the variation from county to county depending on the availability of employer-sponsored insurance and should be a more accurate way to target outreach than in previous years.

WEST VIRGINIA
INVESTMENT MANAGEMENT BOARD

Participant Plan Preliminary Performance Report

July 31, 2026

Participant Plans Allocation & Performance Net of Fees - Preliminary

Period Ending: July 31, 2026

	6/30/2026		7/31/2026		Performance %							
	Asset ($000)	%	Asset ($000)	%	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year
WVIMB Fund Assets	**31,971,482**	**100.0**	**31,777,429**	**100.0**								
Defined Benefit Plans	**26,004,102**	**81.3**	**25,830,240**	**81.3**								
Public Employees Retirement System	10,934,547	34.2	10,861,518	34.2	(0.4)	2.2	(0.4)	14.7	12.0	7.8	10.0	8.2
Teachers Retirement System	12,056,931	37.7	11,961,616	37.6	(0.4)	2.2	(0.4)	14.7	12.0	7.8	10.0	8.0
Emergency Medical Services Retirement System	276,755	0.9	276,141	0.9	(0.4)	2.1	(0.4)	14.6	12.0	7.8	10.0	
State Police Death, Disability and Retirement Fund	940,358	3.0	931,601	2.9	(0.4)	2.2	(0.4)	14.7	12.0	7.8	10.0	8.2
Judges' Retirement System	385,328	1.2	383,142	1.2	(0.4)	2.1	(0.4)	14.6	12.0	7.8	10.0	8.2
State Police Retirement Fund	482,799	1.5	480,880	1.5	(0.4)	2.1	(0.4)	14.6	11.9	7.8	10.0	8.2
Deputy Sheriffs Retirement System	455,377	1.4	453,170	1.4	(0.4)	2.1	(0.4)	14.6	11.9	7.8	10.0	8.2
Municipal Police Officers and Firefighters Retirement System	79,727	0.2	80,068	0.3	(0.4)	2.1	(0.4)	14.5	11.9	7.7	9.9	
Natural Resources Police Officers Retirement System	44,030	0.1	48,210	0.2	(0.4)	2.2	(0.4)	14.6	11.9	7.8		
Municipal Policemen's or Firemen's Pension and Relief Funds - Model A (I)	343,231	1.1	348,846	1.1	(0.4)	2.2	(0.4)	14.8	12.2	8.2	10.3	
Municipal Policemen's or Firemen's Pension and Relief Funds - Model B (I)	5,019	0.0	5,048	0.0	(0.7)	2.2	(0.7)	14.4	12.7	6.9		
Insurance Plans	**3,996,281**	**12.5**	**3,994,644**	**12.6**								
Workers' Compensation Old Fund	855,309	2.7	842,143	2.7	(0.8)	1.2	(0.8)	10.2	9.7	4.9	6.2	5.3
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	49,183	0.2	48,737	0.2	(0.8)	1.2	(0.8)	10.2	9.7	5.1	6.4	5.2
Workers' Compensation Self-Insured Employer Security Risk Pool	57,517	0.2	56,792	0.2	(0.8)	1.2	(0.8)	10.2	9.7	5.1	6.4	
Workers' Compensation Uninsured Employers' Fund	24,051	0.1	23,891	0.1	(0.8)	1.2	(0.8)	10.2	9.7	5.1	6.3	5.0
Coal Workers' Pneumoconiosis Fund	210,762	0.6	207,646	0.6	(0.8)	1.2	(0.8)	10.2	9.7	5.1	6.4	5.6
Board of Risk and Insurance Management	69,117	0.2	68,548	0.2	(0.8)	1.1	(0.8)	8.9	9.2	4.8	6.2	5.8
Public Employees Insurance Agency	314,148	1.0	360,749	1.1	(0.9)	0.6	(0.9)	8.5	9.2	4.6	6.0	5.5
Retiree Health Benefit Trust	2,416,194	7.5	2,386,138	7.5	(0.4)	2.1	(0.4)	14.6	11.9	7.8	10.0	
Endowment Funds & Trusts	**178,253**	**0.6**	**176,426**	**0.5**								
Wildlife Endowment Fund	87,660	0.3	86,220	0.3	(0.4)	2.1	(0.4)	14.6	11.9	7.7	10.0	8.2
State Parks and Recreation Endowment Fund	82,879	0.3	82,535	0.2	(0.4)	2.1	(0.4)	14.5	11.9	7.8		
Department of Environmental Protection Trust	7,714	0.0	7,671	0.0	(0.6)	2.4	(0.6)	14.9	12.5	7.5	9.2	
Other Funds	**1,792,846**	**5.6**	**1,776,119**	**5.6**								
Berkeley County Development Authority	8,763	0.0	8,727	0.0	(0.4)	2.1	(0.4)	14.6	11.8	7.7	10.0	
Revenue Shortfall Reserve Fund	713,941	2.2	707,445	2.2	(0.9)	0.3	(0.9)	6.0	6.6	2.3	2.9	2.8
Revenue Shortfall Reserve Fund - Part B	665,552	2.1	659,464	2.1	(0.9)	0.7	(0.9)	8.4	8.2	3.2	5.2	4.6
Department of Environmental Protection Agency	404,590	1.3	400,483	1.3	(1.0)	1.7	(1.0)	12.7	11.7	6.4	7.5	

Composite Asset Allocation & Performance Net of Fees – Preliminary

Period Ending: July 31, 2026

	Asset ($000)	%	Performance %							
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year
Investment Pools Composite	31,791,767	100.00								
Portable Alpha Composite	7,441,194	23.41	0.45	4.31	0.45	22.28	19.78	12.56		
+/- S&P 500 Index			*0.52*	*0.11*	*0.52*	*2.71*	*0.45*	*(0.30)*		
Large Cap Domestic Equity Composite	389,487	1.23	(0.06)	4.15	(0.06)	19.38	19.25	12.76	14.90	11.30
+/- S&P 500 Index			*0.01*	*(0.04)*	*0.01*	*(0.18)*	*(0.08)*	*(0.10)*	*(0.18)*	*(0.05)*
Non-Large Cap Domestic Equity Composite	1,055,157	3.32	(7.33)	0.47	(7.33)	16.54	12.94	9.02	11.55	9.69
+/- Russell 2500 Index			*(4.73)*	*(4.91)*	*(4.73)*	*(14.11)*	*(2.54)*	*0.91*	*0.16*	*(0.10)*
International Equity Composite	5,713,958	17.97	0.61	5.28	0.61	33.14	21.06	11.41	11.14	7.94
+/- MSCI AC World ex US IMI Index (a)			*0.41*	*1.19*	*0.41*	*5.49*	*3.53*	*2.09*	*1.32*	*1.66*
Fixed Income Composite	6,038,310	18.99	(1.22)	(0.60)	(1.22)	3.45	5.02	0.98	2.83	3.91
+/- Bloomberg Universal (b)			*0.00*	*0.02*	*0.00*	*0.42*	*0.78*	*0.99*	*1.09*	*0.40*
Core Fixed Income Composite	2,737,151	8.61	(1.22)	(0.75)	(1.22)	2.83	4.27	0.29	1.99	
+/- Bloomberg US Aggregate			*0.09*	*0.01*	*0.09*	*0.12*	*0.54*	*0.69*	*0.65*	
Total Return Fixed Income Composite (c)	3,301,159	10.38	(1.23)	(0.47)	(1.23)	3.97	5.65	1.55	3.32	4.25
+/- Bloomberg Universal			*(0.01)*	*0.14*	*(0.01)*	*0.95*	*1.41*	*1.55*	*1.58*	*0.77*
TIPS Composite	347,798	1.09	(0.20)	(0.63)	(0.20)	3.19	4.69	0.97	2.78	
+/- Bloomberg US TIPS 1-10 Yr (d)			*(0.07)*	*(0.02)*	*(0.07)*	*(0.03)*	*(0.01)*	*0.01*	*0.04*	
Cash Composite	307,506	0.97	0.32	0.92	0.32	3.86	4.63	3.61	2.33	1.72
+/- FTSE 3 Month US T-Bill (e)			*0.00*	*(0.03)*	*0.00*	*(0.14)*	*(0.18)*	*(0.14)*	*(0.10)*	*(0.04)*
Private Equity Composite	2,419,318	7.61	0.00	(1.78)	0.00	1.18	3.99	5.15	15.36	
+/- CA Global PE Index (f, g)			*(0.36)*	*(2.85)*	*(0.36)*	*(8.13)*	*(12.70)*	*(6.75)*	*(0.70)*	
Real Estate Composite	2,712,911	8.53	0.59	0.45	0.59	2.04	(0.67)	1.52	4.35	
+/- NFI-ODCE (net) + 1% (f, j)			*0.08*	*(0.92)*	*0.08*	*(2.23)*	*(1.47)*	*(2.67)*	*(1.20)*	
Absolute Return Composite (k)	3,943,039	12.40	(1.91)	1.40	(1.91)	13.32	12.95	9.48	7.76	
+/- HFRI FOF + 1% (h)			*(0.02)*	*(0.24)*	*(0.02)*	*(1.11)*	*2.35*	*2.89*	*1.13*	
Private Credit & Income Composite	1,423,089	4.48	0.20	1.22	0.20	6.79	6.01	5.85	6.04	
+/- Morningstar LSTA US LL Index + 1.5% (f, i)			*(0.72)*	*(0.53)*	*(0.72)*	*1.01*	*(2.11)*	*(1.01)*	*(0.80)*	

Participant Plans Allocation vs. Strategy - Preliminary

Period Ending: July 31, 2026

	Equity		Fixed Income		Private Equity		Real Estate		Private Credit & Income		Absolute Return		Cash	
	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %
Defined Benefit Plans														
Public Employees Retirement System	49.0	45.0	16.1	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.3	0.0
Teachers Retirement System	48.7	45.0	16.1	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.6	0.0
Emergency Medical Services Retirement System	48.5	45.0	16.2	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.0	10.0	0.8	0.0
State Police Death, Disability and Retirement Fund	49.0	45.0	16.1	15.0	8.4	12.0	9.4	12.0	4.9	6.0	12.1	10.0	0.1	0.0
Judges' Retirement System	48.9	45.0	16.4	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.1	0.0
State Police Retirement Fund	48.6	45.0	16.2	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.6	0.0
Deputy Sheriffs Retirement System	48.7	45.0	16.0	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.7	0.0
Municipal Police Officers and Firefighters Retirement System	48.3	45.0	16.2	15.0	8.2	12.0	9.2	12.0	4.8	6.0	11.9	10.0	1.4	0.0
Natural Resources Police Officers Retirement System	44.2	45.0	14.5	15.0	7.5	12.0	8.5	12.0	4.4	6.0	11.0	10.0	9.9	0.0
Municipal Policemen's or Firemen's Pension and Relief Funds - Model A	47.8	45.0	15.9	15.0	8.1	12.0	9.1	12.0	4.8	6.0	11.8	10.0	2.5	0.0
Municipal Policemen's or Firemen's Pension and Relief Funds - Model B	53.9	55.0	43.6	45.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	0.0
Insurance Plans														
Workers' Compensation Old Fund	26.6	25.0	45.2	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.3	15.0	4.4	5.0
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	26.3	25.0	45.0	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.2	15.0	5.0	5.0
Workers' Compensation Self-Insured Employer Security Risk Pool	26.4	25.0	45.1	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.3	15.0	4.7	5.0
Workers' Compensation Uninsured Employers' Fund	26.3	25.0	44.9	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.1	15.0	5.2	5.0
Coal Workers' Pneumoconiosis Fund	26.6	25.0	45.2	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.3	15.0	4.4	5.0
Board of Risk and Insurance Management	26.3	25.0	44.8	45.0	2.8	4.0	3.1	4.0	1.6	2.0	16.3	15.0	5.1	5.0
Public Employees Insurance Agency	10.4	12.0	54.8	64.0	0.0	0.0	0.0	0.0	0.0	0.0	20.9	24.0	13.9	0.0
Retiree Health Benefit Trust	48.9	45.0	16.5	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.0	0.0
Endowment Funds & Trusts														
Wildlife Endowment Fund	48.8	45.0	16.6	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.0	0.0
State Parks and Recreation Endowment Fund	48.8	45.0	16.6	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.0	0.0
Department of Environmental Protection Trust	53.1	50.0	16.3	15.0	6.9	10.0	7.8	10.0	4.1	5.0	11.8	10.0	0.0	0.0
Other Funds														
Berkeley County Development Authority	48.8	45.0	16.6	15.0	8.3	12.0	9.3	12.0	4.9	6.0	12.1	10.0	0.0	0.0
Revenue Shortfall Reserve Fund	10.1	10.0	69.7	70.0	0.0	0.0	0.0	0.0	0.0	0.0	10.1	10.0	10.1	10.0
Revenue Shortfall Reserve Fund - Part B	21.4	20.0	59.6	60.0	2.8	4.0	3.1	4.0	1.6	2.0	11.5	10.0	0.0	0.0
Department of Environmental Protection Agency	35.8	35.0	38.6	40.0	1.4	2.0	1.6	2.0	0.8	1.0	21.8	20.0	0.0	0.0

(a) Prior to January 2014, the index was the MSCI ACW ex USA (Standard).

(b) Prior to April 2008, the index was Bloomberg US Aggregate.

(c) From October 2015 to March 2017, performance returns from the Opportunistic Income Pool were included in the Total Return Fixed Income Composite.

(d) Prior to June 2023, the index was Bloomberg US TIPS.

(e) Prior to January 2014, the index was FTSE 3 Month US T-Bill plus 15 basis points.

(f) Private Equity, Real Estate, and Private Credit & Income consist primarily of private market investments. The time lag in determining the fair value of these investments makes the comparison to their public market benchmarks less meaningful over shorter time periods.

(g) From January 2014 to June 2025, the index was Russell 3000 plus 300 basis points. Prior to January 2014, the index was S&P 500 plus 500 basis points.

(h) Prior to January 2014, the index was Libor plus 400 basis points.

(i) From June 2023 to June 2025, the index was SOFR plus 400 basis points. From April 2017 to May 2023, the index was CS Leveraged Loan plus 200 basis points. Prior to April 2017, the index was CS Leveraged Loan plus 250 basis points.

(j) Prior to July 2025, the index was NCREIF plus 100 basis points.

(k) Effective March 2026, the legacy Hedge Fund investment pool's name changed to Absolute Return.

(l) Returns are presented as a composite. Individual plan returns within the composite may differ.

Note: Participant returns are net of fees. Portfolio returns are net of management fees. Returns shorter than one year are unannualized.

Disclosure

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Net-of-Fees Returns mean gross-of-fees returns reduced by fees and expenses charged by third-party investment managers on the products of such managers held by client.

Net-of-Fees Returns does not include a reduction of returns for CPIC' investment management and consulting fees, or other expenses incurred by the asset owner, fund or plan.

CPIC receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. CPIC will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.

WEST VIRGINIA
BOARD OF TREASURY INVESTMENTS

CALENDAR NOTE

Board Meeting
August 27, 2026

OPERATING REPORT
JULY 2026

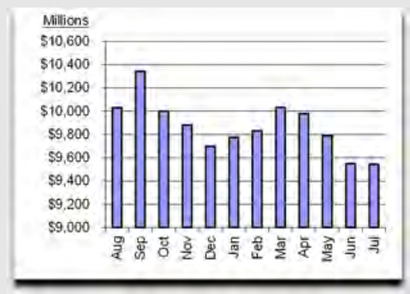
Board of Treasury Investments

315 70th Street, SE
Charleston WV 25304
(304) 340-1564
www.wvbti.com

Total Net Assets Under Management

$9,545,709,000

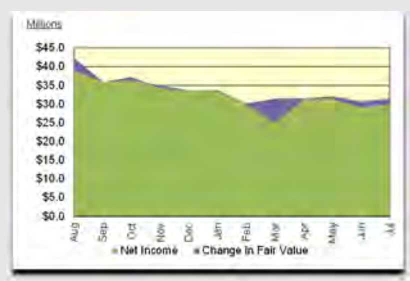
Last Month	Beginning of Fiscal Year
$9,549,642,000	$9,545,709,000



Net Assets for the Past 12 Months

Total Net Income & Changes in Fair Value

Fiscal Year
$29,964,000



Monthly Net Income & Changes in Fair Value for the Past 12 Months

Money Market Pools
As of July 31, 2026

Pool	30-Day Avg. Yield *	W.A.M. **	Net Assets
WV Money Market	3.8271%	47 Days	$8.1 Billion
WV Gov't Money Market	3.6648%	39 Days	$552.6 Million

* *Yields represent the simple money market yield net of fees.*
** *W.A.M. is the weighted average maturity.*

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS
THE ECONOMIC STATE
JULY 2026

Global equity markets delivered mixed performance in July, as weakness across mega-cap technology and AI-related names was offset by strength in value-oriented and cyclical areas of the market. The S&P 500 finishing slightly lower and the tech-heavy Nasdaq declined for a second consecutive month. Market leadership continued to broaden as investors rotated away from large technology and AI-related growth companies and toward energy, financials, and other value-oriented sectors. Oil prices rebounded sharply in July as renewed U.S.–Iran hostilities revived concerns over global energy supply disruptions, with crude prices rising more than 20% during the month and adding to concerns over the inflation outlook. In fixed income, higher energy prices and resilient economic data contributed to a broad-based rise in government bond yields. The Federal Reserve held its target rate steady for a seventh consecutive meeting, while futures markets continued to price in one additional rate hike before year-end.

July Broad Market Environment

- U.S. equities were mixed to modestly lower in July, as scrutiny of heavy AI-infrastructure spending and uneven mega-cap earnings pressured the market's largest growth names.
- The S&P 500 was flat, while Dow Jones Industrial Average gained 0.4% and the Nasdaq Composite declined 3.2%. The Russell 2000 negatively, at- 3.0%.
- International developed markets outperformed the U.S., with the MSCI EAFE Index up 2.0%.
- The Bloomberg U.S. Aggregate Bond Index fell 1.3% for the month and is down 0.7% year to date.
- The U.S. economy lost 23,000 jobs in July, compared with expectations for a gain of approximately 83,000. Payrolls for May and June were also revised downward by a combined 103,000. Despite the decline in employment, the unemployment rate edged down to 4.1%.
- Consumer prices rose modestly in July, increasing 0.1% for the month and 3.4% from a year earlier, in line with economists’ expectations.

July Fixed Income

- Core fixed income returns were negative in July as Treasury yields rose amid renewed inflation concerns and higher energy prices. The Treasury curve steepened during the month, with yields rising most notably at the long end of the curve.
- Treasury yields moved higher across maturities, led by longer-dated bonds.
- The Fed held the federal funds rate at 3.50%–3.75% in a 9-3 vote. Fed Chair Kevin Warsh maintained a “wait-and-see” approach, providing limited forward guidance and emphasizing a greater role for bond markets in assessing the path of monetary policy.
- Credit spreads widened modestly amid the rate-driven volatility but still remained near historic tights.

West Virginia Board of Treasury Investments
Financial Highlights as of July 31, 2026

WV Short Term Bond Pool

Rates of Return for the Past 12 Months
Net of All Fees

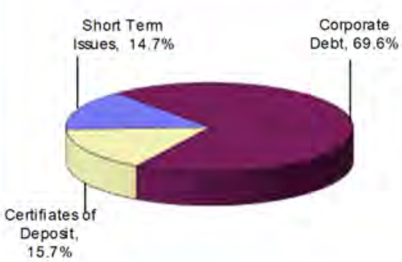
Aug 1 - July 31	Return	Net Assets At Jul 31 (In Millions)
2026	3.7%	$ 739.3
2025	5.3%	$ 724.1
2024	6.5%	$ 689.9
2023	1.9%	$ 705.1
2022	(3.1%)	$ 695.6

Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings *(In Thousands)*

Pool	Net Asset Value	Jul Net Income (Loss)	Fiscal YTD Net Income (Loss)
WV Money Market	$ 8,141,126	$ 26,624	$ 26,624
WV Gov't Money Market	552,612	1,734	1,734
WV Short Term Bond	739,311	1,237	1,237
Loans	71,106	247	247
Participant Accounts	41,554	122	122
	$ 9,545,709	$ 29,964	$ 29,964

Securities by Type for Operating Pools *(Percentage of Asset Value)*



WEST VIRGINIA BOARD OF TREASURY INVESTMENTS
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – UNAUDITED
JULY 31, 2026
(IN THOUSANDS)

	WV Money Market Pool	WV Government Money Market Pool	WV Short Term Bond Pool	Other Pools	Participant Directed Accounts	Total
Assets						
Investments:						
At amortized cost	$ 8,129,514	$ 556,303	$ -	$ 70,861	$ 40,398	$ 8,797,076
At fair value	-	-	735,759	-	1,035	736,794
Other assets	12,889	360	6,437	248	122	20,056
Total assets	8,142,403	556,663	742,196	71,109	41,555	9,553,926
Liabilities						
Accrued expenses, dividends payable & payables for investments purchased	1,277	4,051	2,885	3	1	8,217
Total liabilities	1,277	4,051	2,885	3	1	8,217
Net Position						
Held in trust for investment pool participants	8,141,126	552,612	739,311	-	-	9,433,049
Held in trust for individual investment account holders	-	-	-	71,106	41,554	112,660
Total net position	$ 8,141,126	$ 552,612	$ 739,311	$ 71,106	$ 41,554	$ 9,545,709
Additions						
Investment income:						
Interest and dividends	$ 11,081	$ 706	$ 2,762	$ 248	$ 122	$ 14,919
Net (amortization) accretion	15,862	1,051	68	-	-	16,981
Provision for uncollectible loans	-	-	-	-	-	-
Total investment income	26,943	1,757	2,830	248	122	31,900
Investment expenses:						
Investment advisor, custodian bank & administrative fees	319	23	46	1	-	389
Total investment expenses	319	23	46	1	-	389
Net investment income	26,624	1,734	2,784	247	122	31,511
Net realized gain (loss) from investments	-	-	(80)	-	-	(80)
Net increase (decrease) in fair value of investments	-	-	(1,467)	-	-	(1,467)
Net increase (decrease) in net position from operations	26,624	1,734	1,237	247	122	29,964
Participant transaction additions:						
Purchase of pool units by participants	1,167,989	24,183	-	-	-	1,192,172
Reinvestment of pool distributions	26,624	1,734	2,648	-	-	31,006
Contributions to individual investment accounts	-	-	-	-	114	114
Total participant transaction additions	1,194,613	25,917	2,648	-	114	1,223,292
Total additions	1,221,237	27,651	3,885	247	236	1,253,256
Deductions						
Distributions to pool participants:						
Net investment income	26,624	1,734	2,784	-	-	31,142
Net realized gain (loss) from investments	-	-	(80)	-	-	(80)
Total distributions to pool participants	26,624	1,734	2,704	-	-	31,062
Participant transaction deductions:						
Redemption of pool units by participants	1,201,253	24,511	-	-	-	1,225,764
Withdrawals from individual investment accounts	-	-	-	249	114	363
Total participant transaction deductions	1,201,253	24,511	-	249	114	1,226,127
Total deductions	1,227,877	26,245	2,704	249	114	1,257,189
Net increase (decrease) in net position from operations	(6,640)	1,406	1,181	(2)	122	(3,933)
Inter-pool transfers in	-	-	-	-	-	-
Inter-pool transfers out	-	-	-	-	-	-
Net inter-pool transfers in (out)	-	-	-	-	-	-
Change in net position	(6,640)	1,406	1,181	(2)	122	(3,933)
Net position at beginning of period	8,147,766	551,206	738,130	71,108	41,432	9,549,642
Net position at end of period	$ 8,141,126	$ 552,612	$ 739,311	$ 71,106	$ 41,554	$ 9,545,709

West Virginia University

Procurement Contracting and Payment Services

August 17, 2026

To: West Virginia State Joint Committee on Government and Finance
West Virginia State Oversight Committee on Education Accountability

Re: West Virginia University External Audit of Procurement Contracting and Payment Services

In compliance with West Virginia Code 18B5-4(r)(3), West Virginia University has participated in an external audit of Procurement, Contracting, and Payment Services including our operations, processes, controls and technology. This independent audit was conducted by Matrix Consulting Group and is attached for your review.

We will be happy to discuss the results of this audit with members of your committees as you wish. Please contact me on cell at (440) 725-9203 or at jeff.pratt@mail.wvu.edu with any questions or comments.

Sincerely,

Jeffrey Pratt
Assistant Vice President, CPO
West Virginia University

pcps@mail.wvu.edu
PO Box 6024
Morgantown, WV 26506-6024

PURCHASING PERFORMANCE AUDIT FINAL REPORT

AUGUST 12, 2026

WEST VIRGINIA UNIVERSITY

MATRIX
CONSULTING GROUP

TABLE OF CONTENTS

1. INTRODUCTION

This report presents the results and findings of the purchasing performance audit conducted by the Matrix Consulting Group for West Virginia University (WVU). The audit was performed pursuant to West Virginia Code §18B-5-4, which requires an independent performance audit of the purchasing functions and duties of each state institution of higher education not less than once every three years.

1.1 INTRODUCTION

The purpose of this audit was to conduct an independent performance audit of all purchasing functions and duties of WVU's Procurement, Contracting, and Payment Services (PCPS) department, covering the three fiscal years from July 1, 2022, through June 30, 2025. The audit evaluated the following areas identified in the governing statute and the project scope:

- Compliance with state law and the rules, policies, and procedures of the WVU Board of Governors as they apply to purchasing.
- Whether professional procurement procedures are established and maintained within the University.
- Whether the Chief Procurement Officer (CPO) is performing the responsibilities, duties, and remedies outlined in the WVU Board of Governors Purchasing Rule and Procurement Manual.
- Whether purchases were made in conformance with governing policy, for both purchases not requiring competitive bidding ($50,000 and below) and purchases requiring competitive bidding (those exceeding $50,000), with construction governed by a $100,000 threshold.
- Whether the Purchasing Card (PCard) program is managed in conformance with West Virginia Code §12-3-10a and Title 148CSR-C.
- Identification of best business practices that WVU may adopt to improve efficiency and performance.

1.2 AUDIT APPROACH

The audit was conducted along four complementary lines of analysis. First, a current-state review profiled PCPS's organization, staffing, technology, and the status of findings from the prior 2023 audit. Second, a compliance review tested statistically meaningful samples of purchase orders and PCard transactions against the specific documentation and approval requirements of the Procurement Manual and PCard Manual. Third, a performance review assessed organizational structure and staff utilization, benchmarked WVU against six peer institutions, and analyzed procurement cycle times using transaction-level requisition and purchase-order data. Fourth, findings were consolidated into recommendations for improvement. The compliance and performance findings were reviewed with PCPS staff, whose context and documentation are reflected throughout this report.

1.3 SUMMARY OF KEY FINDINGS

While a more detailed analysis is provided in the following chapters, the points below summarize the audit's key findings. The findings are organized into operational findings, which address the overall effectiveness and efficiency of the procurement function, and compliance findings, which address conformance with governing policy.

OPERATIONAL FINDINGS

- In most respects, PCPS operates as an effective procurement organization that meets or exceeds many industry best practices. The department directs a high share of University spend to competitively established sources (competitive procurement accounts for approximately 81% of total spend) and maintains a low policy-violation rate of less than one percent.
- PCPS maintains an automated PCard monitoring capability that identified and dispositioned more than 1,000 confirmed violations over the three-year period. This is a meaningful detection control that compares favorably with peer institutions, several of which do not track a formal violation rate.
- Procurement governance is properly established: the President formally designated the Chief Procurement Officer in 2021, and the CPO has delegated purchasing authority to 15 buyers through signed designation forms. Each form specifies a dollar threshold and is filed with the Attorney General and the State Auditor, with buyer qualifications documented.
- Benchmarking against six peer institutions indicates that WVU operates the only fully centralized purchasing model in the comparator group, does not maintain a dedicated contracts management function, and has the leanest accounts payable staffing in the group.
- Procurement cycle-time analysis shows an overall average requisition-to-purchase-order cycle of approximately 3.6 days, with variation by purchase type. Catalog (PunchOut) orders are issued in roughly one day, while non-catalog purchases average approximately 6.8 days and sole-source purchases average approximately 12.5 days. Half of all purchase orders are issued within one day of requisition submission.
- WVU operates across four principal systems (Jaggaer/Mountaineer Marketplace, Chrome River/MyExpenses, Oracle, and wvOasis), where several peers have consolidated onto fewer integrated platforms. The University is currently implementing Workday, which should help streamline its technology suite.

COMPLIANCE FINDINGS

- Purchase-order compliance testing of 295 purchase orders found that they were properly documented and procured in accordance with an appropriate method.
- PCard compliance testing of 180 sampled transactions found the program to be well controlled, with two confirmed substantive exceptions (sales tax charged on one transaction and one Amazon purchase not made through the University’s business account) and a pattern of reconciliations

completed beyond the 30-day target that is characterized as a process-timeliness observation rather than a violation.

The detailed narrative and analysis supporting each of these findings are provided in the chapters that follow.

1.4 SUMMARY OF RECOMMENDATIONS

Based on the findings listed throughout this report, the project team developed the following list of recommendations:

#	Recommendation	Priority
1	Evaluate staffing levels assigned to accounts payable (AP). WVU has the lowest staffing level assigned to this function among identified peers.	Medium
2	Consolidate purchasing software functions into fewer systems. This should be attained through the implementation of Workday.	Medium
3	Implement a brief customer survey to supplement the existing relationship-based approach of receiving feedback on the procurement process.	Low
4	Continue to monitor Amazon Business Account usage and provide reminders/training on sales tax application and reconciliation deadlines for PCards.	Low

2. ORGANIZATIONAL PROFILE

The following sections provide a descriptive profile of the procurement function at West Virginia University, including its organization and staffing, use of technology, workload, governing policies, status of prior audit findings, and an assessment of procurement practices against established best practices.

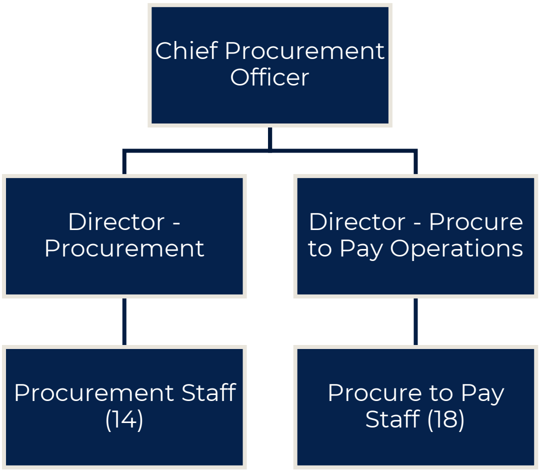
2.1 INTRODUCTION

The WVU Procurement, Contracting, and Payment Services Department (PCPS) manages the University's sourcing, procurement, supplier contracting, and payments. The organization assists departments in locating goods and services, registers suppliers to do business with the University, seeks to obtain maximum value in purchases through negotiations and solicitation processes, manages purchasing cards, oversees travel arrangements, and processes invoices for payment. PCPS focuses on streamlining the procurement of needed goods and services while increasing accountability, achieving savings, and strategically directing the University's spend.

2.2 STAFFING AND ORGANIZATIONAL STRUCTURE

PCPS is overseen by the Chief Procurement Officer (CPO) and has two units: Procurement and Procure to Pay Operations, each led by a Director. Procurement is responsible for sourcing goods and services, processing requisitions, developing specifications, and reviewing and managing contracts. Procure to Pay Operations handles payments, procurement systems, the PCard program, and supplier registration. The following organizational chart represents the existing PCPS organizational structure:

PCPS ORGANIZATIONAL STRUCTURE



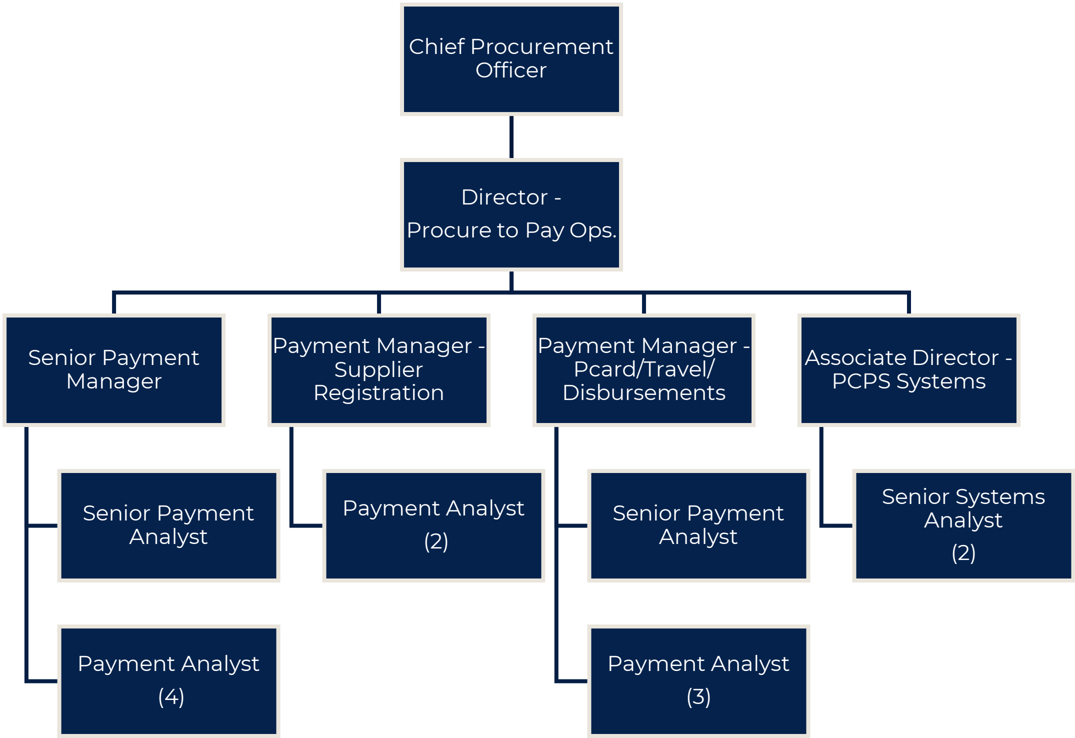
The specific organizational structure for Procurement is shown in the next graphic:

PROCUREMENT ORGANIZATIONAL STRUCTURE

Procurement is structured primarily around Category Managers, who manage sourcing and supplier relationships across five core functional areas – lab supplies, construction services, IT, professional services, and facilities/travel/operations. Each Manager is supported by a Category Analyst, and the entire department is supported by Purchasing Agents.

The structure of the Procure to Pay Department is shown below:

PROCURE TO PAY OPERATIONS ORGANIZATIONAL STRUCTURE



Procure to Pay Operations is structured based on four core functional areas – PCPS systems, payments, supplier registration, and management of the PCard/travel/disbursement programs. Each Payment Manager and the Associate Director receive support from Analysts assigned to their respective functional area.

2.3 TECHNOLOGY SYSTEMS

The Department utilizes a number of technology tools to assist in the management of purchasing, facilitate invoice payment, conduct analysis on spending and contracting, and ensure accountability for purchases. The following table summarizes the key software tools and applications used by staff:

System	Purpose/Use
Jaggaer (Mountaineer Marketplace)	Requisitions, purchase orders, change orders, contracts, sourcing, supplier management, invoicing, receiving, spend analytics.
Chrome River (MyExpenses)	PCard reconciliation and reimbursements.
Oracle (MAP)	Vendor master, payments, chart of accounts, human resource information, grants information.

System	Purpose/Use
wvOasis	State of WV's financial system. Where payments are issued after being interfaced from WVU's systems.
Dun and Bradstreet	Supplier risk assessment.
IRS TIN Matching	Used to complete TIN matching for suppliers.
Oversight	Fraud detection tool -- split purchases, duplicate payments, unallowable travel and expense transactions, etc.
Oracle's Unifier	Facilities management system -- inventory, capital projects, locations.

WVU is currently implementing Workday as its centralized purchasing software (replacing Jaggaer), with an approximate go-live date of July 2027.

2.4 POLICIES AND PROCEDURES

The procurement function is governed by several key policies and procedures. This includes rules set by the WVU Board of Governors, State requirements, and internal program manuals for procurement and PCard functions.

Document	Summary
PCard Manual	Updated January 15, 2025. Provides an overview of requirements and processes related to the PCard program. This includes guidance on obtaining and using a PCard, documentation and reconciliation practices, and information regarding violations/discipline.
Procurement Manual	Updated November 1, 2023. Guides WVU employees through procuring goods and services while remaining in compliance with WVU requirements/State laws. Provides an overview of procurement methods and related processes (specification development, audits, payments, supplier relations).
Business Associate Agreements	Updated October 23, 2023. Provides guidelines on when a Business Associate Agreement (BAA) may be required and how to engage with the process.
Flow Charts	The University has developed various flowcharts for major procurement processes, including requisitions, purchase orders, RFPs, RFBs, and service agreements.
Internal Contracting Guidelines	Updated March 2025. Provides guidelines to Procurement Officials when contracting for goods and services. Specifies that contracts should be reviewed by WVU legal

Document	Summary
	authority and utilize contract templates. Establishes roles and responsibilities for the review, negotiation, and management of contracts.
PO Process/Checklist	Revision date not posted. Internal SOP document guiding PCPS staff on the process of managing requisitions and generating purchase orders. This is accompanied by a separate checklist document for converting a requisition to a PO.

CODE SECTIONS

The State of West Virginia has a number of code sections dictating procurement operations at WVU. These were provided to the project team in a table showing the code section, title, and a link to the relevant code section:

Section	Title
§ 18B-5-3	Authority to contract for programs, services, and facilities
§ 18B-5-4	Purchase or acquisition of materials, supplies, equipment, services, and printing
§ 18B-5-5	Prequalification disclosure by vendors; register of vendors; exceptions; suspension of vendors
§ 18B-5-9	Higher education fiscal responsibility
§ 18B-19-11	Authorization to lease-purchase
§ 5A-3-12	Prequalification disclosure and payment of annual fee by vendors required; form and contents; register of vendors; false certificates; penalties
§ 5A-3-29	Penalty for violation of article
§ 5A-3-30	Statement of purpose; obtaining money and property under false pretenses or by fraud from the state; penalties; definition
§ 5A-3-31	Corrupt actions, combinations, collusions or conspiracies prohibited; penalties

Section	Title
§ 5A-3-32	Power of director to suspend right to bid; notice of suspension
§ 5A-3-33	Review of suspension by secretary
§ 5A-3-33b	Scope (Debarment of Vendors)
§ 5A-3-33c	Duties (Debarment of Vendors)
§ 5A-3-33d	Grounds for debarment
§ 5A-3-33e	Debarment procedure
§ 5A-3-33f	Effects of debarment
§ 18B-5-4a	Construction Projects
§ 5-22-1	Bidding required; government construction contracts to go to lowest qualified responsible bidder; procedures to be followed in awarding government construction projects; penalties for violation of procedures and requirements debarment; exceptions.
§ 5-22-1a	Permitting government construction contracts arising out of declared states of emergency on open-ended quantity or unit price basis; types of contracts allowed for construction projects; specific location of construction project not required in solicitation; certain bonds discretionary; other bidding requirements applicable.
§ 5-22-2	Designation of time and place for opening of bids; right to reject or withdraw bid; bid resubmission; bid validity date.
§ 5-22-3	Certain labor requirements not to be imposed on contractor or subcontractor.
§ 5-22-4	Negotiation when all bids exceed budgeted amount.

Section	Title
§§ 5-22A-1 to 5-22A-16	Design-Build Procurement Act
§§ 5-22B-1 to 5-22B-19	Government construction management at-risk contracts.

PURCHASING THRESHOLDS

The University has a competitive solicitation threshold of $50,000 ($100,000 for construction projects), with a number of alternative procurement methods for items under the competitive threshold. This includes:

- Catalog purchases from established cooperative contracts.
- Non-catalog purchases, where requestors are encouraged to acquire multiple quotes from prospective suppliers.
- Direct payments for utilities, subscriptions, and essential services.
- Emergency purchases, which require separate procedures and documentation.
- Sole or Single Source justifications.
- Certain essential services exempt from solicitation.
- Use of procurement cards (PCards).

Purchases exceeding the $50,000/$100,000 require engagement in the RFP/I/B/Q process, depending on specific purchase requirements.

2.5 PRIOR AUDIT FINDINGS

The Matrix Consulting Group has conducted prior procurement audits for the University, the two most recent of which analyzed the 2016-2019 and 2020-2023 time periods. These audits yielded both compliance-related findings and operational recommendations aligned with industry best practices. The following table outlines findings from the previous two audits that were either marked as in progress, incomplete, or a new finding:

PRIOR AUDIT FINDINGS

Finding/Recommendation	Current Status/Notes

A customer survey has been conducted within the last three years to elicit feedback regarding WVU service levels and practices. (This recommendation was provided in the 2016-2019 report).	As of this audit cycle, PCPS does not conduct formal customer surveys to gauge feedback. The University utilizes a relationship-based approach to interfacing with its internal customers via regular meetings with key stakeholders. This involves the CPO and Directors interfacing with stakeholders to capture feedback and ensure PCPS is meeting their needs.
Vendors are evaluated at the completion of the provision of design and engineering services. Those vendors not receiving a satisfactory rating are not eligible for continued placement on the master contract. (This recommendation was provided in the 2016-2019 report).	As of this audit cycle, WVU has implemented the Supplier Risk Scorecard system. This organizes vendors by total spend and potential impact to WVU. This process has resulted in the designation of 223 Key Suppliers (Tier 1 or Tier 2), which account for around 70% of WVU's spend. Top tier suppliers are evaluated annually by PCPS, and risk scorecard results are shared with WVU internal audit.
A review of PO transactions noted mismatches between vendor invoice totals and totals found on POs. The breakdown is as follows: • $0-24,999: 9 occurrences. • $25,000-$49,999: 5 occurrences. • $50,000+: 17 occurrences.	These were the only discrepancies noted among PO transactions during the previous audit. Additional documentation was provided to the project team by PCPS that explained the deficiency, primarily due to missing/duplicative documentation attached to the PO.
A review of PCard transactions showed minimal infractions, with none related to transactions between 2019 and 2020, one instance of incorrect sales tax application in 2020-2021, and three instances of incorrect sales tax application in 2021-2022.	It was recommended that additional training on PCard usage be provided as necessary, in order to educate both cardholders and vendors on appropriate transaction methods. As of this audit cycle, PCPS has been conducting training for internal staff as well as its external stakeholders since 2023.
The procurement manual was last updated in 2017. The PCard manual and travel expense guide were each updated in 2022.	WVU's procurement manual was last updated in 2023, while its Research Corporation procurement manual was last updated in 2024. A procurement construction manual update is

	in progress. Updates to procurement manuals are now on an annual refresh cycle.

While the table above identifies potential discrepancies and recommendations for improvement, the prior audit report also highlighted several operational strengths of the procurement function at WVU. These are summarized below:

- In many respects, PCPS operates as a highly effective organization, adhering to or exceeding industry best practices and meeting performance and accountability standards across a number of areas.
- The Department is proactive in managing and directing the University's spend to suppliers of choice, such as those with existing contracts or through selected catalogs.
- The Department proactively implements technology to improve efficiency and accountability and manages relationships with vendors and University Departments to ensure clarity on policies and procedures.
- PCPS has clear policies and procedures to govern procurement activity. The procurement manual was last updated in 2017, and the BOG Procurement Rule was modified in 2019. PCPS is currently updating the procurement manual with an expected publication date of mid-year 2023. The PCard manual and travel expense guide were each updated in 2022.
- The Department has instituted a digital system called Oversight that audits PCard transactions and posts audit findings. They have also hired systems analysts to assist in auditing the PCard program.
- The University's purchasing thresholds and standard payment terms are comparable to those of peer universities, but the approvals required from the State for payment issuance are beyond the range of common practice among the same universities.
- The Department has created a team of analysts who screen and audit PCard transactions to ensure compliance with all PCard rules and regulations. This has decreased the number of infractions that went unchecked.

3. PERFORMANCE REVIEW

This chapter assesses the performance of the procurement function through three lenses: a comparative benchmarking analysis against six peer institutions; an analysis of procurement cycle times using transaction-level data; and an assessment of the Chief Procurement Officer function, buyer qualifications, and delegated authority.

3.1 COMPARATIVE BENCHMARKING

The project team benchmarked WVU against six peer institutions — Iowa State University, Kansas State University, the University of Georgia, the University of Maryland, the University of Virginia, and the University of Wisconsin. Data were gathered through a questionnaire distributed to each institution's purchasing function, supplemented by online research where an institution did not respond. Some measures have limited comparator data because several institutions did not respond and online research yielded few results; these gaps are noted in the tables.

COMPARATOR INSTITUTIONS

The table below provides basic institutional context including enrollment, faculty count, and research expenditure (due to the wide availability of these metrics across comparators) to help calibrate the relative size and complexity of each institution's procurement and financial operations.

INSTITUTIONAL PROFILE (FALL 2024 / FY 2024)

Institution	Total Enrollment	Full-Time Faculty	Research Expenditure
West Virginia University	23,643	2,399	$259m
Iowa State University	30,380	2,144	$462m
Kansas State University	20,295	1,247	$265m
University of Georgia	43,146	3,051	$628m
University of Maryland	41,725	3,696	$1,540m
University of Virginia	26,409	3,133	$814m
University of Wisconsin	51,044	5,471	$1,933m

WVU is among the smaller institutions in this comparator group, with a total enrollment of 23,643 and research expenditures of approximately $259 million. The University of Wisconsin is the largest by all three measures, with more than twice WVU's enrollment and nearly eight times its research expenditure.

Although enrollment, faculty, and research expenditure may not directly indicate purchasing workload, they provide context when comparing these institutions.

DATA SOURCE

Institution	Questionnaire Response	Online Research
Iowa State University	No	Yes
Kansas State University	Yes	—
University of Georgia	Yes	—
University of Maryland	No	Yes
University of Virginia	No	Yes
University of Wisconsin	Yes	—

Some institutions provided full or partial questionnaire responses, which were incorporated into this analysis; where an institution did not respond, the project team relied on online research.

CENTRAL PROCUREMENT STAFFING

The table below summarizes central procurement FTE across four functional areas — general purchasing, contracts management, PCard administration, and other administrative or specialized roles.

CENTRAL PROCUREMENT FTE BY FUNCTION

Institution	General Purchasing	Contracts Mgmt.	PCard Admin.	Other	Total
West Virginia University	15	—	5	6	26
Iowa State University	11	4	2	8	25
Kansas State University	10.75	2	1.25	—	14
University of Georgia	15	2	2	3	22
University of Maryland	7	3	2	8	20
University of Virginia	4	6	3	5	18
University of Wisconsin	21	—	5	23	49

WVU’s central procurement team of 26 FTE is near the midpoint of the comparator group. Iowa State (25 FTE) and Kansas State (14 FTE) are the closest comparators in total staffing, while the University of Wisconsin has the highest count at 49. Notably, WVU does not report a dedicated contracts-management function in this count — a gap relative to all comparators that report this role (2 to 6 FTE). WVU’s general-purchasing headcount of 15 FTE is among the highest in the group. The table below summarizes the positions listed as "Other."

One point to note is that due to WVU’s centralized model, there are no procurement resources staffed in colleges or other functional areas. Given that other comparator universities are not as centralized, additional procurement resources may be distributed in other areas and uncounted for purposes of this comparison.

At WVU, the procurement team handles both sourcing and contract management as well as supplier risk scorecard development and reporting. For purposes of comparison, this group would include a number of responsibilities included in Contract Management groups at the comparator universities.

CENTRAL PROCUREMENT "OTHER" POSITIONS

Institution	Other Positions
West Virginia University	Payment Manager (1); Payment Analyst (2); Associate Director (1); Senior Systems Analyst (2). The Payment Manager and Payment Analysts are counted within the five PCard administration positions and also perform disbursement and reimbursement duties, with at least two FTE primarily dedicated to disbursements rather than PCard administration. The remaining positions comprise the supplier registration unit. Comparator institutions may not assign disbursement responsibilities to these positions, which limits direct comparability.
Iowa State University	Director (1); Associate Director (2); eProcurement Specialists (2); Communications & Marketing (2); Supplier Services / Database Administration (2); Business Manager (1); Program Assistant (2)
Kansas State University	—
University of Georgia	Supplier Strategy & Programs Specialist (1); Strategic Sourcing Specialist (1); Procurement Assistant / Front Office (1)
University of Maryland	Assistant Vice President (1); Assistant Director (1); Director of Strategic Sourcing (1); Strategic Partnerships & Communications Specialist (1); Administrative Coordinator (1); Manager of Business Inclusion & Supplier Diversity (1); Commodities & Services Manager (1); Strategic Sourcing & ShellShop Manager (1)
University of Virginia	Procurement Commodity Manager (1); Procurement Specialist (1); Customer Engagement Specialist (1); Supplier Engagement Data Lead (1); Director, Virginia Higher Education Procurement Cooperative (1)
University of Wisconsin	Assistant Director (1); Program Manager (1); Procurement Manager, LTE/Special Projects (1); Warehouse/Inventory Supervisors (3); Inventory Control Coordinators (13); Heavy Motor Vehicle Operators (4)

WVU's "Other" positions are concentrated in payment operations and systems administration, whereas comparators with similar headcounts tend to include more strategic and leadership roles — the University of Maryland allocates positions across executive leadership, strategic sourcing, supplier diversity, and administrative coordination, and the University of Virginia includes dedicated customer- and supplier-engagement roles.

ACCOUNTS PAYABLE AND RECEIVABLE STAFFING.

The table below presents FTE dedicated to accounts payable and accounts receivable. Institutions with zero reported AR FTE may have that function embedded elsewhere.

ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE FTE

Institution	Total	Accounts Payable	Accounts Receivable
West Virginia University	6	6	—
Iowa State University	9	8	1
Kansas State University	11.25	7	4.25
University of Georgia	64	25	39
University of Maryland	Unknown	Unknown	Unknown
University of Virginia	9	9	—
University of Wisconsin	23	20	3

WVU's accounts-payable function of 6 FTE is the smallest reported in the comparator group. Iowa State (8 FTE), Kansas State (7 FTE), and the University of Virginia (9 FTE) all report higher AP staffing, and the University of Georgia has the highest AP and AR staffing (25 and 39 FTE). WVU's AR function is located within the Shared Services department.

PROCUREMENT SPEND AND PURCHASE ORDER VOLUME.

Annual procurement spend and purchase-order volume are key workload indicators. Limited comparator data were available for this measure.

ANNUAL PROCUREMENT SPEND AND PURCHASE ORDER VOLUME

Institution	Procurement Spending	Purchase Order Counts
West Virginia University	$269m	32,800
Iowa State University	Unknown	9,857
Kansas State University	Unknown	Unknown
University of Georgia	Unknown	Unknown
University of Maryland	Unknown	Unknown
University of Virginia	Unknown	Unknown
University of Wisconsin	$1,500m	200,000

WVU processed approximately 32,800 purchase orders totaling approximately $269 million in the most recent fiscal year. Only the University of Wisconsin provided comparable spend data (~$1.5 billion), and Iowa State's reported PO count of 9,857 is notably lower than WVU's.

PCARD PROGRAM METRICS.

The PCard program is a significant transactional channel for small-dollar and routine purchases. The table below summarizes cardholder count, total spend, transaction volume, and average transaction size.

PCARD PROGRAM METRICS

Institution	Cardholders	Transactions	Total Amount	Avg. per Tx
West Virginia University	2,871	116,991	$62m	$530
Iowa State University	Unknown	81,551	$109m	$1,337
Kansas State University	2,200	212,800	$35m	$164
University of Georgia	Unknown	Unknown	Unknown	Unknown
University of Maryland	Unknown	Unknown	Unknown	Unknown
University of Virginia	Unknown	Unknown	Unknown	Unknown
University of Wisconsin	4,592	354,812	$113m	$320

WVU's PCard program processed 116,991 transactions totaling approximately $61.9 million, with an average transaction value of $530 — the second highest among reporting institutions. Iowa State reports a higher average ($1,337) on fewer transactions, while Kansas State shows a high-volume, low-value profile (212,800 transactions averaging $164). The University of Wisconsin's program is the largest by all measures.

ORGANIZATIONAL STRUCTURE AND PURCHASING MODEL

The table below summarizes the organizational placement of the procurement and AP functions.

ORGANIZATIONAL STRUCTURE

Institution	Organizational Placement
West Virginia University	Procurement, Contracting, and Payment Services Department (procurement and AP consolidated).
Iowa State University	Division of Operations and Finance (AP in the Finance Service Delivery Unit; AR in the Financial Planning and Analysis Unit)
Kansas State University	Division of Administration and Finance
University of Georgia	Finance Division
University of Maryland	Division of Finance
University of Virginia	Unknown
University of Wisconsin	Division of Finance

WVU consolidates procurement and AP under a single departmental umbrella. Most comparators embed these functions within a broader finance or administration division; Iowa State is the only comparator that distributes AP and AR across separate organizational units.

PURCHASING MODEL

Institution	Purchasing Model
West Virginia University	Centralized
Iowa State University	Hybrid
Kansas State University	Hybrid

Institution	Purchasing Model
University of Georgia	Hybrid
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Hybrid

WVU is the only institution in the comparator group operating a fully centralized purchasing model. All four comparators that reported their model operate under a hybrid structure; the University of Maryland and the University of Virginia did not provide their model.

EPROCUREMENT AND FINANCIAL SYSTEMS.

The table below summarizes the eProcurement, ERP, and financial-system platforms in use.

EPROCUREMENT, ERP, AND FINANCIAL SYSTEMS

Institution	Financial Systems
West Virginia University	Jaggaer; Chrome River; Oracle; wvOasis (institution-specific)
Iowa State University	Workday; cyBUY (institution-specific); ServiceNow
Kansas State University	Unimarket (go-live January 2027)
University of Georgia	Jaggaer; Oracle
University of Maryland	Workday
University of Virginia	Jaggaer; Workday
University of Wisconsin	Jaggaer; Workday

WVU operates on Jaggaer for eProcurement, Chrome River for expense management, Oracle as the core financial system, and wvOasis (the State's financial system). Several peers have consolidated onto fewer platforms — the University of Maryland on Workday exclusively, and the University of Georgia on a two-platform environment. Workday and Jaggaer is a common combination among the comparators. This context reinforces the opportunity presented by WVU's in-progress Workday migration.

KPIS AND METRICS TRACKED

The table below summarizes the formal KPIs and performance metrics each institution actively tracks.

FORMAL KPIS AND PERFORMANCE METRICS TRACKED

Institution	KPIs & Metrics Tracked
West Virginia University	Transaction volume; contract counts; sourcing events by FY; supplier risk scorecards completed; PCPS savings, cost avoidance, and revenue; requisition processing time and volume; % of orders, invoices, and payments submitted electronically
Iowa State University	Campus satisfaction (96% very satisfied; 99% positive interaction; 98% accurate); employee engagement and turnover; tasks per specialist (Workday 4,180; ServiceNow 1,319); average resolution times (13.2 hrs)

Institution	KPIs & Metrics Tracked
Kansas State University	Travel expense report processing (33.4 days); PCard expense report processing (27.5 days); central review and processing (2.4 days)
University of Georgia	Purchase initiation to payment (days); service desk ticket resolution (days)
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Unknown

WVU tracks a reasonable number of appropriately focused process-oriented metrics. Iowa State's KPI framework is the most robust in the group, incorporating customer satisfaction scores, employee engagement, and service desk resolution time. Three of the six comparators did not provide any details regarding their key performance indicators.

CYCLE TIME AND COMPLIANCE PERFORMANCE

The tables below summarize requisition-to-PO cycle time, spend by procurement type, invoice-to-payment cycle time, and the reported policy violation rate.

REQUISITION-TO-PO CYCLE TIME (DAYS)

Institution	Overall	Competitive	Non-Competitive
West Virginia University	3.6	9.5	3.4
Iowa State University	4	Not reported	Not reported
Kansas State University	Not reported	Not reported	Not reported
University of Georgia	Not reported	Not reported	Not reported
University of Maryland	Not reported	Not reported	Not reported
University of Virginia	Not reported	Not reported	Not reported
University of Wisconsin	Not reported	Not reported	Not reported

Meaningful comparison is limited because data for most comparators were unavailable, and Iowa State's measurement criteria are unknown.

PERCENTAGE OF SPENDING BY TYPE OF PROCUREMENT

Institution	Competitive Bidding	Sole Source	Cooperative Contracts
West Virginia University	80.84%	2.36%	4.58%
Iowa State University	Not tracked	Not tracked	Not tracked
Kansas State University	Not tracked	Not tracked	Not tracked
University of Georgia	Not tracked	Not tracked	Not tracked
University of Maryland	Not tracked	Not tracked	Not tracked

Institution	Competitive Bidding	Sole Source	Cooperative Contracts
University of Virginia	Not tracked	Not tracked	Not tracked
University of Wisconsin	Not tracked	Not tracked	Not tracked

WVU is the only institution to report a breakdown of spend by procurement type. Competitive bidding accounts for approximately 80.84 percent of total spend, sole-source contracts are low at 2.36% and cooperative contracts represent 4.58%.

POLICY VIOLATION RATE

Institution	Violation Rate
West Virginia University	< 1%
Iowa State University	Unknown
Kansas State University	< 1%
University of Georgia	Unknown
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Not currently tracked

WVU and Kansas State both report policy violation rates below 1 percent, indicating strong compliance performance. Four comparators did not provide violation-rate data, and the University of Wisconsin indicated this metric is not currently tracked.

3.2 PROCUREMENT CYCLE TIME ANALYSIS

The project team analyzed procurement cycle times by linking requisition records to purchase orders and measuring the elapsed time from requisition submission to purchase-order issuance. Across approximately 63,200 requisition-linked, approved purchase orders, the overall average requisition-to-purchase-order cycle time was approximately 3.6 days and the median was one day. Cycle time varied by purchase type, as shown below.

AVERAGE REQUISITION-TO-PURCHASE-ORDER CYCLE TIME BY PURCHASE TYPE

Purchase Type	Approx. Avg. Cycle Time (Days)
Contract non-catalog item	1.0
PunchOut (catalog) product	1.1
SQ hosted product	1.2
Non-catalog product	6.8
Sole source (all types)	12.5
Overall average	3.6

The pattern indicates that routine, catalog-based purchasing is highly efficient, with catalog orders issued in approximately one day. Purchases requiring manual sourcing (non-catalog) take longer at approximately 6.8 days, and sole-source purchases take the longest at approximately 12.5 days, reflecting the additional documentation, justification, and review inherent in that method. Even so, the substantial majority of purchase orders are issued well within one week of requisition submission, and WVU's cycle-time performance compares favorably with the peer institutions that reported comparable data.

3.3 CPO AND DELEGATED AUTHORITY

The governing statute requires an assessment of whether the President or designated executive officer formally designated a Chief Procurement Officer and filed the required documentation; whether the CPO is performing the assigned responsibilities and duties; whether the CPO has delegated purchasing authority to buyers in accordance with policy; and whether designated buyers meet the minimum qualifications established by West Virginia Code. Based on the documentation reviewed, each of these requirements is satisfied.

CPO DESIGNATION

The President of West Virginia University formally designated the Chief Procurement Officer by letter dated January 4, 2021, appointing the Assistant Vice President for Procurement as CPO pursuant to WVU Board of Governors Finance and Administration Rule 5.9 (Procurement) and Rule 5.1 (Authorizations and Delegations of Authority for Financial and Administrative Matters). The appointment grants the CPO full authority to act as the President's designee for the purchase and acquisition of materials, supplies, equipment, services, printing, leases, and lease-purchases, and authorizes the CPO to appoint buyers and delegate authority in writing, with such delegations filed with the State Auditor. The designation remains in effect until revoked. Based on this documentation, the CPO is properly designated and is performing the responsibilities assigned under the Board of Governors' rules and the Procurement Manual.

DELEGATED PURCHASING AUTHORITY

The CPO has delegated purchasing authority to designated buyers through signed West Virginia University "Designation of a Buyer" forms, each specifying the dollar limit of the buyer's authority and stating that the original is filed with the Attorney General and the State Auditor. Fifteen buyers hold delegated authority in addition to the CPO's unlimited authority, as summarized below. The delegations are in writing, specify scope and dollar thresholds, and are filed with the required State entities, consistent with the CPO appointment and state law.

BUYER DELEGATION OF AUTHORITY

Buyer	Delegated Authority	Buyer	Delegated Authority
Pratt (CPO)	Unlimited	Zajdel	$500,000
Kiger	$20,000,000	Monroe	$500,000
McGuire	$1,000,000	Sias	$500,000

Buyer	Delegated Authority	Buyer	Delegated Authority
Russell	$1,000,000	Chouinard	$500,000
Ball	$1,000,000	Funk	$500,000
DeVol	$750,000	Cobb	$250,000
Budny	$750,000	Clingan	$250,000
Davis	$250,000	Mason	$250,000

BUYER QUALIFICATIONS

Buyer qualifications are documented and on file. The staff holding delegated authority present relevant education and procurement experience commensurate with their roles and authority levels, including supply-chain and business degrees, a professional supply-chain certification (Certified Supply Chain Professional), and, for the construction category, legal credentials. Senior category managers and leads carry multi-year procurement and contracting experience, and purchasing agents hold extensive institutional experience in WVU procurement operations. Based on the qualifications documentation reviewed, designated buyers meet the qualification requirements for their delegated authority.

3.4 BEST PRACTICES ASSESSMENT

In addition to reviewing the department's progress on findings and recommendations from prior audits, the project team reviewed and updated the best practices assessment to reflect implemented changes and to provide a basis for identifying additional opportunities for improvement.

The best-practice measures used in the following table are derived from the project team's collective experience evaluating progressive procurement organizations, from standards and benchmarks used by professional purchasing associations, and from measures that characterize well-developed, high-performing purchasing operations. They are intended to identify departmental strengths as well as improvement opportunities. Each target is assessed as one of the following:

- Meets: The practice in place at WVU fully satisfies the performance target.
- Partially Meets: The practice satisfies the target in part, with an identified opportunity for improvement.
- Does Not Meet: The practice does not currently satisfy the target.

The assessment reflects the documentation gathered during data collection, as well as the results of compliance and performance testing. The following table summarizes the project team's findings.

Performance Target	Meet s	Partially	Does Not Meet	Notes
A comprehensive procurement manual outlines required practices for	✓			Procurement Manual in place and distributed to staff and departments.

Performance Target	Meets	Partially	Does Not Meet	Notes
procuring goods, services, and construction.				
The procurement policy has been reviewed and revised within the last three years.	✓			Manual updated November 2023. Manuals are maintained on an annual refresh cycle.
The policy defines procurement authority levels by position, with escalating thresholds.	✓			Buyer delegation matrix defines 15 buyers with dollar thresholds from $250K to $20M plus the CPO's unlimited authority.
A Chief Procurement Officer is formally designated, with authority delegated to buyers in writing and filed with required State entities.	✓			CPO designated by the President (Jan. 2021). Signed buyer designation forms are filed with the Attorney General and State Auditor.
The policy contains an ethics section governing staff and vendor conduct.	✓			The Procurement Manual includes a section addressing ethics in public procurement.
Procurement staff are trained on policy, and new staff are trained upon appointment.	✓			Training has been conducted for internal staff and external stakeholders since 2023.
Designated buyers meet qualification expectations for their delegated authority.	✓			Buyer qualifications on file, including relevant degrees, a supply-chain certification, and legal credentials.
The department is staffed at a level appropriate to its workload.		✓		Staffing is generally adequate, though accounts payable is the leanest in the peer group and no dedicated contracts-management function is staffed.
The department serves as the centralized procurement authority.	✓			WVU operates a fully centralized purchasing model.
Internal controls flag or prevent actions that would exceed authorized limits or thresholds.	✓			Invoice and payment reviews are conducted prior to payment issuance; system controls support authorization limits.
Duties are segregated between purchasing and payment functions.	✓			Procurement and Procure to Pay Operations are organized as separate units under the CPO.
Purchases above the competitive threshold are competitively solicited.	✓			Competitive procurement accounts for approximately 81% of total spend.
Sole-source purchases require a documented justification that is reviewed and approved.	✓			Sole-source justification form in use, approved at the Director level and above; confirmed during compliance testing.

Performance Target	Meets	Partially	Does Not Meet	Notes
Vendor responsibility and debarment status are screened prior to award.	✓			Vendors must be registered and in good standing. WV Purchasing Division and SAM.gov checks are documented on the requisition and purchase order record, and system validations require the SAM and debarment attachments before a non-catalog purchase order can be created.
A defined PCard policy and transaction monitoring are in place.	✓			The University possesses a PCard Manual (2025) and the Oversight monitoring tool.
A dedicated contract-management function administers contracts across their lifecycle.	✓			Sourcing is organized by category. There is no separately staffed contracts-management function. Category Managers are responsible for oversight of contracts within their functional areas.
A searchable contract repository is maintained.	✓			Total Contract Manager within the eProcurement system serves as the contract repository.
Supplier performance and risk are actively monitored.	✓			Supplier Risk Scorecard covers ~165 top tier suppliers (~70% of spend), evaluated annually by PCPS.
Procurement operates on integrated eProcurement and financial systems.		✓		Four principal systems in use, though the University is aiming to consolidate as part of its Workday implementation.
Spend analysis and reporting tools are used to inform sourcing decisions.	✓			Spend analytics within the eProcurement system are used to analyze spend by category and supplier.
Spend is directed to established contracts, catalogs, and cooperative agreements.	✓			A large share of activity is conducted under existing or cooperative contracts and catalogs.
Procurement cycle times are measured and managed.	✓			Requisition processing time is tracked by the department. WVU has taken steps to reduce cycle times based on analysis of procurement cycle data.
Formal KPIs and performance metrics are tracked and reported.	✓			Metrics include transaction and contract volumes, sourcing events, supplier risk scorecards, savings/cost avoidance, and requisition processing time.
A recurring customer-satisfaction survey gauges stakeholder feedback.		✓		The University utilizes a relationship-based approach to capturing feedback, and a formal survey is not distributed.

The assessment indicates that WVU meets the vast majority of the performance targets, reflecting a mature, well-controlled procurement operation. The opportunities for improvement are concentrated in a few areas: dedicated contract administration, cycle-time management, systems integration, and stakeholder feedback

4. COMPLIANCE REVIEW

This chapter presents the results of the compliance review. The review tested whether purchases were made and documented in conformance with the WVU Procurement Manual and applicable state codes, for purchasing cards, the WVU PCard Manual and applicable state codes. Testing was performed on samples of purchase orders and PCard transactions drawn from the July 2022 through June 2025 time period.

4.1 COMPLIANCE TESTING METHODOLOGY

Purchase order testing employed a two-layer approach. Each sampled purchase order was retained in the sampling category assigned by the University (non-construction above or below $50,000, construction above or below $100,000, and sole source), while the procurement method actually used to select the supplier was independently determined from the packet contents and mapped to the corresponding method in Section 3 of the Procurement Manual. Each purchase order was then tested against the specific documentation requirements for its determined method — for example, competitive solicitations were tested for a solicitation, bid tabulation, and award documentation, while sole-source purchases were tested for a justification form and required approvals. Every purchase order for a given method was tested against an identical set of criteria, ensuring consistent, comparable results across methods.

PCard testing evaluated each sampled transaction against eleven compliance requirements drawn from the PCard Manual, including the presence of an itemized receipt, agreement of the receipt to the charged amount, appropriate card use, observance of the single-transaction limit or an applicable exemption, absence of transaction splitting, absence of West Virginia sales tax, allowability of the purchase, use of the correct procurement channel, use of the University's business account for online marketplace purchases, documentation of a business purpose, and reconciliation within the 30-day target.

Findings were initially documented via a spreadsheet. These were provided to PCPS staff for evaluation. Preliminary findings within the spreadsheet were addressed by PCPS staff via the provision of additional supporting documentation which addressed all identified issues.

4.2 PURCHASE-ORDER COMPLIANCE TESTING

A total of 300 purchase orders were sampled, with 60 drawn from each of the five sampling categories. Of these, 295 were tested; five POs were lease payments or internal transfers and thus were not assessed for compliance. Testing found that purchase orders were properly documented and procured under an appropriate method. The table below summarizes the sample and testing counts by category.

PURCHASE-ORDER TESTING SAMPLE BY CATEGORY

Sample Category	POs Sampled	POs Tested
Non-Construction < $50,000	60	60
Non-Construction ≥ $50,000	60	55
Construction < $100,000	60	60
Construction ≥ $100,000	60	60
Sole Source	60	60
Total	300	295

Because the University's assigned sampling category does not always correspond to the method used to select the supplier, each purchase order's procurement method was independently determined from the packet contents. The distribution of determined methods across the 295 tested purchase orders is shown below. It confirms that a large share of sampled activity was conducted under existing or cooperative contracts and competitive solicitations, consistent with the University's overall spend profile.

DETERMINED PROCUREMENT METHOD (295 TESTED PURCHASE ORDERS)

Determined Method	POs
Existing contract / open-end	138
Sole / single source	55
Request for Bid (RFB)	33
Construction, below threshold (quote-based)	24
Request for Proposal (RFP)	17
Non-catalog, below threshold	14
Essential service	7
Pressing need	2
OSP subaward (outside procurement)	2
Construction, above threshold	1
Emergency purchase	1
Affiliated nonprofit (statutory sole source)	1
Total	295

The complete purchase-order testing results, including the determined method, the criteria tested, and the University's review comments for each purchase order, are provided in the compliance tracker accompanying this report.

4.3 PCARD COMPLIANCE TESTING

A total of 180 PCard transactions were tested across the three fiscal years (60 per year). Each transaction was evaluated against eleven compliance requirements. The program was found to be well controlled: all 180 transactions were compliant on eight of the eleven requirements — itemized receipt, agreement of the receipt to the charged amount, card delegation, the single-transaction limit or an applicable exemption, absence of transaction splitting, allowability of the purchase, use of the correct procurement channel, and documentation of a business purpose. The table below summarizes the testing results.

PCARD COMPLIANCE TESTING RESULTS (180 TRANSACTIONS)

Requirement	Compliant	Exceptions/To Verify
Itemized receipt	180	-
Receipt agrees to amount	180	-
Card delegation	180	-
Single transaction ≤ $5K or exempt	180	-
No transaction splitting	180	-
No West Virginia sales tax	178	1 charged; 1 to verify
Allowable purchase	180	-
Correct procurement method	180	-
Amazon Business account used	179	7 confirmed; 1 not (exception)
Business purpose documented	180	-
Reconciled within 30 days	162	18 reconciled after 30 days

The exceptions and observations are as follows:

- One transaction (a $5 ride-share charge) was charged West Virginia sales tax, and one Amazon transaction (approximately $297) reflected estimated tax that should be confirmed as charged or refunded.
- The sample included several Amazon Marketplace purchases. Of the transactions flagged for verification, seven were confirmed to have been made on the University's Amazon Business account, which carries the University's tax-exempt status. One purchase (approximately $99) was confirmed as not having been made through the business account.
- Eighteen transactions were reconciled beyond the 30-day target (ranging from 34 to 72 days from the transaction date). Because the University's monitoring framework does not assess violation points for late reconciliation and the measure is a timeliness indicator, these are characterized as process observations rather than violations.

In sum, PCard testing identified two confirmed exceptions across 180 transactions — one sales-tax charge and one non-business-account Amazon purchase — together with a reconciliation-timeliness pattern and one estimated-tax item to confirm. The strength of the PCard control environment is reinforced by the University's automated monitoring capability (Oversight), which independently identified and dispositioned more than 1,000 confirmed violations over the audit period. The complete PCard testing results for all 180 transactions are provided in the accompanying tracker.

4.4 SUMMARY OF COMPLIANCE FINDINGS

Taken together, the compliance review found that the procurement function operated in substantial conformance with the governing policy. Initial findings were clarified by PCPS staff via the provision of additional documentation and/or specific policy language. This allowed the project team to verify that these findings did not represent a true compliance risk. On the PCard side, testing identified two confirmed substantive exceptions — one sales-tax charge and one non-business-account Amazon purchase — against 180 transactions.

APPENDIX A: PROFILE

1. INTRODUCTION

1.1 PURPOSE

The following descriptive profile outlines the organizational structure and staffing of the overarching procurement function at West Virginia University (WVU). This document serves to provide an overview of the organization's current state, provide an update of prior findings and recommendations, and provide an overview of key technological and policy considerations related to procurement.

It is important to note that the primary objective of this profile is to review and confirm our current understanding of the University's PCPS organization and functionality. Consequently, **no analysis or findings are contained in this document**. Instead, the document focuses on outlining the following items:

- The organizational structure of each area of the procurement function for the functional areas in our scope of work.
- The authorized (budgeted) and actual (currently filled) number of positions by rank or classification assigned to each unit.
- A summary of prior audit findings and if/how they have been addressed by the University.
- A summary of the workload associated with the procurement function.

This document will serve as a foundational document as we conduct our compliance and performance analysis of procurement at WVU.

2. ORGANIZATIONAL PROFILE

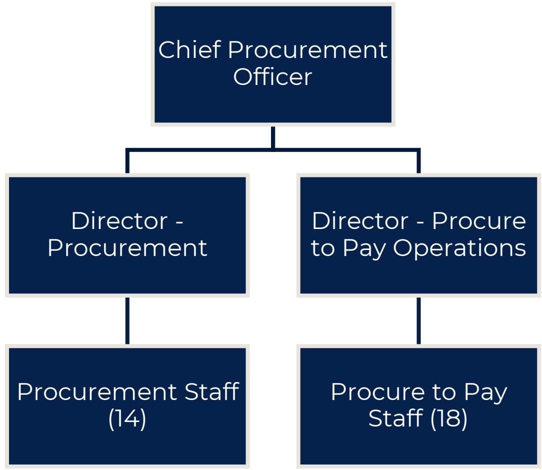
2.1 INTRODUCTION

The WVU Procurement, Contracting, and Payment Services Department (PCPS) manages the University's sourcing, procurement, supplier contracting, and payments. The organization assists departments in locating goods and services, registers suppliers to do business with the University, seeks to obtain maximum value in purchases through negotiations and solicitation processes, manages purchasing cards, oversees travel arrangements, and processes invoices for payment. PCPS focuses on streamlining the procurement of needed goods and services while increasing accountability, achieving savings, and strategically directing the University's spend.

2.2 STAFFING AND ORGANIZATIONAL STRUCTURE

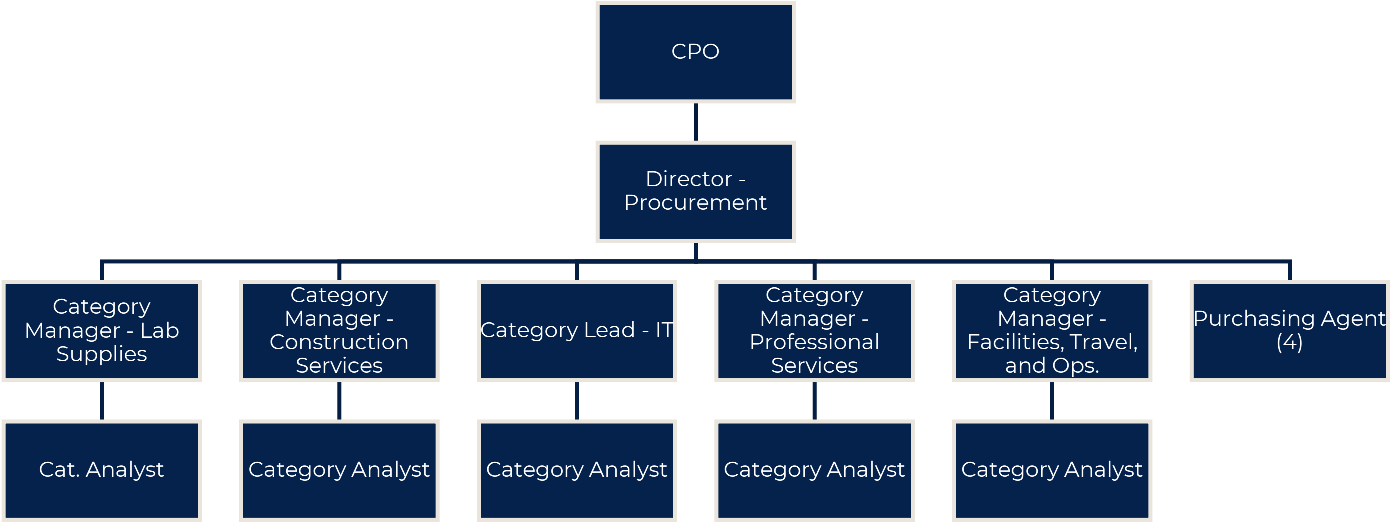
PCPS is overseen by the Chief Procurement Officer (CPO) and has two units: Procurement and Procure to Pay Operations, each led by a Director. Procurement is responsible for sourcing goods and services, processing requisitions, develop specifications, and reviewing and managing contracts. Procure to Pay Operations handles payments, procurement systems, the PCard program, and supplier registration. The following organizational chart represents the existing PCPS organizational structure:

PCPS ORGANIZATIONAL STRUCTURE



The specific organizational structure for Procurement is shown in the next graphic:

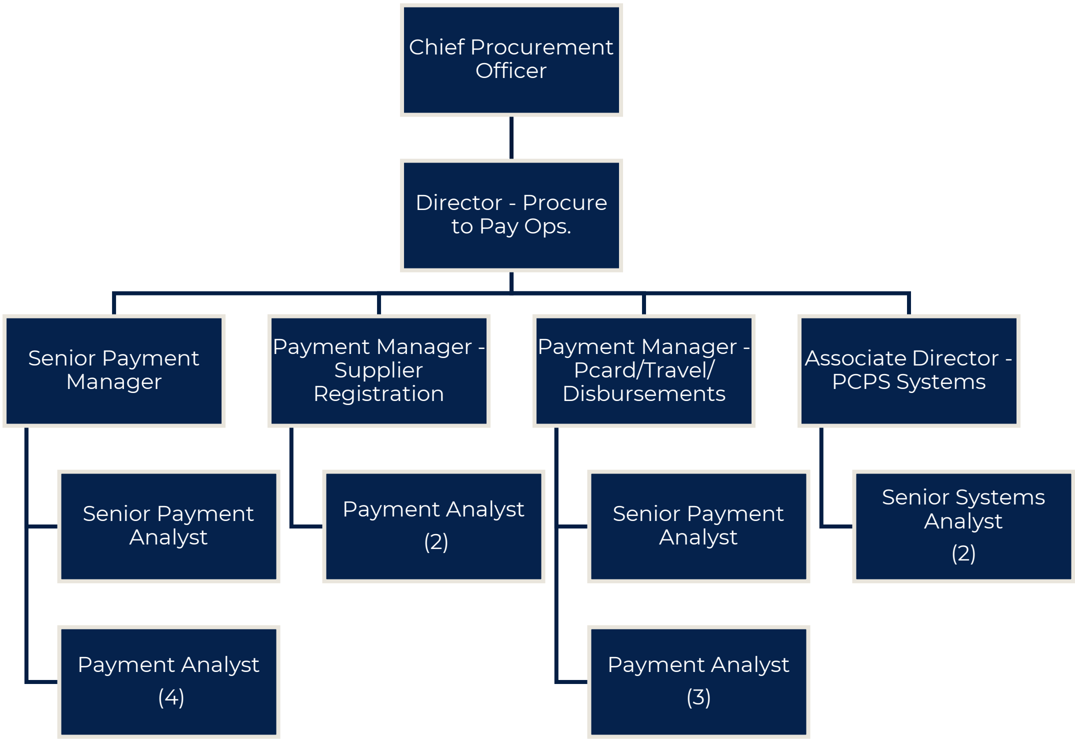
PROCUREMENT ORGANIZATIONAL STRUCTURE



Procurement is structured primarily around Category Managers, who manage sourcing and supplier relationships across five core functional areas – lab supplies, construction services, IT, professional services, and facilities/travel/operations. Each Manager is supported by a Category Analyst, and the entire department is supported by Purchasing Agents.

The structure of the Procure to Pay Department is shown below:

PROCURE TO PAY OPERATIONS ORGANIZATIONAL STRUCTURE



Procure to Pay Operations is structured based on four core functional areas – PCPS systems, payments, supplier registration, and management of the PCard/travel/disbursement programs. Each Payment Manager and the Associate Director receive support from Analysts assigned to their respective functional area.

2.3 TECHNOLOGY SYSTEMS

The Department utilizes a number of technology tools to assist in the management of purchasing, facilitate invoice payment, conduct analysis on spending and contracting, and ensure accountability for purchases. The following table summarizes the key software tools and applications used by staff:

System	Purpose/Use
Jaggaer (Mountaineer Marketplace)	Requisitions, purchase orders, change orders, contracts, sourcing, supplier management, invoicing, receiving, spend analytics.
Chrome River (MyExpenses)	PCard reconciliation and reimbursements.
Oracle (MAP)	Vendor master, payments, chart of accounts, human resource information, grants information.

System	Purpose/Use
wvOasis	State of WV's financial system. Where payments are issued after being interfaced from WVU's systems.
Dun and Bradstreet	Supplier risk assessment.
IRS TIN Matching	Used to complete TIN matching for suppliers.
Oversight	Fraud detection tool – split purchases, duplicate payments, unallowable travel and expense transactions, etc.
Oracle's Unifier	Facilities management system – inventory, capital projects, locations.

WVU is currently implementing Workday as its centralized purchasing software (replacing Jaggaer), with an approximate go-live date of July 2027.

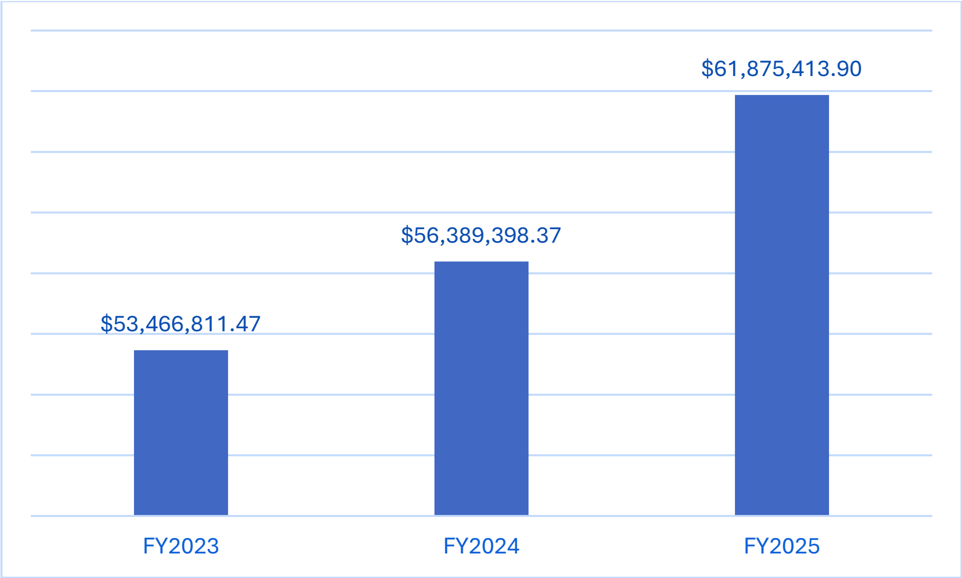
2.4 WORKLOAD

This section summarizes key workload metrics related to the number of requisitions, purchase orders (POs), and PCard transactions processed by PCPS over the last three fiscal years.

PCARD DATA

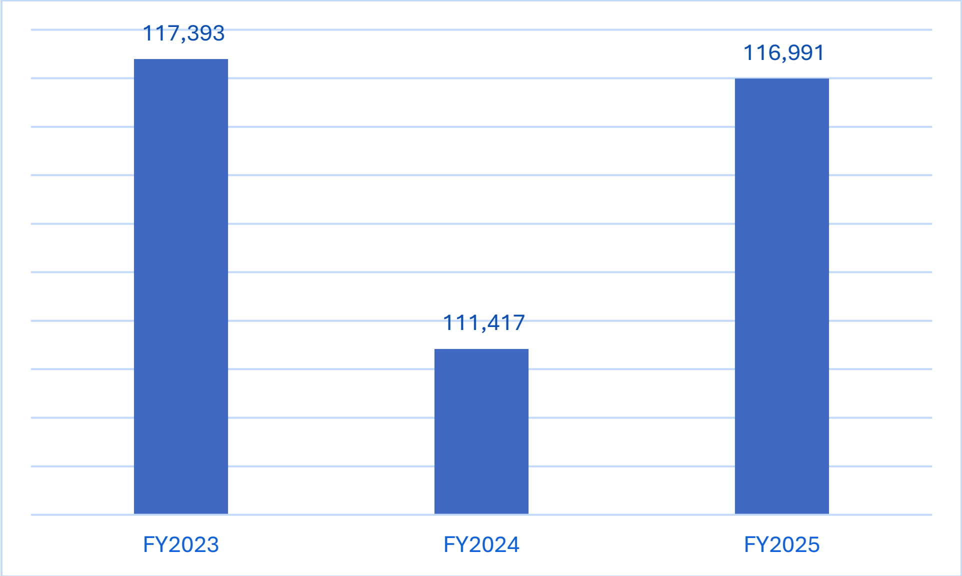
The following presents data on PCard transactions for the period under review for this audit cycle. PCard transactions contained in an export from Chrome River during this cycle can be found below:

PCARD TRANSACTION TOTALS (CHROME RIVER)



$171,731,623.74 of spending was associated with PCards during this audit cycle. PCard spending has increased year over year since FY23. The next chart shows the number of PCard transactions in Chrome River during this audit cycle:

PCARD TRANSACTIONS (CHROME RIVER)

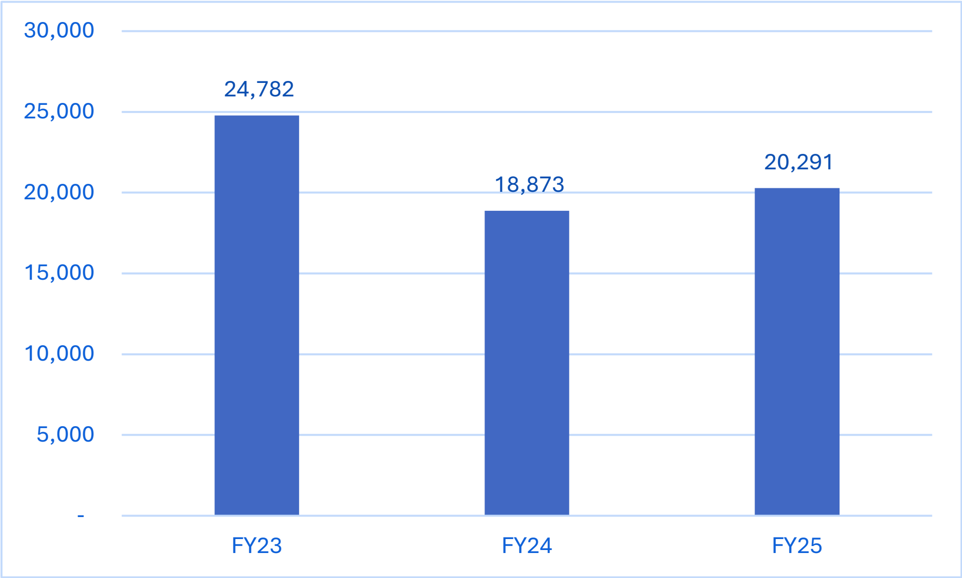


The number of PCard transactions remained steady each year, despite a slight decrease between FY23 and FY24.

REQUISITION DATA

WVU provided the project team with all requisitions received during the time period covered by this audit. The following table shows the total number of requisitions submitted during this period:

TOTAL REQUISITIONS (2022-2025)



63,946 requisitions were submitted to PCPS between July 1, 2022, and June 30, 2025, comprising 181,066 individual requisition line items. Requisitions decreased between FY23 (24,782) and FY24 (18,873), before increasing in FY25 (20,291).

REQUISITIONS BY TYPE (2022-2025)

Requisition Type	FY23	FY24	FY25	GT
Contract Non-Catalog Item	136	97	90	323
Non-Catalog Product	11,172	8,557	9,192	28,921
Punchout Product	13,385	10,161	10,916	34,462
SQ Hosted Product	89	58	93	240
Grand Total	**24,782**	**18,873**	**20,291**	**63,946**

The dataset also references the requesting department. For this document, the project team has included the following table that references the ten departments with the highest number of requisitions submitted over the audit period:

TOP TEN DEPARTMENTS BY REQUISITIONS (2022-2025)

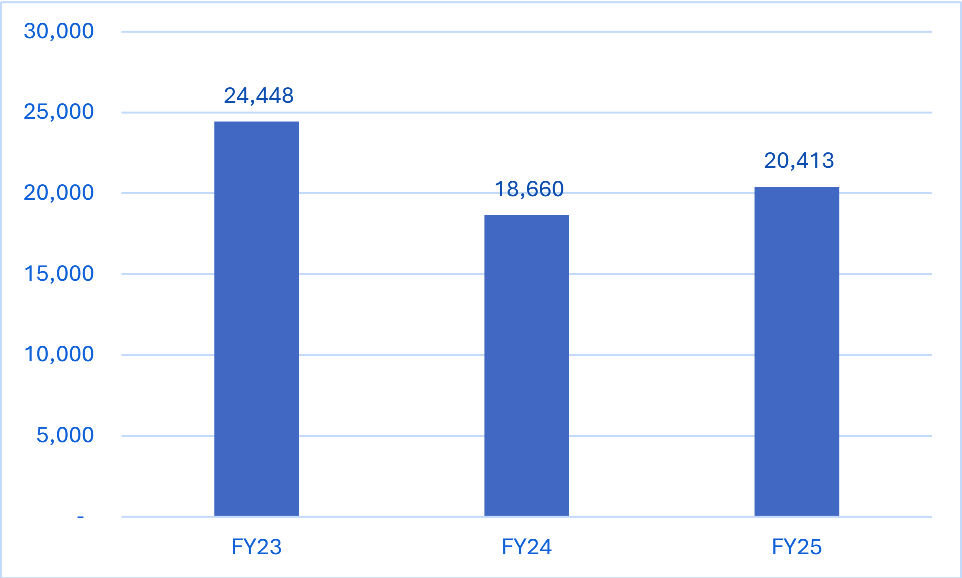
Department Code	Requisitions
AUX Warehouse Services L5	5,471
AUX Maintenance L6	2,934
Dentistry SOD L3	2,500
AS Chemistry L4	1,643
ATH Business Office L3	1,358
AUX Personal Rapid Transit L5	1,237
AUX Health Sciences Center L6	1,172
FN Warehouse Services L6	1,074
AUX Design and Construction L5	1,056
SOM Microbiology Immunology and Cell Biology L4	1,042

These ten departments accounted for 19,487 (or 30.5%) of the 63,946 requisitions submitted during this audit period.

PURCHASE ORDER (PO) DATA

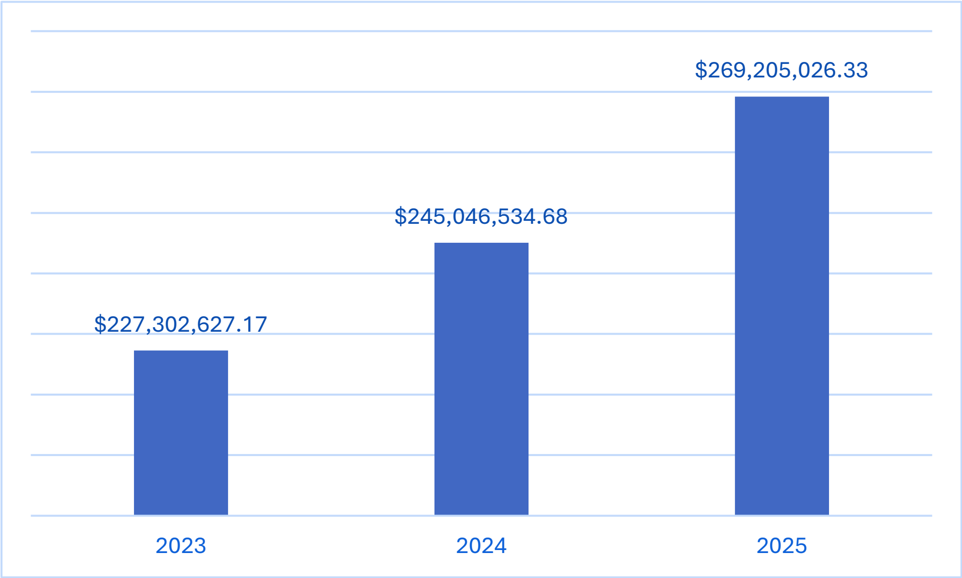
The project team was also provided with purchase order (PO) data between July 1, 2022 and June 30, 2025. The graph below shows the total number of POs issued by year:

POS ISSUED (2022-2025)



63,521 purchase orders were issued during this audit cycle. Purchase orders decreased from FY23 (24,448) to FY24 (18,660), and increased between FY24 and FY25 (20,413).

PO SPENDING (2022-2025)



The University accounted for $741,554,188.18 in purchase-order transactions during this audit cycle. Spending associated with purchase orders has increased year over year since FY23.

Department Code	Extended Price
FN Administrative Financial Planning L5	$217,203,706.38
AUX Design and Construction L5	$62,835,640.94
ATH Business Office L3	$48,769,362.37
FN Cost Compliance L6	$26,773,629.49
ITS Enterprise Applications L4	$25,572,968.93
SSC Financial Management L4	$19,593,493.39
FO Design and Construction L5	$17,764,742.49
AUX Maintenance L6	$14,875,463.82
AUX Health Sciences Center L6	$13,447,158.97
ITS Enterprise Support L4	$10,650,678.54
HSC Clinical and Translational Science L3	$9,594,777.10
ATH Communications L3	$9,449,973.43
HSC Health Affairs Institute L3	$8,998,399.87
AUX Personal Rapid Transit L5	$8,870,505.02
West Virginia University L1	$8,600,093.87

These 15 departments accounted for $503,000,594.61 of PO spending during this audit cycle, approximately 67.8% of the $741,554,188.18 spent during this period.

2.5 POLICIES AND PROCEDURES

The procurement function is governed by several key policies and procedures. This includes rules set by the WVU Board of Governors, State requirements, and internal program manuals for procurement and PCard functions.

Document	Summary
PCard Manual	Updated January 15, 2025. Provides an overview of requirements and processes related to the PCard program. This includes guidance on obtaining and using a PCard, documentation and reconciliation practices, and information regarding violations/discipline.
Procurement Manual	Updated November 1, 2023. Guides WVU employees through procuring goods and services while remaining in compliance with WVU requirements/State laws. Provides an overview of procurement methods and related processes (specification development, audits, payments, supplier relations).
`Business Associate Agreements	Updated October 23, 2023. Provides guidelines on when a Business Associate Agreement (BAA) may be required and how to engage with the process.
Flow Charts	The University has developed various flowcharts for major procurement processes, including requisitions, purchase orders, RFPs, RFBs, and service agreements.
Internal Contracting Guidelines	Updated March 2025. Provides guidelines to Procurement Officials when contracting for goods and services. Specifies that contracts should be reviewed by WVU legal authority and utilize contract templates. Establishes roles and responsibilities for the review, negotiation, and management of contracts.
PO Process/Checklist	Revision date not posted. Internal SOP document guiding PCPS staff on the process of managing requisitions and generating purchase orders. This is accompanied by a separate checklist document for converting a requisition to a PO.

CODE SECTIONS

The State of West Virginia has a number of code sections dictating procurement operations at WVU. These were provided to the project team in a table showing the code section, title, and a link to the relevant code section:

Section	Title
§ 18B-5-3	Authority to contract for programs, services, and facilities
§ 18B-5-4	Purchase or acquisition of materials, supplies, equipment, services, and printing
§ 18B-5-5	Prequalification disclosure by vendors; register of vendors; exceptions; suspension of vendors
§ 18B-5-9	Higher education fiscal responsibility
§ 18B-19-11	Authorization to lease-purchase
§ 5A-3-12	Prequalification disclosure and payment of annual fee by vendors required; form and contents; register of vendors; false certificates; penalties
§ 5A-3-29	Penalty for violation of article
§ 5A-3-30	Statement of purpose; obtaining money and property under false pretenses or by fraud from the state; penalties; definition
§ 5A-3-31	Corrupt actions, combinations, collusions or conspiracies prohibited; penalties
§ 5A-3-32	Power of director to suspend right to bid; notice of suspension
§ 5A-3-33	Review of suspension by secretary
§ 5A-3-33b	Scope (Debarment of Vendors)
§ 5A-3-33c	Duties (Debarment of Vendors)
§ 5A-3-33d	Grounds for debarment

Section	Title
§ 5A-3-33e	Debarment procedure
§ 5A-3-33f	Effects of debarment
§ 18B-5-4a	Construction Projects
§ 5-22-1	Bidding required; government construction contracts to go to lowest qualified responsible bidder; procedures to be followed in awarding government construction projects; penalties for violation of procedures and requirements debarment; exceptions.
§ 5-22-1a	Permitting government construction contracts arising out of declared states of emergency on open-ended quantity or unit price basis; types of contracts allowed for construction projects; specific location of construction project not required in solicitation; certain bonds discretionary; other bidding requirements applicable.
§ 5-22-2	Designation of time and place for opening of bids; right to reject or withdraw bid; bid resubmission; bid validity date.
§ 5-22-3	Certain labor requirements not to be imposed on contractor or subcontractor.
§ 5-22-4	Negotiation when all bids exceed budgeted amount.
§§ 5-22A-1 to 5-22A-16	Design-Build Procurement Act
§§ 5-22B-1 to 5-22B-19	Government construction management at-risk contracts.

PURCHASING THRESHOLDS

The University has a competitive solicitation threshold of $50,000 ($100,000 for construction projects), with a number of alternative procurement methods for items under the competitive threshold. This includes:

- Catalog purchases from established cooperative contracts.
- Non-catalog purchases, where requestors are encouraged to acquire multiple quotes from prospective suppliers.
- Direct payments for utilities, subscriptions, and essential services.
- Emergency purchases, which require separate procedures and documentation.
- Sole or Single Source justifications.
- Certain essential services exempt from solicitation.
- Use of procurement cards (PCards).

Purchases exceeding the $50,000/$100,000 require engagement in the RFP/I/B/Q process, depending on specific purchase requirements.

3. PRIOR AUDIT FINDINGS

3.1 INTRODUCTION AND RESULTS

The Matrix Consulting Group has conducted prior procurement audits for the University, the two most recent of which analyzed the 2016-2019 and 2020-2023 time periods. These audits yielded both compliance-related findings and operational recommendations aligned with industry best practices. The following table outlines findings from the previous two audits that were either marked as in progress, incomplete, or a new finding:

PRIOR AUDIT FINDINGS

Finding/Recommendation	Current Status/Notes
A customer survey has been conducted within the last three years to elicit feedback regarding WVU service levels and practices. (This recommendation was provided in the 2016-2019 report).	As of this audit cycle, PCPS does not conduct formal customer surveys to gauge feedback. The University utilizes a relationship-based approach to interfacing with its internal customers via regular meetings with key stakeholders.

Finding/Recommendation	Current Status/Notes
Vendors are evaluated at the completion of the provision of design and engineering services. Those vendors not receiving a satisfactory rating are not eligible for continued placement on the master contract. (This recommendation was provided in the 2016-2019 report).	As of this audit cycle, WVU has implemented the Supplier Risk Scorecard system. This organizes vendors by total spend and potential impact to WVU. This process has resulted in the designation of 223 Key Suppliers (Tier 1 or Tier 2), which account for around 70% of WVU's spend. Top tier suppliers are evaluated annually by PCPS, and risk scorecard results are shared with WVU internal audit.
A review of PO transactions noted mismatches between vendor invoice totals and totals found on POs. The breakdown is as follows: • $0-24,999: 9 occurrences. • $25,000-$49,999: 5 occurrences. • $50,000+: 17 occurrences.	These were the only discrepancies noted among PO transactions during the previous audit. Additional documentation was provided to the project team by PCPS that explained the deficiency, primarily due to missing/duplicative documentation attached to the PO.
A review of PCard transactions showed minimal infractions, with none related to transactions between 2019 and 2020, one instance of incorrect sales tax application in 2020-2021, and three instances of incorrect sales tax application in 2021-2022.	It was recommended that additional training on PCard usage be provided as necessary, in order to educate both cardholders and vendors on appropriate transaction methods. As of this audit cycle, PCPS has been conducting training for internal staff as well as its external stakeholders since 2023.
The procurement manual was last updated in 2017. The PCard manual and travel expense guide were each updated in 2022.	WVU's procurement manual was last updated in 2023, while its Research Corporation procurement manual was last updated in 2024. A procurement construction manual update is in progress. Updates to procurement manuals are now on an annual refresh cycle.

While the above table denotes potential discrepancies and recommendations for improvements, the prior audit report also highlighted several operational strengths of the procurement function in WVU. These are summarized below:

- In many respects, PCPS operates as a highly effective organization, adhering to or exceeding industry best practices and meeting performance and accountability standards across a number of areas.
- The Department is proactive in managing and directing the University's spend to suppliers of choice, such as those with existing contracts or through selected catalogs.
- The Department proactively implements technology to improve efficiency and accountability and manages relationships with vendors and University Departments to ensure clarity on policies and procedures.
- PCPS has clear policies and procedures to govern procurement activity. The procurement manual was last updated in 2017, and the BOG Procurement Rule was modified in 2019. PCPS is currently updating the procurement manual with an expected publication date of mid-year 2023. The PCard manual and travel expense guide were each updated in 2022.
- The Department has instituted a digital system called Oversight that audits PCard transactions and posts audit findings. They have also hired systems analysts to assist in auditing the PCard program.
- The University's purchasing thresholds and standard payment terms are comparable to those of peer universities, but the approvals required from the State for payment issuance are beyond the range of common practice among the same universities.
- The Department has created a team of analysts that screens and audits PCard transactions to ensure compliance with all PCard rules and regulations. This has decreased the infractions that were made and went unchecked.

APPENDIX B: COMPARATIVE REPORT

COMPARATOR INSTITUTIONS

The table below provides basic institutional context for WVU and each of the six comparator institutions. Enrollment, faculty count, and research expenditure help calibrate the relative size and complexity of each institution's procurement and financial operations.

INSTITUTIONAL PROFILE (FALL 2024 / FY 2024)

Institution	Total Enrollment (Fall 2024)	Number of Full-Time Faculty (Fall 2024)	Research Expenditure (FY 2024)
West Virginia University	23,643	2,399	$259m
Iowa State University	30,380	2,144	$462m
Kansas State University	20,295	1,247	$265m
University of Georgia	43,146	3,051	$628m
University of Maryland	41,725	3,696	$1,540m
University of Virginia	26,409	3,133	$814m
University of Wisconsin	51,044	5,471	$1,933m

WVU is among the smaller institutions in this comparator group, with total enrollment of 23,643 and research expenditures of approximately $259 million. The University of Wisconsin is the largest by all three measures, with more than twice WVU's enrollment and nearly eight times its research expenditure. The University of Georgia and the University of Maryland also significantly exceed WVU in both scale and research activity. Although enrollment, faculty, and research expenditure may not indicate the purchasing workload, they provide context when comparing these institutions.

DATA SOURCE

Institution	Questionnaire Response from the Institution	Online Research
Iowa State University	✗	✓
Kansas State University	✓	✓
University of Georgia	✓	✓
University of Maryland	✗	✓
University of Virginia	✗	✓
University of Wisconsin	✓	✓

The information presented in this report was gathered via a survey and online research. The project team developed and distributed a questionnaire to the purchasing functions at each of the selected institute. Some institutions chose to provide full or partial responses to the questionnaire, which were incorporated into this report. In the case that institution chose not to provide a response, the project team conducted online research. The table above summarize the data source for each selected comparators.

CENTRAL PROCUREMENT STAFFING

The following table summarizes central procurement FTE across four functional areas: general purchasing, contracts management, PCard administration, and other administrative or specialized roles. This breakdown helps identify where each institution concentrates its procurement capacity.

CENTRAL PROCUREMENT FTE BY FUNCTION

Institution	Total	General Purchasing	Contracts Management	PCard Administration	Other
West Virginia University	26.00	15.00	-	5.00	6.00
Iowa State University	25.00	11.00	4.00	2.00	8.00
Kansas State University	14.00	10.75	2.00	1.25	-
University of Georgia	22.00	15.00	2.00	2.00	3.00
University of Maryland	20.00	7.00	3.00	2.00	8.00
University of Virginia	18.00	4.00	6.00	3.00	5.00
University of Wisconsin	49.00	21.00	-	5.00	23.00

WVU's central procurement team of 26 FTE is in the midpoint relative to other comparators. Iowa State (25 FTE) and Kansas State (14 FTE) are the closest comparators in total staffing, while the University of Wisconsin has the highest staff counts at 49. Notably, WVU does not report a dedicated contracts management function in this count — a gap relative to all comparators that do report this role (2 to 6 FTE). WVU's general purchasing headcount of 15 FTE is among the highest in the group alongside the University of Georgia. The table below summarizes the positions listed as "Other."

CENTRAL PROCUREMENT "OTHER" POSITION

Institution	Other Positions
West Virginia University	• • • • Payment Manager (1); Payment Analyst (2); Associate Director (1); Senior Systems Analyst (2). The Payment Manager and Payment Analysts are counted within the five PCard administration positions and also perform disbursement and reimbursement duties, with at least two FTE primarily dedicated to disbursements. The remaining positions comprise the supplier registration unit, which limits direct comparability with the comparator group.
Iowa State University	• Director (1) • Associate Director (2) • eProcurement Specialists (2) • Communications & Marketing (2)

Institution	Other Positions
	• Supplier Services / Database Administration (2) • Business Manager (1) • Program Assistant (2)
Kansas State University	-
University of Georgia	• Supplier Strategy & Programs Specialist (1) • Strategic Sourcing Specialist (1) • Procurement Assistant / Front Office (1)
University of Maryland	• Assistant Vice President (1) • Assistant Director (1) • Director of Strategic Sourcing (1) • Strategic Partnerships & Communications Specialist (1) • Administrative Coordinator (1) • Manager of Business Inclusion & Supplier Diversity (1) • Commodities & Services Manage (1) • Strategic Sourcing & ShellShop Manager (1)
University of Virginia	• Procurement Commodity Manager (1) • Procurement Specialist (1) • Customer Engagement Specialist (1) • Supplier Engagement Data Lead (1) • Director for the Virginia Higher Education Procurement Cooperative (VHEPC) (1)
University of Wisconsin	• Assistant Director (1) • Program Manager (1) • Procurement Manager (LTE/Special Projects) (1) • Warehouse/Inventory Supervisors (3) • Inventory Control Coordinators (13) • Heavy Motor Vehicle Operators (4)

WVU's "Other" positions are concentrated in payment operations and systems administration, comprising a Payment Manager, two Payment Analysts, an Associate Director, and two Senior Systems Analysts.

Comparators with comparable headcounts in this category tend to include more strategic and leadership roles: the University of Maryland allocates eight positions across executive leadership, strategic sourcing, supplier diversity, and administrative coordination, while the University of Virginia includes dedicated positions for customer engagement, supplier engagement, and commodity management. Iowa State University's "Other" count of eight similarly spans communications, eProcurement specialists, and supplier services.

ACCOUNTS PAYABLE STAFFING

The table below presents FTE dedicated to accounts payable functions.

ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE FTE

Institution	Total	Account Payables	Account Receivables
West Virginia University	6.00	6.00	-
Iowa State University	9.00	8.00	1.00
Kansas State University	11.25	7.00	4.25
University of Georgia	64.00	25.00	39.00
University of Maryland	Unknown	Unknown	Unknown
University of Virginia	9.00	9.00	-
University of Wisconsin	23.00	20.00	3.00

WVU's accounts payable function of 6 FTE is the smallest reported in the comparator group. Iowa State University operates with 8 FTE in AP despite a similar organizational structure, while Kansas State (7 FTE) and the University of Virginia (9 FTE) also report higher AP staffing. The University of Georgia has the highest AP and AR staffing at 25 AP FTE and 39 AR FTE.

PROCUREMENT SPEND AND PURCHASE ORDER VOLUME

Annual procurement spend and purchase order volume are key workload indicators. Limited comparator data were available for this metric, as several institutions chose not to provide a response to the questionnaire and online research yielded limited results.

ANNUAL PROCUREMENT SPEND AND PURCHASE ORDER VOLUME

Institution	Procurement Spending	Purchase Order Counts
West Virginia University	$269m	32,800
Iowa State University	Unknown	9,857
Kansas State University	Unknown	Unknown
University of Georgia	Unknown	Unknown

Institution	Procurement Spending	Purchase Order Counts
University of Maryland	Unknown	Unknown
University of Virginia	Unknown	Unknown
University of Wisconsin	$1,500m	200,000

WVU processed 50,482 purchase orders totaling approximately $269 million in the most recent fiscal year. Only the University of Wisconsin provided comparable spend data (~$1.5 billion). Iowa State's reported PO count of 9,857 is notably lower than WVU's.

3. PCARD PROGRAM AND ACCOUNTS PAYABLE

This section compares WVU's purchasing card (PCard) program performance and accounts payable invoice volume against peer institutions, including card holder counts, annual spend, transaction volume, and payment method preferences.

PCARD PROGRAM METRICS

The PCard program represents a significant transactional channel for small-dollar and routine purchases. The table below summarizes the four primary program metrics: cardholder count, total spend, transaction volume, and average transaction size.

PCARD PROGRAM METRICS

Institution	PCard Holder Counts	PCard Transaction Counts	PCard Transaction Amount	Average Amount per Transaction
West Virginia University	2,871	116,991	$62m	$530
Iowa State University	Unknown	81,551	$109m	$1,337
Kansas State University	2,200	212,800	$35m	$164
University of Georgia	Unknown	Unknown	Unknown	Unknown
University of Maryland	Unknown	Unknown	Unknown	Unknown
University of Virginia	Unknown	Unknown	Unknown	Unknown
University of Wisconsin	4,592	354,812	$113m	$320

WVU's PCard program processed 116,991 transactions totaling approximately $61.9 million, with an average transaction value of $530, the second highest among reporting institutions. Iowa State University reports a higher average transaction value ($1,337), though with fewer total transactions (81,551), suggesting a different cardholder policy regarding transaction size limits or use cases. Kansas State University demonstrates a high-volume, low-value profile (212,800 transactions at an average of $164 each). The University of Wisconsin's program is the largest by all measures. WVU's average transaction size is notably higher than the comparators.

ACCOUNTS PAYABLE INVOICE VOLUME AND PAYMENT METHOD

The table below summarizes total invoice volume and the ACH/EFT adoption rate where data were available.

AP INVOICE VOLUME AND PAYMENT METHODS

Institution	AP Invoice Counts	% Payment Made by ACH/EFT	% Payment Made by Check
West Virginia University	97,035 (FY25)	59%	30%
Iowa State University	Unknown	Unknown	Unknown
Kansas State University	Unknown	30%	69%
University of Georgia	252,355	70%	30%
University of Maryland	Unknown	Unknown	Unknown
University of Virginia	Unknown	Unknown	Unknown
University of Wisconsin	500,000	53%	47%

Among reporting peers, the University of Georgia shows the highest ACH/EFT payment at approximately 70%, with the University of Wisconsin at 47% and Kansas State at 30%. The University of Wisconsin's relies on check-based payments (53%).

4. ORGANIZATIONAL STRUCTURE AND TECHNOLOGY

This section examines how peer institutions structured their procurement and financial functions organizationally, including reporting relationships and the technology systems that underpin procurement, payment, and financial operations.

ORGANIZATIONAL REPORTING STRUCTURE AND PURCHASING MODEL

The table below summarizes the reporting structure for each institution.

ORGANIZATIONAL STRUCTURE

Institution	Procurement	AP	AR
West Virginia University	Procurement, Contracting, and Payment Services Department	Procurement, Contracting, and Payment Services Department	Procurement, Contracting, and Payment Services Department
Iowa State University	Division of Operations and Finance	Finance Service Deliver Unit	Financial Planning and Analysis Unit
Kansas State University	Division of Administration and Finance	Division of Administration and Finance	Division of Administration and Finance

University of Georgia	Finance Division	Finance Division	Finance Division
University of Maryland	Division of Finance	Division of Finance	Division of Finance
University of Virginia	Unknown	Unknown	Unknown
University of Wisconsin	Division of Finance	Division of Finance	Division of Finance

WVU consolidates procurement and accounts payable (AP) under a single departmental umbrella — Procurement, Contracting, and Payment Services. Accounts receivable (AR) is functionally located within Shared Services. Most comparators embed these functions within a broader finance or administration division: the University of Georgia, University of Maryland, and University of Wisconsin all organize these functions under a Division of Finance, while Kansas State does so within the Division of Administration and Finance. Iowa State University is the only comparator that distributes AP and AR across separate organizational units within its Operations and Finance structure.

PURCHASING MODEL

Institution	Purchasing Model
West Virginia University	Centralized
Iowa State University	Hybrid
Kansas State University	Hybrid
University of Georgia	Hybrid
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Hybrid

WVU is the only institution in the comparator group operating a fully centralized purchasing model. All four comparators that reported their model — Iowa State University, Kansas State University, the University of Georgia, and the University of Wisconsin — operate under a hybrid structure. The University of Maryland and University of Virginia did not provide their purchasing model.

EPROCUREMENT AND FINANCIAL SYSTEMS

The table below summarizes the eProcurement, ERP, and financial system platforms in use across the comparator group.

EPROCUREMENT, ERP, AND FINANCIAL SYSTEMS

Institution	Financial Systems
West Virginia University	• Jaggaer • Chrom River • Oracle • wvOasis (Institution-specific / non-commercial)
Iowa State University	• Workday • cyBUY (Institution-specific / non-commercial) • ServiceNow
Kansas State University	• Unimarket (starting in January 2027)
University of Georgia	• Jaggaer • Oracle
University of Maryland	• Workday
University of Virginia	• Jaggaer • Workday
University of Wisconsin	• Jaggaer • Workday

WVU operates on Jaggaer for eProcurement, Chrome River for expense management, Oracle as the core financial system, and interfaces with wvOasis, the State of West Virginia's financial system, for payment issuance. By contrast, several peer institutions have consolidated onto fewer platforms: the University of Maryland uses Workday exclusively, while the University of Georgia operates a two-platform environment (Oracle and Jaggaer). Workday and Jaggaer is a common platform combination among the comparators, with the University of Wisconsin and University of Virginia both using these. Kansas State is in the process of implementing Unimarket (go-live January 2027).

5. PERFORMANCE METRICS

This section compares the formal performance measurement frameworks used by WVU and its peers, including the specific KPIs tracked, requisition-to-PO cycle time, invoice payment timeliness, and policy compliance rates.

KPIS AND METRICS TRACKED

The table below summarizes the formal KPIs and performance metrics that each institution's procurement and AP functions actively track and report. Institutions that did not report tracking formal KPIs are noted accordingly.

FORMAL KPIS AND PERFORMANCE METRICS TRACKED

Institution	KPIs & Metrics Tracked
West Virginia University	• Number of transaction • Number of contracts • Number of Sourcing Events by FY • Number of Supplier Risk Scorecards Completed • PCPS savings, cost avoidance, and revenue • Requisition processing time • Requisition processing volume
Iowa State University	• Campus satisfaction: 96% very satisfied; 2% dissatisfied; 99% positive interaction; 98% accurately addresses requests • Employee engagement interval turnover: 7% employee left; 4 retired • Tasks per specialist: Workday = 4,180; ServiceNow = 1,319 • Average resolution times: 109,469 assigned to FIN via ServiceNow; avg daily open 199.9; avg resolution time 13.2 hrs
Kansas State University	• Travel Expense Report Processing Days (End Date of Travel to Payment): 33.4 days • PCard Expense Report Processing Days (Date of Last Monthly Transaction to Payment): 27.5 days • Central Review and Processing: 2.4 days
University of Georgia	• Purchase initiation to payment (days) • Service Desk ticket resolution (days)
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Unknown

WVU tracks a reasonable set of process-oriented metrics, including transaction volumes, contract counts, sourcing events, supplier risk scorecards, and requisition processing time. Iowa State University's KPI framework is the most robust in the comparator group, incorporating customer satisfaction scores (96% very satisfied), employee engagement, and service desk resolution time. Kansas State's metrics are time-based and focused on expense processing cycle times. Three of the six comparators did not provide KPI data.

CYCLE TIME AND COMPLIANCE PERFORMANCE

The following table summarizes key cycle time and compliance metrics: average requisition-to-PO cycle time, average invoice-to-payment cycle time (days), and the reported PO/PCard policy violation rate. WVU data for cycle time and payment timeliness are forthcoming and will be included in the final report.

REQUISITION-TO-PO CYCLE TIME

Institution	Overall Req-to-PO Cycle Time (Days)	Competitive Req-to-PO Cycle Time	Non-Competitive Req-to-PO Cycle Time
West Virginia University	3.6	9.5	3.4
Iowa State University	4	Unknown	Unknown
Kansas State University	Unknown	Unknown	Unknown
University of Georgia	Unknown	Unknown	Unknown
University of Maryland	Unknown	Unknown	Unknown
University of Virginia	Unknown	Unknown	Unknown
University of Wisconsin	Unknown	Unknown	Unknown

WVU's overall requisition-to-PO cycle time of 25 days is substantially higher than Iowa State University's reported 4 days. WVU's non-competitive cycle time of 21 days alone exceeds Iowa State's full average, suggesting a meaningful gap in routine processing efficiency. WVU's competitive procurement cycle time is 125 days. It is challenging to draw a meaningful comparison since data for most comparators was unavailable. In addition, the criteria for measuring the cycle time for Iowa State University is unknown.

PERCENTAGE OF SPENDING BY TYPE OF PROCUREMENT

Institution	Competitive Bidding	Sole Source	Cooperative Contracts
West Virginia University	80.84%	2.36%	4.58%
Iowa State University	Unknown	Unknown	Unknown
Kansas State University	Unknown	Unknown	Unknown
University of Georgia	Unknown	Unknown	Unknown
University of Maryland	Unknown	Unknown	Unknown
University of Virginia	Unknown	Unknown	Unknown
University of Wisconsin	Not tracked currently	Not tracked currently	Not tracked currently

WVU is the only institution in the comparator group to report a breakdown of spending by procurement type. Competitive bidding accounts for approximately 80.84% of WVU's total procurement spend. Sole source spending is low at 2.36. Cooperative contracts represent 4.58% of total spend, including contract non-catalogue, PunchOut, and SQ Hosted product purchases.

PAYMENT CYCLE TIME

Institution	On-Time Payment Rate	Average Invoice-to-Payment Cycle (Days)
West Virginia University		
Iowa State University	Unknown	3
Kansas State University	Unknown	Unknown
University of Georgia	Unknown	4-5
University of Maryland	Unknown	Unknown
University of Virginia	Unknown	Unknown
University of Wisconsin	Unknown	Unknown

Among comparators that provided data, Iowa State University reports an average invoice-to-payment cycle of 3 days and the University of Georgia reports 4 to 5 days. No institution reported an on-time payment rate. Four of the six comparators did not report payment cycle data, limiting direct benchmarking for this metric.

VIOLATION RATE

Institution	Violation Rate
West Virginia University	<1%
Iowa State University	Unknown
Kansas State University	<1%
University of Georgia	Unknown
University of Maryland	Unknown
University of Virginia	Unknown
University of Wisconsin	Not currently tracked

WVU and Kansas State University both report PO/PCard policy violation rates below 1%, indicating strong compliance performance across both institutions. Four comparators did not provide violation rate data, and the University of Wisconsin indicated this metric is not currently tracked.

Economic and Community Impacts

of the West Virginia University Cancer Institute

FY25 and FY35

WVUCancerInstitute

WVU Cancer Institute

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About the WVU Cancer Institute

The WVU Cancer Institute is the integrated oncology program of WVU and WVU Medicine. The Institute brings together cancer research, clinical trials, prevention, screening, treatment, survivorship, and outreach to serve communities across West Virginia. As the state's only academic cancer center, it is actively pursuing recognition as West Virginia's first National Cancer Institute (NCI)-Designated Cancer Center.

Anchored in Morgantown, WV, the Institute is supported by a statewide clinical network delivering medical, surgical, and radiation oncology services across WVU Medicine hospitals and regional sites. Participation in national clinical trial networks expands access to advanced therapies, allowing patients to receive leading-edge care close to home.

The Institute's research enterprise spans basic science, translational research, and clinical trials, with a focus on cancers prevalent in Appalachia, including lung, colorectal, and hematologic malignancies. Community outreach and prevention efforts emphasize tobacco cessation, early detection, and reducing cancer disparities in rural populations, positioning the Institute as a critical force in improving health outcomes across the state.

National recognitions and accreditations reflect the Institute's commitment to quality and excellence.[1] These distinctions enhance patient confidence, reduce out-of-state care, and recognize the Institute's role in providing leading edge oncology services throughout the network.

The WVU Cancer Institute is now entering a transformative phase that will reshape cancer care, research capacity, and health outcomes across West Virginia. Backed by strong state and philanthropic support, the Institute is advancing its goal of achieving National Cancer Institute designation. This milestone will expand access to advanced clinical trials and therapies, reduce the need for patients to leave the state for care, and strengthen West Virginia's healthcare infrastructure.

State and private investments are accelerating this progress. In 2023, the State of West Virginia committed $50 million to support faculty recruitment, research expansion, and facility enhancements. In 2024, the Hazel Ruby McQuain Charitable Trust contributed $50 million toward the development of a next-generation cancer hospital, creating a strong foundation for long-term growth.

Together, these investments position the WVU Cancer Institute as both a leading healthcare provider and a significant driver of economic activity, supporting construction, research, and high-skill employment while reinforcing West Virginia's role in advancing cancer care, education, and innovation.

[1] https://www.beckershospitalreview.com/lists/100-hospitals-and-health-systems-with-great-oncology-programs-2024/?utm


WVU Cancer Institute
MARY BABB RANDOLPH CANCER CENTER
OPERATED BY WVUHospitals

Economic Impact Highlights FY25

ECONOMIC IMPACT

$880.7 million

generated statewide in economic impact

$341.3 million direct impact
$539.4 million indirect/induced impact

EMPLOYMENT IMPACT

8,688 total jobs

supported and sustained statewide

1,061 direct jobs
7,627 indirect/induced jobs

TAX IMPACT

$62.1 million

generated in state and local taxes

RESEARCH IMPACT

ECONOMIC IMPACT

$4.2 million

generated statewide in economic impact

EMPLOYMENT IMPACT

100 total jobs

supported and sustained statewide

TAX IMPACT

$266,562

generated in state and local taxes

VISITOR IMPACT[2]

ECONOMIC IMPACT

$290.6 million

generated statewide in economic impact

EMPLOYMENT IMPACT

2,567 total jobs

supported and sustained statewide

TAX IMPACT

$23.5 million

generated in state and local taxes

Note: Research and visitor impacts are included within the overall $880.7 million economic impact of the WVU Cancer Institute and should not be added separately.

COST SAVINGS

$32.4 million in cost savings for West Virginia families in FY25, while also reducing the financial and personal burden associated with traveling out of state for care.

[2] Includes a combined total of inpatient, outpatient, and conference visitors.

Projected Impact of WVU's NCI-Designated Cancer Center FY35

ECONOMIC IMPACT

$1.2 billion

generated statewide in economic impact

$463.9 million direct impact
$736.1 million indirect/induced impact

EMPLOYMENT IMPACT

11,184 total jobs

supported and sustained statewide

1,355 direct jobs
9,829 indirect/induced jobs

TAX IMPACT

$78.9 million

generated in state and local taxes

RESEARCH IMPACT

ECONOMIC IMPACT

$26.1 million

generated statewide in economic impact

EMPLOYMENT IMPACT

237 total jobs

supported and sustained statewide

TAX IMPACT

$1.0 million

generated in state and local taxes

VISITOR IMPACT[3]

ECONOMIC IMPACT

$354.6 million

generated statewide in economic impact

EMPLOYMENT IMPACT

3,121 total jobs

supported and sustained statewide

TAX IMPACT

$26.6 million

generated in state and local taxes

Note: Research and visitor impacts are included within the overall $1.2 billion economic impact of the WVU Cancer Institute and should not be added separately.

SOCIETAL VALUE AND COST SAVINGS

Growth in the clinical enterprise, the research enterprise, expansion of educational programs, and the clinical trial infrastructure, could generate **$2.4 billion** in annual societal value, while saving **$39.6 million** for families and retaining **$248.5 million** in economic activity by FY35 – all due to improved patient survival from a diagnosis of cancer.

[3] Includes a combined total of inpatient, outpatient, and conference visitors.

Construction Impacts on the State of West Virginia FY26-FY31

ECONOMIC IMPACT

$1.4 billion

generated statewide in economic impact

$876.9 million direct impact
$523.1 million indirect/induced impact

EMPLOYMENT IMPACT

10,422 total jobs

supported and sustained statewide

TAX IMPACT

$46.3 million

generated in state and local taxes

Study Overview

Tripp Umbach[4] was retained by the WVU Cancer Institute to conduct a comprehensive economic impact study measuring both current impacts and projected impacts in FY35 following achievement of National Cancer Institute designation. Beyond its role as a clinical and research leader, the WVU Cancer Institute represents a critical statewide asset with the potential to strengthen West Virginia's economy. This analysis provides policymakers, healthcare leaders, and community stakeholders with a data-driven evaluation of how investments in cancer care, research, education, and outreach generate measurable returns in employment, tax revenue, innovation, and improved population health.

The study, initiated in Fall 2025, involved close collaboration between WVU Cancer Institute and Tripp Umbach, drawing on the firm's national experience with existing and aspiring NCI- Designated Cancer Centers. WVU Cancer Institute provided primary data for FY25 and projections for FY35, including capital investments, operating budgets, employment, research activity, and patient volumes. This was supplemented with secondary data such as tax information, demographics, and regional economic indicators to support a comprehensive analysis.

Using IMPLAN economic modeling, Tripp Umbach estimated the direct, indirect, and induced impacts of current operations and future expansion. The analysis measured total economic output, employment, and tax revenue associated with both operations and construction, while also assessing broader community benefits, including improved access to care, cost savings from in state treatment, research growth, and potential commercialization activity.

Please see Appendix A for a detailed methodology.

[4] Tripp Umbach is a national leader in economic impact analysis, serving nonprofits, universities, hospitals, medical schools, and cancer centers. Since 1990, the firm has completed studies for more than 1,000 clients nationwide, including NCI-Designated Cancer Centers in Ohio, Pennsylvania, Virginia, North Carolina, New Jersey, New York, and Arizona.


SANDWICH


WVUCancerInstitute
PLANAR
WVUMedicine
FOUNDATION
GRATEFUL PATIENTS, FAMILIES AND FRIENDS

A Transformational Opportunity for West Virginia

The WVU Cancer Institute is one of West Virginia's most significant economic and social assets, integrating advanced research, clinical care, workforce training, and community outreach to improve health outcomes while generating measurable economic returns for the state. In partnership with the WVU Health Sciences Center, the Institute serves as a statewide hub for training physicians, nurses, pharmacists, public health professionals, and biomedical scientists, strengthening the healthcare workforce, increasing in-state earnings, and reducing reliance on recruiting specialists from outside West Virginia.

As the Institute continues to grow, particularly through the expansion of residencies and fellowships, it will play an even greater role in addressing workforce shortages, especially in rural and underserved communities. These efforts not only improve access to care and early detection services but also generate economic activity through clinical services, research, and job creation across the healthcare sector.

This report examines the full scope of the WVU Cancer Institute's impact on West Virginia's economy and communities. Through its clinical operations, research enterprise, workforce development, and statewide outreach, the Institute drives economic activity while advancing its mission to improve health outcomes. The following analysis quantifies these impacts across key areas, including economic output, employment, tax revenue, research activity, patient retention, visitor spending, and long-term workforce and innovation effects, providing a comprehensive view of its role in supporting both economic growth and public health.

Impact of WVU Cancer Institute FY25 and FY35

Economic Impact

In FY25, the WVU Cancer Institute generated **$880.7 million** in total economic impact across West Virginia. Direct spending, including operations, salaries, capital investments, and research activity, totaled $341.3 million, while indirect and induced effects contributed an additional $539.4 million, reflecting the strong ripple effects of the Institute's presence as employees and affiliated activity circulate throughout the state's economy.

Looking ahead, as the Institute advances toward NCI designation and reaches maturity, total economic impact is projected to grow to **$1.2 billion** by FY35, representing a 36% increase. Direct spending is expected to rise to $463.9 million, with indirect and induced impacts contributing $736.1 million, driven by expanded clinical services, research activity, and workforce growth.

The WVU Cancer Institute already plays a central role in driving growth across healthcare, education, research, and related industries. Achieving NCI designation will significantly expand its research enterprise, increasing capacity for high-skill jobs, laboratory development, and clinical trial infrastructure. Research expenditures are projected to grow from **$2.6 million** in FY25 to **$16.1 million** by FY35, strengthening West Virginia's position in biomedical research and innovation - an increase of more than six times over the period.

FY25 — **FY35**

$880.7 million — $1.2 billion

Employment Impact

In FY25, the WVU Cancer Institute supported a total of **8,688 jobs** across West Virginia, including both direct employment and broader economic effects. This includes 1,061 faculty, researchers, and staff employed by the Institute, as well as 7,627 additional jobs supported through indirect and induced activity in sectors such as healthcare, research, construction, retail, and hospitality. The Institute's operational spending, capital investments, and payroll, combined with employee spending throughout the state, generate sustained employment and contribute to workforce stability across West Virginia.

By FY35, as the WVU Cancer Institute expands and advances toward NCI designation, total employment impact is projected to grow to **11,184 jobs** statewide. Direct employment is expected to increase to 1,355 positions, including physicians, research scientists, advanced practice providers, clinical staff, and administrative personnel. In addition, 9,829 jobs are projected to be supported through indirect and induced effects across the broader economy. These positions span healthcare services, biomedical research, construction and facilities development, professional services, and community-based sectors such as retail and hospitality.

This growth reflects the Institute's expanding clinical operations, increased research activity, and continued infrastructure investment, reinforcing its role as a major employer and a key driver of economic opportunity across the state.

FY25	FY35
8,688 jobs	11,184 jobs

Tax Impact

The WVU Cancer Institute is a significant contributor to state and local tax revenues, supporting public services, infrastructure, and community development across West Virginia. In FY25, the Institute generated **$62.1 million** in total state and local tax revenue through direct payments, including payroll, property, and business taxes, as well as additional revenues generated through indirect and induced economic activity.

By FY35, Tripp Umbach estimates that the WVU Cancer Institute will generate **$78.9 million** in annual state and local tax revenue, reflecting continued growth in operations, research, and employment.

FY25	FY35
$62.1 million	$78.9 million

Impact of Research FY25 and FY35

Research Impact

WVU Cancer Institute's research enterprise is a growing driver of economic and scientific impact in West Virginia, supporting high-skill jobs, strengthening supplier networks, and attracting external funding. In FY25, research expenditures totaled $2.6 million and generated an estimated **$4.2 million** in economic impact, supporting **100 jobs** and producing **$266,562** in state and local tax revenue.

This activity is closely aligned with WVU's broader research enterprise. In FY25, the state received approximately $50.3 million in NIH funding, which supported **642 jobs** and generated **$140.5 million** in total economic impact, highlighting the strong multiplier effects of federally funded research.[5]

Achieving NCI designation will position WVU Cancer Institute to significantly expand research funding, clinical trials, and commercialization activity. By FY35, annual research expenditures are projected to reach **$16.1 million**, generating **$26.1 million** in economic impact, supporting **237 jobs**, and producing more than **$1 million** in state and local tax revenue. This growth will be driven by increased federal funding, industry partnerships, and philanthropic investment - representing six times increase in impact over the 10-year period.

Over the long term, expanded research capacity is expected to bring substantial new external funding into West Virginia, supporting high-wage employment and strengthening the state's position in the national biomedical research economy.

Impact of Research Commercialization

Beyond the direct economic impact of research spending, WVU Cancer Institute's expanding research portfolio is expected to drive innovation-based economic development through technology commercialization and startup formation. As discoveries move from the laboratory to the marketplace, they have the potential to create new companies, attract investment, and strengthen West Virginia's position in the bioscience economy.

West Virginia's bioscience sector already provides a foundation for growth, supporting **5,708 jobs** across 764 companies in 2025. By 2035, WVU Cancer Institute's expanding research ecosystem is expected to support the creation of oncology-focused startups in areas such as drug development, molecular diagnostics, medical devices, and health data analytics. These companies will generate high-wage jobs while attracting external capital, research partnerships, and broader supply chain activity.

The impact of commercialization is amplified by strong multiplier effects. National data show that each job in the biopharmaceutical sector supports an additional 3.7 jobs across the economy, meaning even a small number of successful startups can drive meaningful statewide job growth.

As research advances in areas such as immunotherapy, precision diagnostics, and digital health, WVU Cancer Institute is expected to generate new patents, licensing opportunities, and industry partnerships. With continued investment in technology transfer and entrepreneurial support, these innovations can translate into scalable businesses that retain talent, attract new companies, and diversify the state's economy. Over time, this pipeline positions WVU Cancer Institute as both a leader in cancer care and a catalyst for long-term economic growth in West Virginia.

[5] https://www.unitedformedicalresearch.org/nih-pdf/?state-id=551

Impact of Visitors
FY25 and FY35

Inpatient and Outpatient Visitors

The WVU Cancer Institute plays a critical role in strengthening West Virginia's economy by retaining healthcare spending within the state while also attracting patients from outside the region. As an academic medical center, it serves as an economic anchor and a healthcare magnet, drawing patients who bring new dollars into the state economy.

In FY25, the Institute provided inpatient care to 32,798 individuals, including 5,636 patients from outside West Virginia. These out of state patients generate economic inflow not only through healthcare services but also through spending by accompanying family members on lodging, dining, transportation, and retail. Tripp Umbach estimates that inpatient care and related visitor activity generated **$37.3 million** in economic impact, supporting **354 jobs** and **$3.1 million** in state and local tax revenue.

Outpatient services represent the largest volume of activity and the greatest source of visitor-related economic impact. In FY25, WVU Cancer Institute recorded 1.6 million outpatient visits, including 258,152 visits from out-of-state patients. These visits often involve multiple trips for consultations, treatment, and follow-up care. As a result, outpatient activity generated an estimated **$253.1 million** in economic impact, supporting **2,213 jobs** and **$20.4 million** in taxes.

Patient volumes are expected to increase as the Institute expands its clinical programs and national reputation. By FY35, inpatient admissions are projected to approach 40,000 annually, including 6,871 patients from outside West Virginia. These patients and their visitors are expected to generate **$45.4 million** in economic impact, support **423 jobs**, and produce **$1.8 million** in state and local tax revenue.

Outpatient visits are projected to increase to nearly 2.0 million annually by FY35, with approximately 314,685 visits from out-of-state patients. This continued growth will further establish WVU Cancer Institute as a regional destination for advanced cancer care. By FY35, outpatient activity and associated visitor spending are projected to generate **$308.7 million** in economic impact, support **2,698 jobs**, and produce **$24.8 million** in state and local tax revenue.

Together, these trends reinforce WVU Cancer Institute's role as both a healthcare leader and a driver of economic growth, bringing new revenue into West Virginia and supporting jobs across the healthcare and service sectors.

Visitors for Conferences and Meetings

Beyond delivering cancer care and advancing research, the WVU Cancer Institute generates economic activity through conferences, professional meetings, and educational programs that attract visitors from outside West Virginia. These events bring physicians, researchers, and industry leaders to Morgantown and other Institute locations, strengthening the state's visibility as a center for cancer research while generating spending for hotels, restaurants, transportation providers, and local businesses.

In FY25, the WVU Cancer Institute hosted 23 conferences and meetings, drawing 2,875 attendees and supporting a range of professional education programs and research symposia. Based on average out-of-town attendee spending, these events generated approximately **$204,076** in total economic impact for West Virginia.

As the Institute expands its national profile and research portfolio, conference activity is expected to grow. By FY35, the WVU Cancer Institute is projected to host approximately 50 events annually, attracting an estimated 7,500 participants. This increased out-of-town visitation is expected to generate approximately **$489,783** in total economic impact, further reinforcing the Institute's role as a destination for professional education, research collaboration, and knowledge exchange while supporting West Virginia's economy.

Impact of Societal Value and Cost Savings – FY35

Advancing the WVU Cancer Institute toward National Cancer Institute designation will generate meaningful cost savings while delivering significant social benefits across West Virginia. Expanding in-state cancer care reduces the need for patients to travel out of state for specialized treatment, lowering expenses related to transportation, lodging, lost wages, and higher out-of-state care costs. Keeping patients closer to home also reduces financial strain on families and improves continuity of care.

Earlier access to screening, diagnosis, and advanced treatment leads to better outcomes and lower overall healthcare costs, as cancers identified at earlier stages typically require less intensive and less expensive care. Expanded access to clinical trials further enhances care options while reducing delays in treatment. At a system level, retaining patients in state reduces uncompensated care, strengthens local healthcare providers, and keeps healthcare spending within West Virginia's economy.

These investments also deliver important social impacts. Improved access to care enhances health equity, particularly for rural and underserved populations. Patients can remain close to their families and support systems, improving quality of life during treatment and recovery. Over time, better outcomes and increased survivorship allow more individuals to remain active in the workforce and their communities, contributing to the long-term health and economic vitality of the state.

Cancer Mortality Rates in West Virginia Exceed National Averages

Beyond economic measures, the most meaningful impact of the WVU Cancer Institute will be seen in improved health outcomes and lives saved. West Virginia faces one of the highest cancer burdens in the nation, driven by factors such as high tobacco use, limited access to care, and persistent socioeconomic challenges. Expanding in-state cancer care and research capacity is critical to addressing these disparities.

In 2025, an estimated 13,250 West Virginians were diagnosed with cancer, and approximately 4,750 died from the disease. This corresponds to an age adjusted mortality rate of 211.4 per 100,000 for males and 152.5 per 100,000 for females, both significantly higher than the national averages of 173.2 and 126.4, respectively.

Cancer incidence and mortality rates in West Virginia also exceed those of neighboring states, aside from Kentucky, across nearly all major cancer types, underscoring the urgent need to strengthen early detection, expand access to treatment, and improve outcomes statewide (see Table 1).[6]

Table 1. Annual Cancer Incidence and Mortality – West Virginia vs. Nearby States

Location	New Cancer Cases (annual)	Cancer Deaths (annual)	Age-Adjusted Mortality per 100K (male)	Age-Adjusted Mortality per 100K (female)
Kentucky	30,420	10,330	215.1	153.0
West Virginia	13,250	4,750	211.4	152.5
Ohio	77,010	24,440	194.2	137.8
Pennsylvania	90,240	27,500	182.2	131.6
Virginia	50,510	16,280	176.0	127.5
Maryland	37,200	10,780	167.2	124.8
United States	2,041,910	618,120	173.2	126.4

Access challenges further compound this burden. A 2025 JAMA Network Open study identified West Virginia as one of the states with the highest rates of out-of-state cancer care, with at least **21.6% of services delivered outside the state**. Nationally, only **6.9%** of cancer care occurs across state lines, with rural patients significantly more likely to travel for treatment. These trends highlight the importance of expanding in-state capacity to improve access, reduce travel burdens, and ensure timely, high-quality care for West Virginians.[7]

[6] Siegel, R. L., Giaquinto, A. N., & Jemal, A. (2025). Cancer statistics, 2025. CA: A Cancer Journal for Clinicians. https://doi.org/10.3322/caac.21871

[7] Moen EL, Wang Q, Liu L, Wang F, Tosteson ANA, Smith RE, Cowan L, Onega T. Cross-State Travel for Cancer Care and Implications for Telehealth Reciprocity. JAMA Netw Open. 2025 Feb 3;8(2): e2461021. doi: 10.1001/jamanetworkopen.2024.61021. PMID: 39982726; PMCID: PMC11846006.

Economic Impact of Improved Cancer Survival

An important long-term impact of the WVU Cancer Institute will be improved cancer survival and quality of life for West Virginians. As the Institute expands its efforts in prevention, early detection, advanced treatment, and survivorship care, the state is expected to see measurable improvements in cancer outcomes over the coming decade.

By strengthening screening programs, increasing access to clinical trials, and delivering coordinated, multidisciplinary care, WVU Cancer Institute is well-positioned to improve survival across multiple cancer types. Evidence from other states shows that comprehensive cancer centers contribute to earlier diagnosis, more effective treatment, and better long-term outcomes. Access to clinical trials further enhances survival by providing patients with innovative therapies and highly coordinated care.

Even modest improvements in cancer mortality can generate significant benefits. A 10% reduction in West Virginia's age-adjusted cancer mortality rate over the next decade would save approximately 475 lives each year. Earlier detection and improved treatment also extend life expectancy. Assuming an average of 10 additional years of life per patient, the societal value of these gains is substantial. Using a federal benchmark of $495,000 per life year, this equates to approximately **$2.4 billion** in **annual** societal value.

These benefits extend beyond healthcare. Individuals who survive cancer or live longer with improved quality of life continue to contribute to their communities, remain in the workforce, and support their families. At the same time, earlier diagnosis and more effective treatment reduce the long-term costs associated with advanced disease, disability, and lost productivity, strengthening both the health and economic future of West Virginia.

Cost Savings from Lowering Patient Outmigration

This health crisis is further compounded by the economic impact of patient outmigration for cancer care. Without an NCI-Designated Cancer Center, many West Virginians travel out of state for specialized treatment, advanced procedures, and access to clinical trials, resulting in a loss of healthcare spending from the state's economy.

WVU Cancer Institute is helping to reverse this trend by providing advanced, high-quality care closer to home. In FY25, more than 27,000 inpatient admissions were delivered to West Virginia residents, representing substantial healthcare spending retained within the state. The economic value of retaining these patients is significant. The National Cancer Institute estimates that the national patient economic burden of cancer care is $21.09 billion, including $4.87 billion in patient time costs alone. This equates to approximately $5,480 in total out of pocket costs per patient nationwide.

Based on WVU Cancer Institute's patient volumes, this translates to an estimated $147.9 million in cost savings for West Virginia families in FY25, while also reducing the financial and personal burden associated with traveling out of state for care.

Healthcare Costs Savings by FY35

By FY35, this impact is expected to grow as more than 33,000 West Virginia residents receive inpatient care annually. With National Cancer Institute designation, more patients will be able to remain close to home, reducing travel burdens and expanding access to advanced therapies and clinical trials. Tripp Umbach estimates that keeping patients in state saves approximately $5,480 per patient in avoided travel, lodging, lost wages, and higher out-of-state care costs, resulting in **$180.8 million** in total savings for West Virginia families.

Beyond these direct savings, retaining patients also strengthens the state's healthcare economy. Research indicates that each patient treated in state can generate approximately $41,800 in additional economic activity.[8] As WVU Cancer Institute expands, an estimated 5,945 additional West Virginia patients are expected to remain in state for care by FY35, resulting in more than **$248.5 million** in retained economic activity.

Together, these impacts demonstrate how expanding in-state cancer care improves access and outcomes while keeping healthcare dollars within West Virginia and supporting long-term economic growth.

[8] https://pmc.ncbi.nlm.nih.gov/articles/PMC6804875/pdf/JCO.19.00175.pdf

FY26-FY31
Construction Impact

Achieving NCI designation requires significant investment in advanced clinical, research, and support infrastructure. Planned new and renovated cancer facilities represent one of the largest healthcare infrastructure initiatives in West Virginia's history and reflect a long-term commitment to strengthening cancer care and research capacity statewide. These investments will position West Virginia as a more competitive destination for federal research funding, top-tier clinicians, and cutting-edge clinical trials, while also serving as a catalyst for broader economic development and community revitalization.

From FY26 through FY31, WVU Medicine is projected to invest approximately $854.7 million in capital projects and equipment across its statewide network. Major investments include $625.1 million across the J.W. Ruby Memorial Hospital and Fairmont Medical Center markets, $129.9 million at Wheeling Hospital, $36.5 million at Princeton Community Hospital, $18.0 million at Thomas Memorial Hospital, $12.0 million at Weirton Medical Center, $12.0 million at Garrett Radiation Oncology, $10.0 million at Summersville Regional Medical Center, $5.8 million at Jackson General Hospital, $3.5 million at United Hospital Center, and approximately $922,748 at Berkeley Medical Center.

These investments will generate substantial economic activity throughout West Virginia, supporting construction firms, skilled trades, architects, engineers, manufacturers, suppliers, and transportation providers. Beyond the direct expenditures, indirect and induced effects are projected to generate an additional $445.3 million in economic activity, bringing the total statewide construction-related impact to approximately **$1.3 billion**. Overall, these projects are expected to support **10,151 jobs** and generate approximately **$53.7 million** in state and local tax revenue during the construction period.

The economic impacts of these investments include:

J.W. Ruby Memorial Hospital and Fairmont Medical Center
$625.1 million in investment generating **$983.4 million** in economic impact, supporting **7,431 jobs**, and producing **$39.3 million** in state and local tax revenue.

Wheeling Hospital
$129.9 million in investment generating **$204.5 million** in economic impact, supporting **1,545 jobs**, and producing **$8.2 million** in state and local tax revenue.

Princeton Community Hospital
$36.5 million in investment generating **$57.4 million** in economic impact, supporting **434 jobs**, and producing **$2.3 million** in state and local tax revenue.

Thomas Memorial Hospital
$18.0 million in investment generating **$28.3 million** in economic impact, supporting **214 jobs**, and producing **$1.1 million** in state and local tax revenue.

Weirton Medical Center
$12.0 million in investment generating **$18.9 million** in economic impact, supporting **143 jobs**, and producing **$755,162** in state and local tax revenue.

Garrett Radiation Oncology
$12.0 million in investment generating **$18.9 million** in economic impact, supporting **143 jobs**, and producing **$756,470** in state and local tax revenue.

Summersville Regional Medical Center
$10.0 million in investment generating **$15.7 million** in economic impact, supporting **119 jobs**, and producing **$629,302** in state and local tax revenue.

Jackson General Hospital
$5.8 million in investment generating **$9.1 million** in economic impact, supporting **69 jobs**, and producing **$364,995** in state and local tax revenue.

United Hospital Center
$3.5 million in investment generating **$5.5 million** in economic impact, supporting **42 jobs**, and producing **$220,256** in state and local tax revenue.

Berkeley Medical Center
$922,748 in investment generating **$1.5 million** in economic impact, supporting **11 jobs**, and producing **$58,068** in state and local tax revenue.

While these construction-related impacts are temporary, their significance is both immediate and long term. In the short term, they provide a major economic stimulus through job creation, business activity, and tax revenue generation. Over the long term, these investments establish the foundation for sustained growth in cancer care, biomedical research, and innovation. Expanded and modernized facilities will support increased research activity, expanded clinical services, and greater participation in national research networks, ultimately improving patient outcomes while strengthening West Virginia's position as a leader in cancer care and discovery.

Appendix A: Methodology

Tripp Umbach estimated the economic impact of the WVU Cancer Institute using IMPLAN, an econometric modeling system developed by applied economists at the University of Minnesota and the U.S. Forest Service. The IMPLAN modeling system has been used since 1979 and is currently used by thousands of university research centers and government agencies. The IMPLAN modeling system combines the U.S. Bureau of Economic Analysis' Input-Output Benchmarks with other data to construct quantitative models of trade flow relationships between businesses and between businesses and final consumers. From this data, one can examine the effects of changes in one or several economic activities to predict their impact on a specific state, regional, or local economy (impact analysis). The IMPLAN input-output accounts capture all monetary market transactions for consumption in each time period, using industry survey data collected periodically by the U.S. BEA and following a balanced account format recommended by the United Nations.

Each industry that produces goods or services generates demand for other goods and services. This demand is multiplied through a particular economy until it dissipates through "leakage" to economies outside the specified area. IMPLAN's Regional Economic Accounts and the Social Accounting Matrices were used to construct state-level multipliers that describe the state economy's response to changes in demand or production driven by the Cancer Institute's activities and expenditures. IMPLAN models identify and calculate leakage from local, regional, and state economic areas based on workforce composition, the inputs required by specific types of businesses, and the availability of those inputs within each economic region. Consequently, economic impacts that accrue to other regions or states because of a change in demand are not counted as impacts within the economic area.

The model accounts for substitution and displacement effects by deflating industry-specific multipliers to levels well below those recommended by the U.S. Bureau of Economic Analysis. In addition, multipliers are applied only to personal disposable income to obtain a more realistic estimate of the multiplier effects of increased demand. Importantly, IMPLAN's Regional Economic Accounts exclude imports to an economic area, so the calculation of economic impacts identifies only those specific to the economic impact area, in this case, the state of West Virginia. IMPLAN calculates this distinction by applying Regional Purchase Coefficients (RPC) to predict regional purchases based on an economic area's particular characteristics. The RPC represents the proportion of goods and services purchased regionally under normal circumstances, based on the area's economic characteristics, as reflected in actual trade flows.

Appendix B: Tripp Umbach

Tripp Umbach is the national leader in providing economic impact analysis to leading healthcare organizations and academic health centers. The firm has completed more than 500 economic impact studies for clients such as Mayo Clinic Rochester, Cleveland Clinic, University of Florida Shands HealthCare, and Ohio State University Medical Center. Besides working on multiple occasions for the six NCI-Designated Cancer Centers in Pennsylvania, Tripp Umbach has completed statewide studies for institutions in Ohio, Virginia, South Carolina, Wisconsin, and Minnesota. Tripp Umbach has also completed national studies since 1995 of all U.S. medical schools and teaching hospital affiliates for the Association of American Medical Colleges.

Tripp Umbach has also completed economic impact studies for cancer centers such as LSU Feist-Weiller Cancer Center, the CURE Funding for PA Cancer Alliance, The Wistar Institute, UNC Lineberger Comprehensive Cancer Center, Ohio State University's James Cancer Hospital and Solove Research Institute, Penn State Cancer Institute, and UPMC Hillman Cancer Center.

Tripp Umbach
Turning Ideas Into Action

trippumbach.com

West Virginia University Cancer Institute

Hannah W. Hazard-Jenkins, MD FACS

Director, WVU Cancer Institute

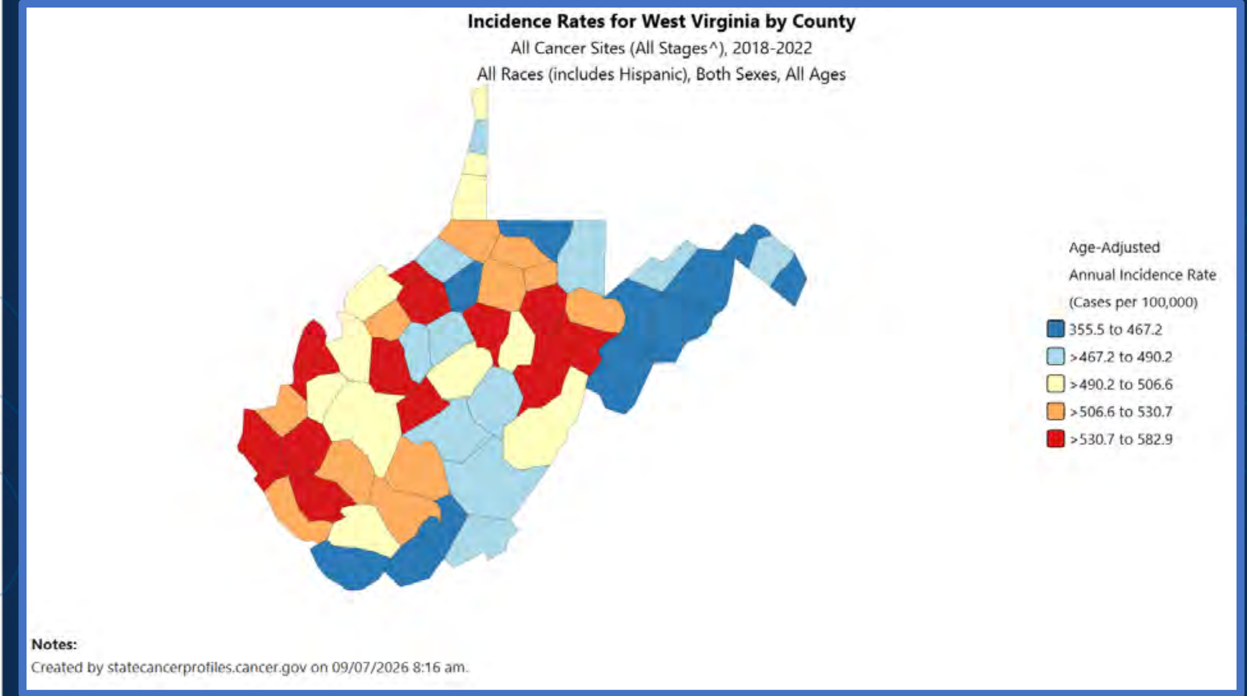
WVU Cancer Institute™

Our Purpose & Methodology

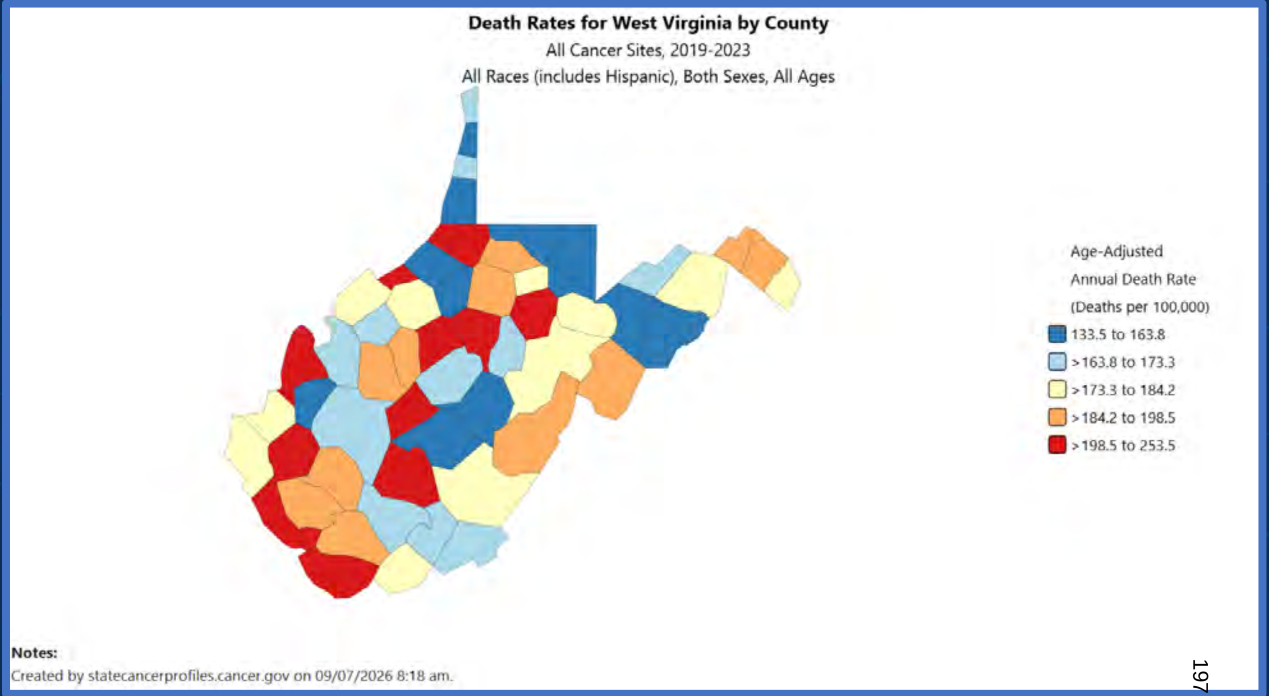
WVU Cancer Institute

WV Cancer Statistics 2018-2022

Incidence

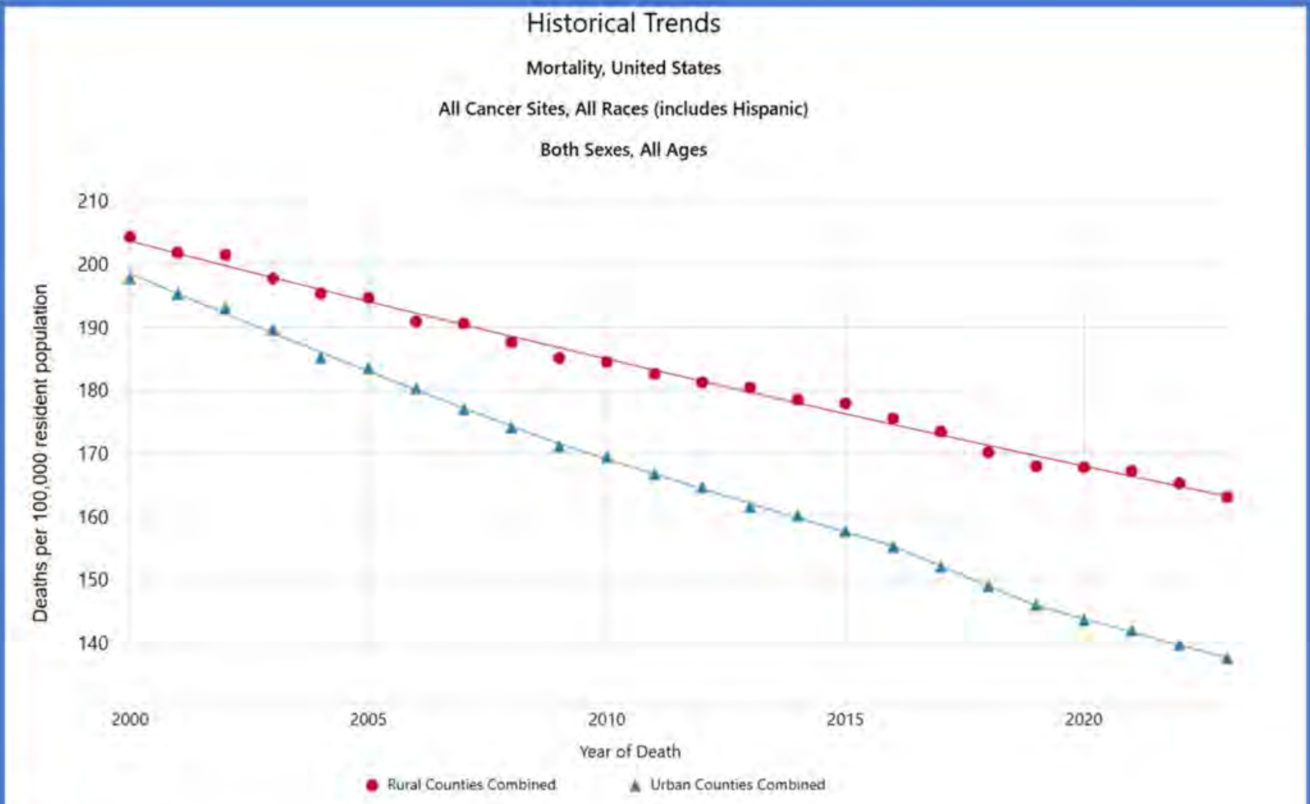


Mortality



WVU Cancer Institute

2025:
Cancer Mortality Trends Urban v. Rural



Notes:
Created by statecancerprofiles.cancer.gov on 03/19/2026 2:29 pm.

Source: Death data provided by the National Vital Statistics System public use data file. Death rates calculated by the National Cancer Institute using SEER*Stat. Death rates (deaths per 100,000 population per year) are age-adjusted to the 2000 US standard population (20 age groups: (population shifts due to hurricanes Katrina and Rita for 62 counties and parishes in Alabama, Mississippi, Louisiana, and Texas. US Population Data File is used with mortality data.

Puerto Rico is treated as urban because over 90% of the population lives in urban areas.

The APC is the Annual Percent Change over the time interval. Rates used in the calculation of the APC are age-adjusted to the 2000 US standard population (mortality data and incidence data for SEER areas use 20 age groups while incidence data for NPCR areas use 19 age groups).

Rural-urban county classifications are based on the 2023 USDA Rural-Urban Continuum Codes (except for Connecticut Counties which use 2013 codes). State-level cancer rates for rural areas are calculated using cancer cases registered exclusively in rural counties, while state-level cancer rates for urban areas are calculated using cases registered exclusively in urban counties.

Due to data availability issues, the time period used in the calculation of the joinpoint regression model may differ for selected racial groups or counties.

WVU Cancer Institute

Barriers To Care

- Geographic isolation & rurality
- Healthcare literacy
- Socioeconomic disadvantage & financial toxicity
- Delayed screening and diagnosis
- Limited clinical trial participation
- Broadband and telehealth gap
- Fragmented healthcare

WVUCancerInstitute™

Financial Toxicity & Cancer Outcomes

- 40% of personal bankruptcies are tied to medical debt
- A cancer diagnosis is associated with a 2.65 x greater likelihood of declaring personal bankruptcy
- They found that those cancer patients who declared bankruptcy had a 79% greater mortality risk than those who had not

WVUCancerInstitute

Impact of Cancer in West Virginia

- **Public health crisis**
- **Barrier to economic prosperity**
- **Negative economic consequences**
    - Foregone income
    - Medical expenses
    - Multiplier effect
- **Following information is based upon West Virginians who died of cancer between 2018-2022**

Economic Impact Report, 2025

Direct Wage & Salary Income Losses

Cancer Site	Deaths, Under Age 55	Deaths, Ages 55 - 64	Working Years Lost, Under Age 55	Working Years Lost, Ages 55 - 64	Foregone Income ($, Millions)
Female Breast	222	284	2,222	1,420	211.6
Prostate	12	87	120	435	32.4
Lung and Bronchus	288	1,268	2,880	6,340	537.0
Colon and Rectum	273	416	2,730	2,080	280.1
Uterine	29	73	290	365	37.9
Blood	166	249	1,660	1,245	169.2
Melanoma	43	59	430	295	42.2
Bladder	16	64	160	320	28.0
Kidney and Pelvis	44	96	440	480	53.5
Thyroid	4	8	40	40	4.6
Pancreas	95	283	950	1,415	137.5
Liver and Bile Duct	60	201	600	1,005	93.2
Brain	115	125	1,150	625	103.0
Other	271	498	2,710	2,490	302.8
Total	1,639	3,709	16,390	18,545	2,033.2

Source: U.S. Centers for Disease Control and Prevention, National Cancer Institute, and authors' calculations.

Foregone SSI Income

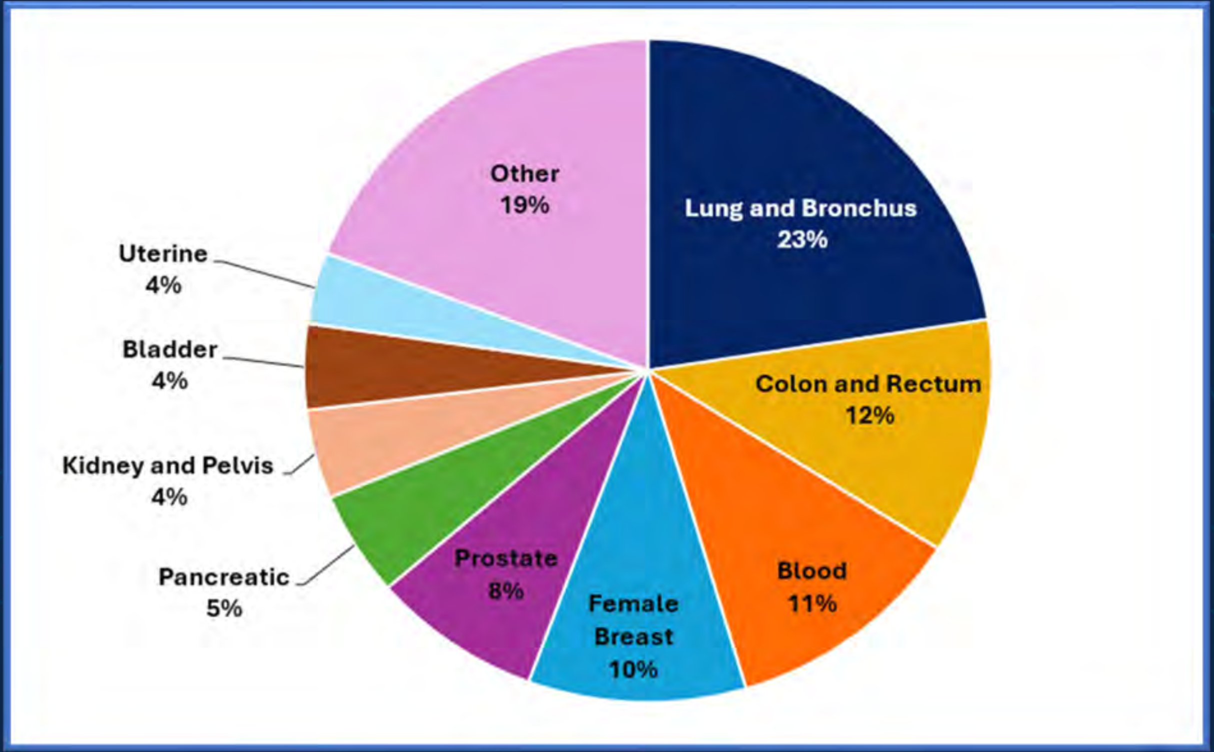
Cancer Site	Deaths, Over Age 65	Deaths, Ages 55 - 64	SS Income Years Lost, Over Age 65	SS Income Years Lost, Ages 55 - 64	Foregone Income ($, Millions)
Female Breast	935	284	4,301	1,420	130.3
Prostate	912	87	4,195	435	105.5
Lung and Bronchus	5,159	1,268	23,731	6,340	684.9
Colon and Rectum	1,464	416	6,734	2,080	200.8
Uterine	255	73	1,173	365	35.0
Blood	1,678	249	7,719	1,245	204.2
Melanoma	244	59	1,122	295	32.3
Bladder	565	64	2,599	320	66.5
Kidney and Pelvis	384	96	1,766	480	51.2
Thyroid	40	8	184	40	5.1
Pancreas	1,153	283	5,304	1,415	153.0
Liver and Bile Duct	630	201	2,898	1,005	88.9
Brain	323	125	1,486	625	48.1
Other	1,451	498	6,675	2,490	208.7
Total	15,193	3,711	69,888	18,555	2,014.5

Source: U.S. Centers for Disease Control and Prevention, National Cancer Institute, and authors' calculations.

WVU Cancer Institute

Medical Expenses Associate with Cancer

Cancer Site	Medical Expense per Person ($)	New Cases Annually (2017-2021)	Total Medical Expenses ($, Millions)
Female Breast	143,413	1566	224.6
Prostate	131,299	1336	175.4
Lung and Bronchus	238,891	2067	493.8
Colon and Rectum	228,861	1100	251.7
Uterine	169,725	453	76.9
Blood	289,212	861	249.0
Melanoma	112,803	555	62.6
Bladder	161,128	569	91.7
Kidney and Pelvis	182,230	522	95.1
Thyroid	170,637	319	54.4
Pancreas	314,831	355	111.8
Liver and Bile Duct	216,617	221	47.9
Brain	417,343	148	61.8
Other	243,290	799	194.4
Total	-	10,871	2,191.1



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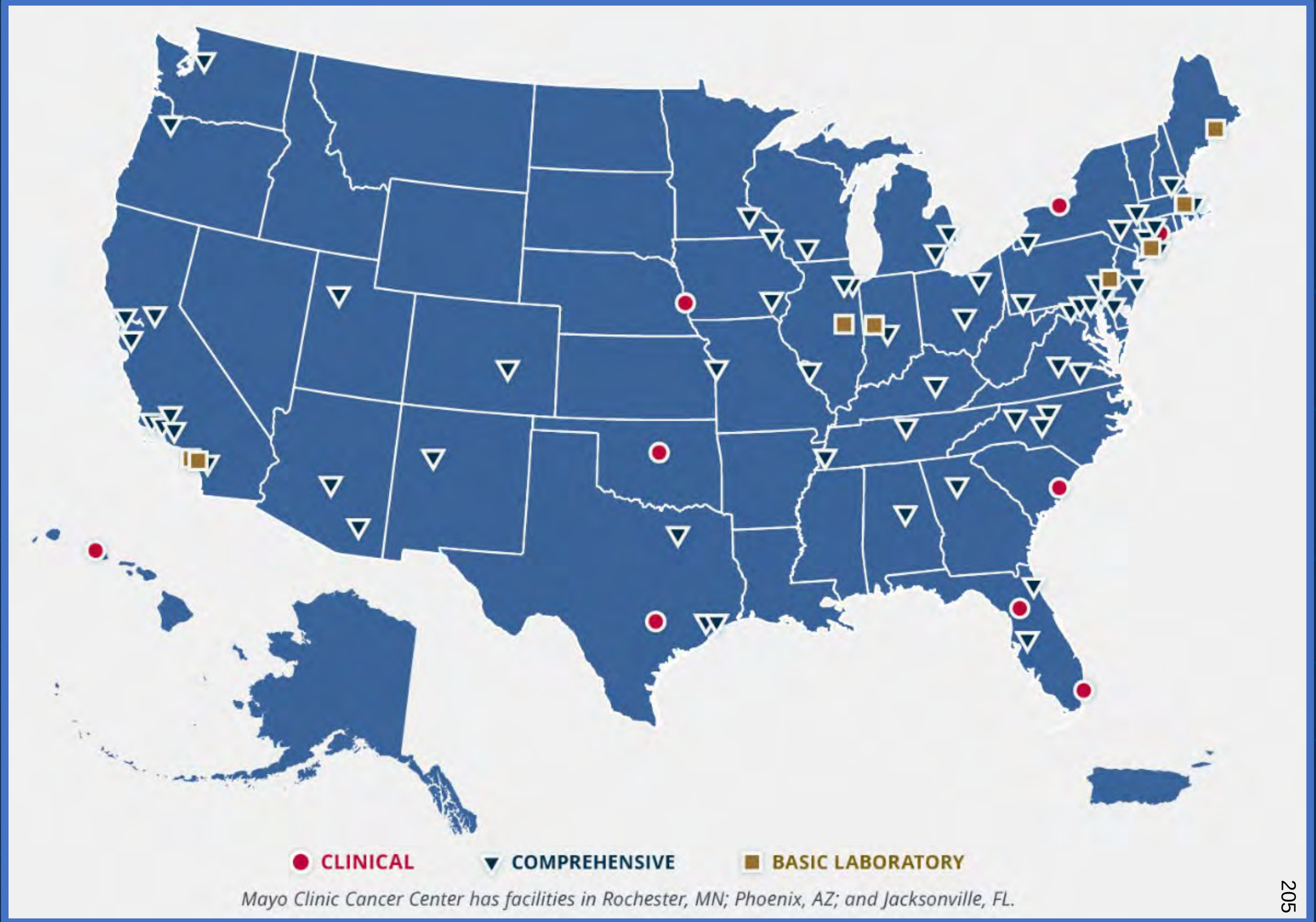
Cost Summary

- WV is foregoing over $3B in total spending cumulatively over the current decade
- Overall income of WV would be nearly $5B higher over current decade
- State & local government would have received >$200M in additional tax revenue cumulatively of the current decade
- Loss of 5,000 more jobs

WVU Cancer Institute

National Cancer Institute (NCI) Designation

West Virginia is one of only six eastern states *without* an NCI Designated Cancer Center



WVUCancerInstitute

Why It Matters

Research

Stronger research • More trials • Faster translation

Patients

Better access • Earlier detection • Better treatments

West Virginia

Talent • Innovation • Economic impact • Healthier communities

WVU Cancer Institute

SOCIETAL VALUE

Lives, Savings & Societal Value by FY35

NCI designation delivers measurable benefits for West Virginia.

West Virginia's Cancer Burden

13,250 diagnosed · 4,750 deaths annually

Mortality: 211.4/100K (male) vs. 173.2 national

21.6% receive out-of-state care

Impact of NCI Designation

$2.4B annual societal value (10% mortality reduction)

$180.8M family cost savings

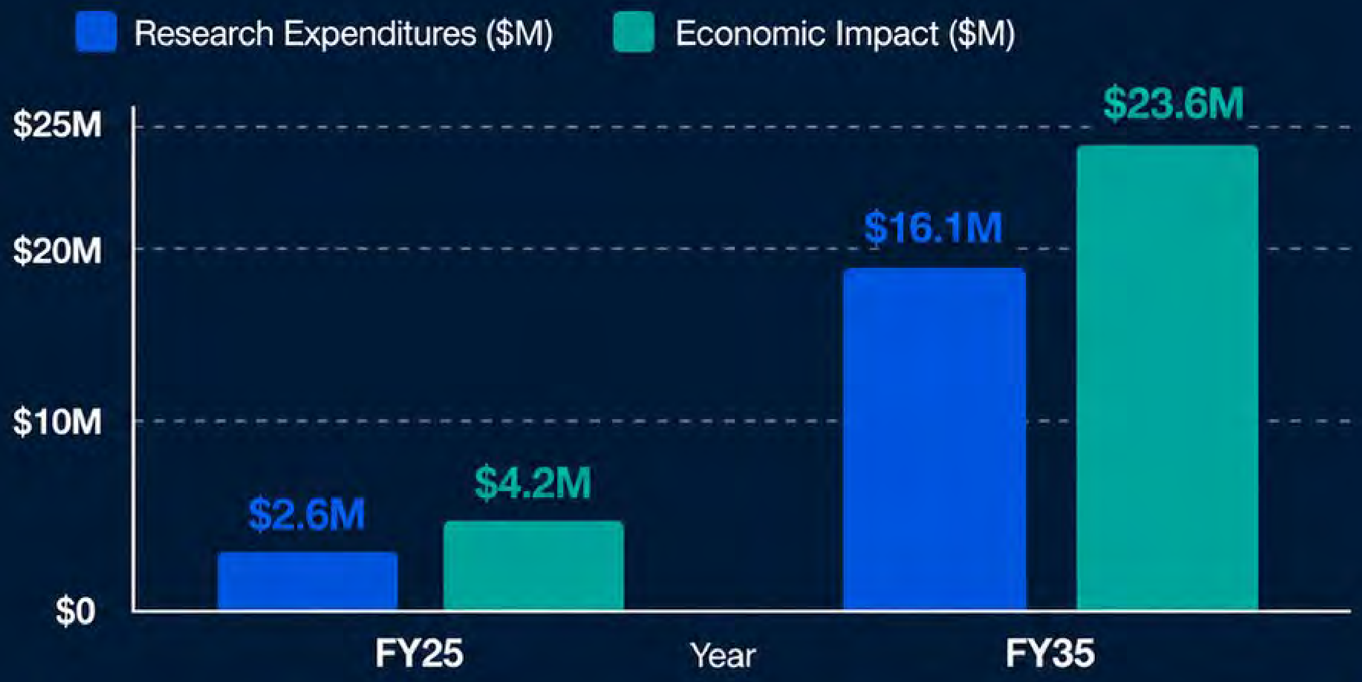
$248.5M retained in-state economic activity

WVU Cancer Institute

RESEARCH IMPACT

Research: From $2.6M to $16.1M

NCI designation accelerates research investment, innovation and economic growth.



Research expenditures grow 6× by FY35,
driving greater economic impact for West Virginia.

NCI Designation Unlocks

Federal funding, industry partnerships & philanthropy

237 jobs by FY35
(up from 100)

Oncology startups in diagnostics, devices & data analytics

Each biopharma job supports
3.7 additional jobs

WVU Cancer Institute

WVU Cancer Institute: Statewide Economic Impact

FY25 → FY35 Projected Impact at NCI Designation Maturity

	FY25 Current Impact	→	FY35 Projected Impact at NCI Designation Maturity	Projected Growth
Economic Impact Direct + Indirect	**$880.7M** $341.3M direct • $539.4M indirect	→	**$1.2B** 36% increase from FY25	**+36%**
Jobs Supported Direct + Indirect	**8,688** 1,061 direct • 7,627 indirect	→	**11,184** 1,355 direct • 9,829 indirect	**+29%**
Tax Revenue State & Local Taxes	**$62.1M** State & local taxes generated	→	**$78.9M** Annual state & local taxes	**+27%**
Societal Value Improved Survival	–	→	**$2.4B** Annual value from improved survival	–

FY25 Additional Impact: $32.4M in family cost savings through reduced out-of-state care burden

FY25 research ($4.2M) and visitor ($290.6M) impacts are included in the $880.7M total.

WVU Cancer Institute

FY26–FY31

Construction Impact: $1.3 Billion Investment

J.W. Ruby / Fairmont

$625.1M Investment

~4,966 jobs supported

~$26.2M tax revenue

Wheeling Hospital

$129.9M Investment

~1,031 jobs supported

~$5.4M tax revenue

Princeton Community

$36.5M Investment

~290 jobs supported

~$1.5M tax revenue

Thomas Memorial

$18.0M Investment

~143 jobs supported

~$0.8M tax revenue

Other Sites

$45.2M Investment

~359 jobs supported

~$1.9M tax revenue

Statewide Construction Impact

$1.3B total economic impact

10,151 jobs supported

$53.7M in tax revenue

Investments across 10 WVU Medicine facilities — one of West Virginia's largest healthcare infrastructure initiatives.

WVU Cancer Institute

CONCLUSION

A Transformational Opportunity for West Virginia

Economic Engine

$1.2B

annual impact by FY35

Workforce Leader

11,184

jobs statewide

Health Equity

Reduced outmigration · improved survival

Research Innovation

$16.1M

research by FY35

Building a **stronger, healthier,** and **more prosperous** West Virginia.

TODAY • TOMORROW • TOGETHER

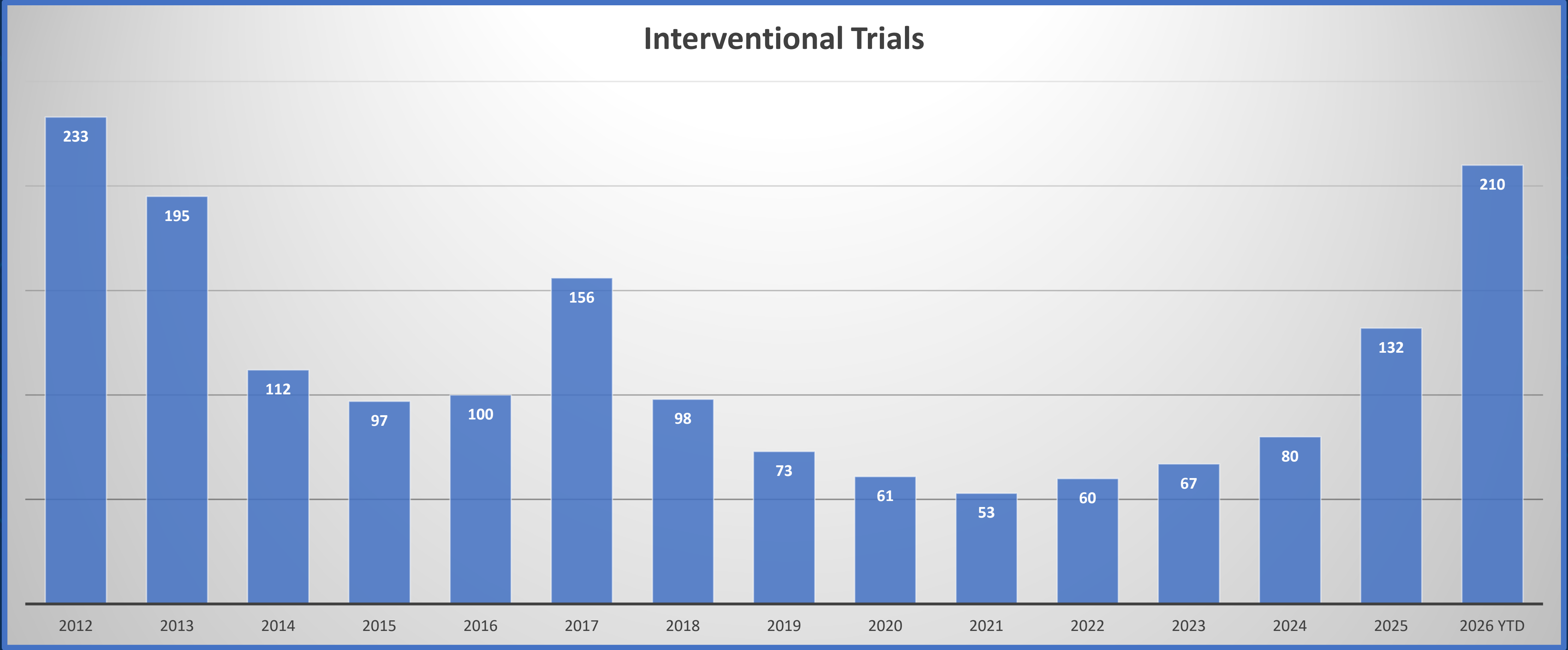
WVU Cancer Institute

Milestones To Date

- **Administration**
  - Hired experienced Associate Director for Administration
  - Organizing data collection/reporting, SOPs, & MOUs
  - Established WVUCI Internal Advisory Board (Sally Hodder, MD, Chair)
  - Establishing WVUCI Clinical Executive Committee
- **Clinical Research**
  - Established Clinical Research Oversight Committee & Protocol Monitoring Review Committee
  - Interventional Trial enrollment up 200^{+}% 2023 to 2025
  - NCORP grant submission scheduled for 9/2026
- **Research**
  - Established 3 Research Programs
  - Qualifying NCI funding around $4M
- **Education & Training**
  - 1st Annual IDeA State Cancer Trainee Conference (2025)
  - Investment in future cancer scientists
  - Emerging Scholars Program with NCI Designated Cancer Centers

WVUCancerInstitute

Clinical Research – Interventional Trial Enrollment



WVUCancerInstitute™

WVUCI Research Programs

- WVUCI is a Matrix Organization with members from across WVU
- Each member is assigned to a research program

Cancer Control and Population Science (CCPS) Program

The CCPS Program advances the science of cancer prevention and control, with an emphasis on rural cancer control and the rural populations in West Virginia

WVU Cancer Institute

Cancer Biology (CB) Program

The CB Program advances fundamental understanding of the molecular, cellular, and microenvironmental processes that drive cancer initiation, progression, and therapeutic response

Experimental Therapeutics (ET) Program

The ET Program is dedicated to accelerating the development and clinical translation of innovative cancer therapies that address the unique cancer burden and disparities experienced by the populations in West Virginia

WVUCancerInstitute

What Does the Cancer Center Support Grant Support?

Research

Advancing discovery to uncover new cancer solutions.

Clinical Research

Bringing promising therapies to patients through clinical studies.

Shared Resources

Providing core facilities and expertise that drive innovation.

People & Training

Developing the next generation of cancer research leaders.

Community Engagement

Partnering with communities to improve health and reduce cancer burden.

Strategic Infrastructure

Investing in the foundation that supports excellence today and growth tomorrow.

The grant helps build the research environment that allows a cancer center to discover, test, and translate new ideas into better cancer prevention, diagnosis, and treatment

WVU Cancer Institute

How is the WVUCI Utilizing State Funds?

- Research Faculty Retention & Recruitment
- Research Pilot Funding Program

WVUCancerInstitute

How is the WVUCI Utilizing State Funds?

- Clinical Research Management and Coordination
- Support for Novel Investigator-Initiated Clinical Trials
- Clinical Trials Data Management Platform

WVU Cancer Institute

How is the WVUCI Utilizing State Funds?

- Shared Resource Research Management and Coordination
- Shared Scientific Equipment (e.g. PET/MRI)

WVUCancerInstitute

How is the WVUCI Utilizing State Funds?

- Education and Training Program Management and Coordination
- Faculty Development
- Cancer Research Pathways Program

WVUCancerInstitute

How is the WVUCI Utilizing State Funds?

- Community Outreach & Engagement Program Management & Coordination
- Community Advisory Board Coordination

How is the WVUCI Utilizing State Funds?

- Research Administration Management & Coordination
- Data Management Platforms
- External Program Evaluation

WVU Cancer Institute

Milestones on the Horizon

- **Research collaboration with NCI Designated Cancer Centers**
- **NCI Community Oncology Research Program (NCORP) grant application (submission 9/17/2026)**
- **Ad Hoc Scientific Review - 10/12/2026**
  - Roy Jensen, MD (Chair), Director, The University of Kansas Cancer Center
  - B. Mark Evers, MD, FACS, Director, University of Kentucky Markey Cancer Center
  - Electra Paskett, PhD, Deputy Director, OSU Comprehensive Cancer Center
  - Paula Vertino, PhD, Senior Associate Dean, Basic Research, University of Rochester Wilmot Cancer Institute
- **Faculty Recruitment**
  - Associate Director for Basic Research
  - Research Program Leaders

WVU Cancer Institute

Where you live should never determine your cancer outcome

WVU Cancer Institute™

W E S T V I R G I N I A

DEPARTMENT OF REVENUE

West Virginia FY 2027 Revenue Update

DEPUTY REVENUE SECRETARY – Pete Shirley

Joint Standing Committee on Finance
September 15, 2026

August 2026 General Revenue Fund Collections

Dollars in millions

General Revenue Category	August 2026 Actual	August 2026 Official Estimate	August 2026 Relative to Estimate	August 2025 Actual	*Aug. 2025 to Aug. 2026 Growth ($)*	*Aug. 2025 to Aug. 2026 Growth (%)*
Personal Income Tax	$169.6	$154.3	$15.3	$143.1	$26.5	18.5%
Sales & Use Tax	187.5	183.5	4.0	179.8	7.7	4.3%
Severance Tax	45.3	35.0	10.3	29.0	16.3	56.1%
Corporate Net Income Tax	0.1	0.5	-0.4	-0.4	0.5	126.0%
Business & Occupation Tax	9.4	9.2	0.2	7.9	1.5	19.6%
Tobacco Products Tax	11.3	10.5	0.8	9.9	1.4	14.0%
Insurance Tax	2.3	0.5	1.8	1.8	0.6	32.5%
Interest Income	10.6	8.5	2.1	12.1	-1.4	-11.9%
All Other	13.4	12.7	0.7	13.8	-0.4	-2.9%
Total General Revenue	**$449.5**	**$414.7**	**$34.8**	**$396.9**	**$52.5**	**13.2%**
			8.4%			

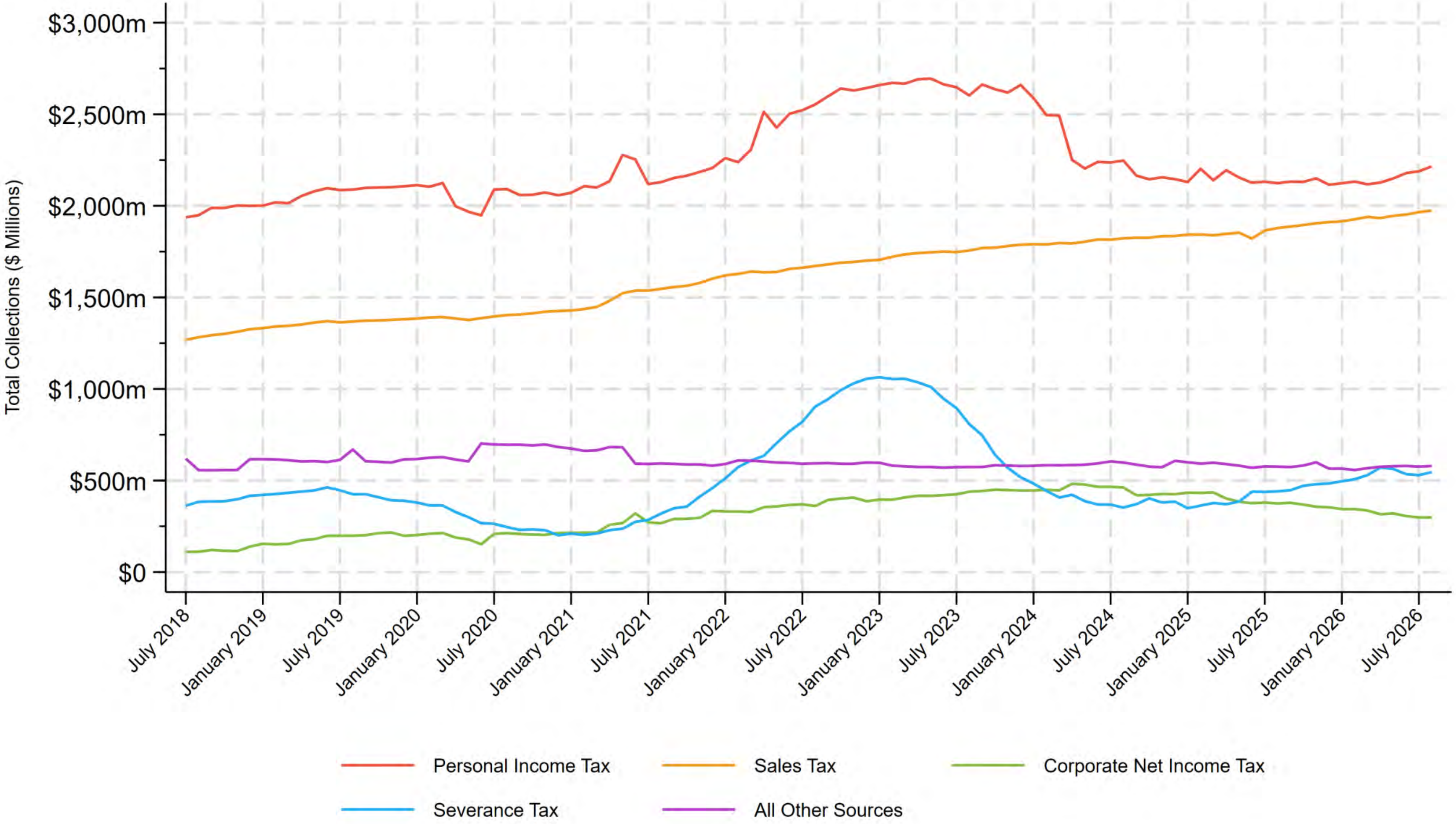
Fiscal Year-to-Date General Revenue Fund Collections

Through August 2026; dollars in millions

General Revenue Category	FYTD 2027 Actual	FYTD 2027 Official Estimate	FYTD 2027 Relative to Estimate	FYTD 2026 Actual	*FYTD 2026 to FYTD 2027 Growth ($)*	*FYTD 2026 to FYTD 2027 Growth (%)*
Personal Income Tax	$328.1	$301.8	$26.3	$291.5	$36.5	12.5%
Sales & Use Tax	338.0	323.0	15.0	316.6	21.4	6.8%
Severance Tax	41.3	43.5	-2.2	30.5	10.9	35.7%
Corporate Net Income Tax	14.5	16.7	-2.2	21.9	-7.4	-33.6%
Business & Occupation Tax	19.7	18.5	1.2	21.8	-2.2	-9.9%
Tobacco Products Tax	23.8	22.5	1.3	24.0	-0.1	-0.6%
Insurance Tax	32.2	31.0	1.2	31.7	0.4	1.4%
Interest Income	20.7	17.0	3.7	25.6	-5.0	-19.4%
All Other	20.0	18.3	1.8	21.5	-1.5	-6.8%
Total General Revenue	**$838.3**	**$792.3**	**$46.1**	**$785.1**	**$53.2**	**6.8%**
			5.8%			

General Revenue Fund Collections by Major Source

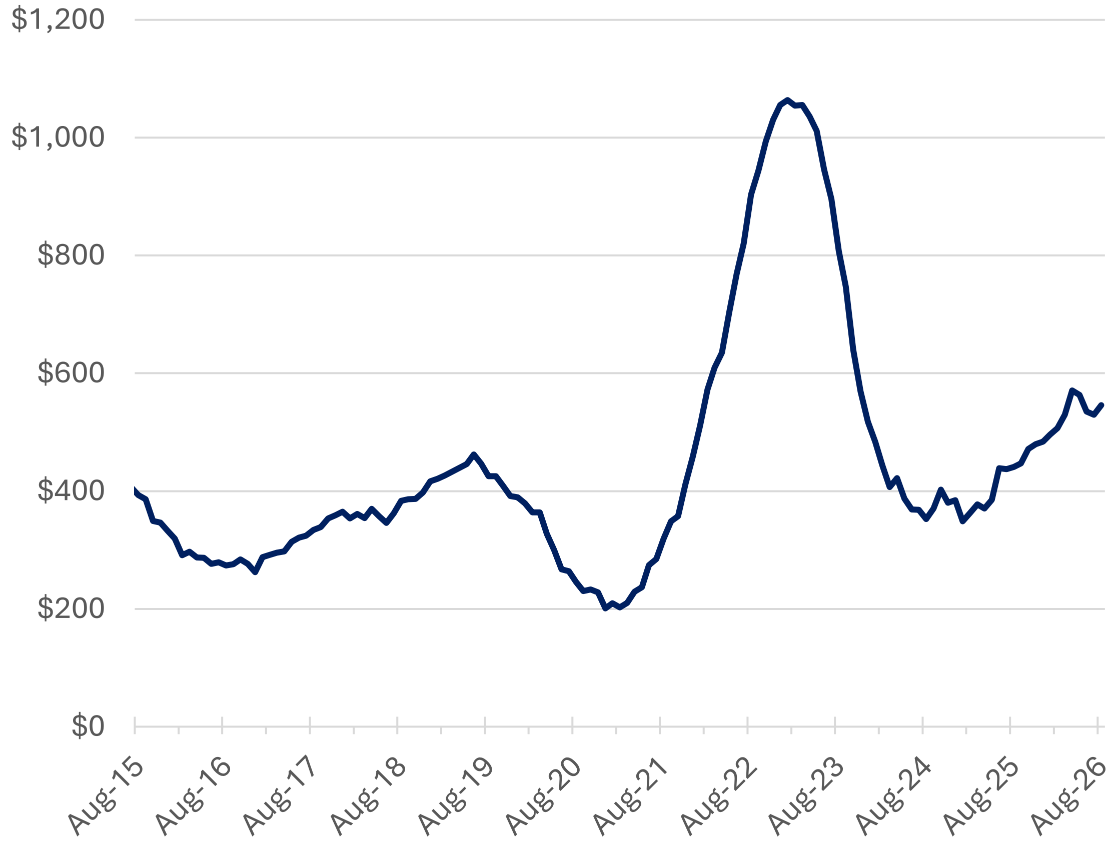
Through August 2026; annualized 12-month trend; dollars in millions



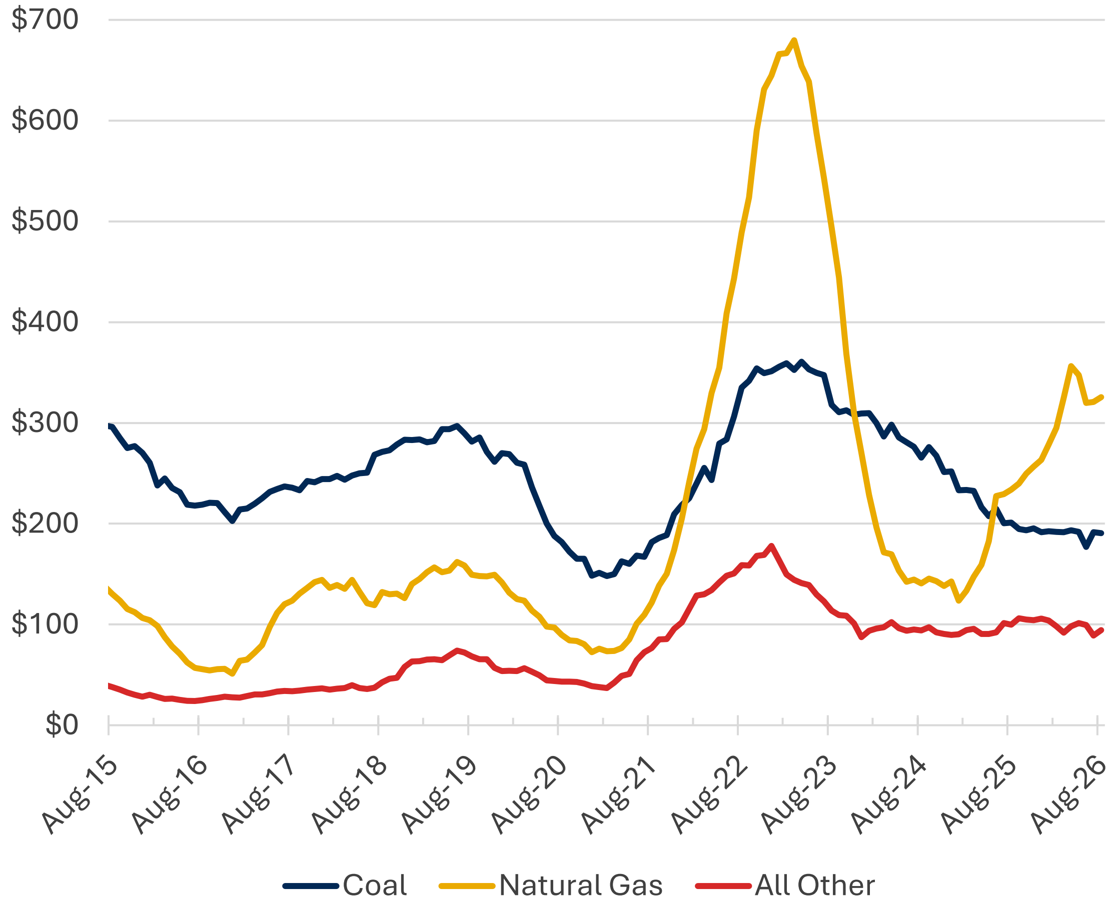
Severance Tax Collections

Annualized 12-month trends; millions of dollars

Regular State Severance Tax



Total Severance Tax Revenue



August 2026 State Road Fund Collections

Dollars in millions

State Road Fund Category	August 2026 Actual	August 2026 Official Estimate	August 2026 Relative to Estimate	August 2025 Actual	*Aug. 2025 to Aug. 2026 Growth ($)*	*Aug. 2025 to Aug. 2026 Growth (%)*
Registration Fees	$12.1	$12.0	$0.1	$10.9	$1.3	11.6%
Sales (Privilege) Tax	32.6	33.0	-0.4	31.1	1.4	4.6%
Motor Fuel Tax	34.9	34.2	0.7	29.9	5.0	16.7%
Litter Control	0.2	0.2	0.0	0.2	0.0	-1.2%
Miscellaneous*	131.0	125.0	6.0	91.3	39.6	43.4%
Federal Reimbursement	102.8	82.0	20.8	113.0	-10.2	-9.0%
Total State Road Fund	**$313.5**	**$286.4**	**$27.2**	**$276.4**	**$37.1**	**13.4%**
			9.5%			

*August 2025 includes a $100 million transfer from the GRF to the SRF. August 2026 includes a $125 million transfer from the GRF to the SRF.

Fiscal Year-to-Date State Road Fund Collections

Through August 2026; dollars in millions

State Road Fund Category	FYTD 2027 Actual	FYTD 2027 Official Estimate	FYTD 2027 Relative to Estimate	FYTD 2026 Actual	*FYTD 2026 to FYTD 2027 Growth ($)*	*FYTD 2026 to FYTD 2027 Growth (%)*
Registration Fees	$28.8	$26.0	$2.8	$25.1	$3.7	14.7%
Sales (Privilege) Tax	66.0	56.5	9.5	59.8	6.2	10.3%
Motor Fuel Tax	74.9	72.5	2.4	68.2	6.7	9.8%
Litter Control	0.4	0.3	0.1	0.4	0.0	-8.0%
Miscellaneous*	133.4	130.0	3.4	166.3	-32.8	-19.7%
Federal Reimbursement	184.7	155.0	29.7	116.4	68.3	58.7%
Total State Road Fund	**$488.2**	**$440.3**	**$47.8**	**$436.2**	**$52.0**	**11.9%**
			10.9%			

*August 2025 includes a $100 million transfer from the GRF to the SRF. August 2026 includes a $125 million transfer from the GRF to the SRF.

W E S T V I R G I N I A
DEPARTMENT OF REVENUE

Questions?

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